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Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



0830211178

Doc#: 0830211178 **Fee:** \$96.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 10/28/2008 02:26 PM Pg: 1 of 31

8 of 8
59809
PHK LND No A65
8229188
117

Property of Cook County Clerk's Office

The property identified as: **PIN:** 20-21-105-036-0000

Address:

Street: 425 Marquette

Street line 2:

City: Chicago

State: IL

ZIP Code: 60621

Lender: THE CHICAGO COMMUNITY LOAN FUND

Borrower: ENGLEWOOD HOUSING GROUP II, L.P.

Loan / Mortgage Amount: \$375,000.00

This property is located within Cook County and is exempt from the requirements of 765 ILCS (7/7) et seq. because it consists of more than 4 units.

Certificate number: 1B7545A8-50DC-4746-9DE0-F938B74D8095

Execution date: 10/24/2008

Box 334

3195

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This instrument prepared by and
When recorded, return to:

Albert, Whitehead, P.C.
10 North Dearborn Street
Suite 600
Chicago, Illinois 60602
Attn: Patricia Holland

MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF RENTS AND LEASES, AND FIXTURE FILING

This Mortgage, Security Agreement, Assignment of Rents and Leases, and Fixture Filing (hereinafter called "Mortgage") is made as of October 24, 2008, by ENGLEWOOD HOUSING GROUP II, L.P., an Illinois limited partnership, whose address is 1327 West Washington Street, Suite 105, Chicago, Illinois 60602, hereinafter called "Mortgagor," to and for the benefit of THE CHICAGO COMMUNITY LOAN FUND, an Illinois not-for-profit corporation, hereinafter called "Mortgagee", with its main office in Chicago, Illinois, whose address is 29 East Madison Street, Suite 1700, Chicago, Illinois 60602, Attention: Calvin L. Holmes.

RECITALS:

A. Pursuant to the terms and conditions contained in that certain Construction Loan Agreement dated as of even date herewith, executed by and between the Mortgagor and the Mortgagee (the "Loan Agreement"), the Mortgagee has agreed to loan to the Mortgagor the principal amount of Three Hundred Seventy Five and 00/100 Dollars (\$375,000) (the "Loan"). The Loan shall be evidenced by that certain Promissory Note of even date herewith (as amended, restated or replaced from time to time, the "Note"), executed by the Mortgagor and made payable to the order of the Mortgagee in the original principal amount of the Loan with interest from the date hereof, at the rates set forth in the Note, principal and interest to be payable in accordance with the terms of the Note and the maturity date ("Maturity Date") as set forth in the Note.

B. A condition precedent to the Mortgagee's extension of the Loan to the Mortgagor is the execution and delivery by the Mortgagor of this Mortgage.

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NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Mortgagor agrees as follows:

WITNESSETH:

SECTION 1. GRANTING CLAUSE; WARRANTY OF TITLE

1.1 Mortgagor hereby mortgages, grants, assigns, remises, releases, conveys and warrants to Mortgagee, all of Mortgagor's present and future estate, right, title and interest in and to that real property and all buildings and other improvements now thereon or hereafter constructed thereon (the "Premises"), in the County of Cook, State of Illinois, described on Exhibit "A" attached hereto and by this reference made a part hereof, together with all of the following which, with the Premises (except where the context otherwise requires), are hereinafter collectively called the "Mortgaged Property".

- (a) All appurtenances in and to the Premises;
- (b) All water and water rights, ditches and ditch rights, reservoir and reservoir rights, stock or interests in irrigation or ditch companies, minerals, oil and gas rights, royalties, air rights, development rights, lease or leasehold interests owned by Mortgagor, now or hereafter used or useful in connection with, appurtenant to or related to the Premises;
- (c) All right, title and interest of Mortgagor now owned or hereafter acquired in and to all streets, roads, alleys and public places (whether open or proposed, vacated or otherwise), and all easements and rights of way, public or private, now or hereafter adjacent to, adjoining or used in connection with the Premises;
- (d) All machinery, equipment, fixtures and materials now or at any time attached to the Premises together with all processing, manufacturing and service equipment and other personal property now or at any time hereafter located on or appurtenant to the Premises and used in connection with the management and operation thereof;
- (e) Any licenses, contracts, permits and agreements required or used in connection with the ownership, operation or maintenance of the Premises, and the right to the use of any tradename, trademark, or service mark now or hereafter associated with the operation of any business conducted on the Premises;
- (f) Any and all insurance proceeds, and any and all awards, including interest, previously and hereafter made to Mortgagor for taking by eminent domain of the whole or any part of the Premises or any easements therein; and
- (g) Subject to the rights of Mortgagee under Section 3 hereof, all existing and future leases, subleases, licenses and other agreements for the use and occupancy of all or any portion of the Premises and all income, receipts, revenues, rents, issues and profits arising from the use or enjoyment of all or any portion of the Premises.

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1.2 Mortgagor warrants that it is lawfully seized of title in fee simple to the Premises and that, except for those matters approved by Mortgagee and specifically described on Exhibit B attached hereto and incorporated herein (hereinafter called the "Permitted Exceptions"), the title to all the Mortgaged Property is unencumbered; Mortgagor shall forever warrant and defend the same unto Mortgagee, its successors and assigns, against all claims whatsoever.

MORTGAGOR FURTHER REPRESENTS, WARRANTS, COVENANTS AND AGREES AS FOLLOWS:

SECTION 2. OBLIGATION SECURED

This Mortgage is given for the purpose of securing, in such order of priority as Mortgagee may elect:

2.1 Payment of the Loan with interest thereon, extension and other fees, late charges, prepayment premiums and attorneys' fees, according to the terms thereof, and all extensions, modifications, renewals, restatements, refinancings or replacements thereof.

2.2 Payment, performance and observance by Mortgagor of each covenant, condition, provision and agreement contained herein and of all monies expended or advanced by Mortgagee pursuant to the terms hereof, or to preserve any right of Mortgagee hereunder, or to protect or preserve the Mortgaged Property or any part thereof.

2.3 Payment, performance and observance by Mortgagor of each covenant, condition, provision and agreement contained in the Loan Agreement, that Environmental Indemnity Agreement of even date herewith by and between Mortgagor and Mortgagee (hereinafter called the "Environmental Indemnity Agreement") together with any other document or instrument related to the indebtedness hereby secured and of all monies expended or advanced by Mortgagee pursuant to the terms thereof or to preserve any right of Mortgagee thereunder.

2.4 Payment of any and all additional loans and advances made by Mortgagee to Mortgagor and/or to the then record owner or owners of the Mortgaged Property, and any other indebtedness or obligation of Mortgagor and/or the then record owner or owners of the Mortgaged Property to Mortgagee of any kind, direct or indirect (excluding, however, any such loan to, or indebtedness or obligation of, an individual for personal, family or household purposes) with interest thereon, late charges, extension and other fees, prepayment premiums and attorneys' fees, according to the terms of the promissory note(s), credit agreement(s) and/or guarantees evidencing such loans, advances, indebtedness and obligations (including, without limitation, the Note and the Loan Agreement), and all extensions, modifications, renewals or replacements thereof.

All of the indebtedness and obligations secured by this Mortgage are hereinafter collectively called the "Obligation."

The Note evidences a debt or debts created by one or more disbursements made by Mortgagee to Mortgagor. All disbursements shall be made in accordance with the terms and provisions of the Loan Agreement, as the same from time to time may be amended, supplemented or modified and

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the terms and conditions of which are hereby incorporated herein by reference. A true copy of the Loan Agreement may be reviewed at the offices of Mortgagee during its regular business hours or may be obtained from Mortgagee, in either case, upon reasonable advance request.

SECTION 3. LEASES; ASSIGNMENT OF RENTS AND LEASES

3.1 Mortgagor hereby absolutely transfers and assigns to Mortgagee all right, title and interest of Mortgagor in and to (i) all existing and future leases, subleases, licenses and other agreements for the use and occupancy of all or any part of the Mortgaged Property, whether written or oral and whether for a definite term or month to month, together with all guarantees of the lessee's obligations thereunder and together with all extensions, modifications and renewals thereof (hereinafter called the "Leases"), and (ii) all income, receipts, revenues, rents, issues and profits now or hereafter arising from or out of the Leases or from or out of the Mortgaged Property or any part thereof, including without limitation room rents, minimum rents, additional rents, percentage rents, occupancy and user fees and charges, license fees, parking and maintenance charges and fees, tax and insurance contributions, proceeds of the sale of utilities and services, cancellation premiums, claims for damages arising from any breach of the Leases, proceeds from any sale or other disposition of all or any portion of the Mortgaged Property, and all other benefits arising from the use or enjoyment of, or the lease, sale or other disposition of, all or any portion of the Mortgaged Property, together with the immediate and continuing right to receive all of the foregoing (hereinafter called the "Rents"). In furtherance of such transfer and assignment, and not in lieu hereof, Mortgagee may require a separate assignment of rents and leases and/or separate specific assignments of rents and leases covering one or more of the Leases; the terms of all such assignments are incorporated herein by reference.

3.2 Mortgagor hereby authorizes and directs the lessees and tenants under the Leases that, upon written notice from Mortgagee, all Rents shall be paid directly to Mortgagee as they become due. Mortgagor hereby relieves the lessees and tenants from any liability to Mortgagor by reason of the payment of the Rents to Mortgagee. Nevertheless, Mortgagor shall be entitled to collect the Rents, but for no more than thirty (30) days in advance until Mortgagee notifies the lessees and tenants in writing to pay the Rents to Mortgagee. Mortgagee is hereby authorized to give such notification upon the occurrence of an Event of Default and at any time thereafter while such Event of Default is continuing. Receipt and application of the Rents by Mortgagee shall not constitute a waiver of any right of Mortgagee under this Mortgage or applicable law, shall not cure any Event of Default, and shall not invalidate or affect any act done in connection with such Event of Default, including, without limitation, any foreclosure proceeding.

3.3 All Rents collected by Mortgagor shall be applied to the payment of or on account of the following in such order as Mortgagee in its sole discretion may determine:

To the payment of all taxes and lien assessments levied against the Mortgaged Property, where provision for paying such is not otherwise made;

To the payment of ground rents (if any) payable with respect to the Mortgaged Property;

To the payment of any amounts due and owing under the Obligation;

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To the payment of current operating costs and expenses (including repairs, maintenance and necessary acquisitions of property and expenditures for capital improvements) arising in connection with the Mortgaged Property;

To Mortgagor or its designee.

3.4 Mortgagor represents and warrants that there are no existing or proposed Leases for the use or occupancy of all or any part of the Mortgaged Property.

3.5 Mortgagor shall (i) fulfill or perform each and every term, covenant and provision of the Leases to be fulfilled or performed by the lessor thereunder; (ii) give prompt notice to Mortgagee of any notice received by Mortgagor of default thereunder or of any alleged default or failure of performance that could become a default thereunder, together with a complete copy of any such notice; and (iii) enforce, short of termination thereof, the performance or observance of each and every term, covenant and provision of each Lease to be performed or observed by the lessees and tenants thereunder.

3.6 Mortgagor shall not (i) without the prior written consent of Mortgagee, (a) assign, transfer, pledge or encumber, the whole or any part of the Leases and Rents to anyone other than Mortgagee, (b) accept any Rents more than one month in advance of the accrual thereof, nor (c) enter in to any new tenant leases; nor (ii) without the prior written consent of Mortgagee, which consent shall not be unreasonably withheld or delayed, (a) cancel, modify or alter, or accept the surrender of, any Lease nor (b) do or permit anything to be done, the doing of which, or omit or refrain from doing anything, the omission of which, could be a breach or default under the terms of any Lease or a basis for termination thereof.

3.7 Mortgagee does not assume and shall not be liable for any obligation of the lessor under any of the Leases and all such obligations shall continue to rest upon Mortgagor as though this assignment had not been made. Mortgagee shall not be liable for the failure or inability to collect any Rents.

3.8 Neither the assignment of Rents and Leases contained herein or in any separate assignment nor the exercise by Mortgagee of any of its rights or remedies thereunder or in connection therewith, prior to Mortgagee obtaining actual possession of the Mortgaged Property as provided in Paragraph 8.2 hereof, shall constitute Mortgagee a "mortgagee in possession" or otherwise make Mortgagee responsible or liable in any manner with respect to the Mortgaged Property or the occupancy, operation or use thereof. In the event Mortgagee obtains actual possession of the Mortgaged Property as provided in Paragraph 8.2 hereof, Mortgagee shall have the rights, and Mortgagee's liability shall be limited, as provided in that Paragraph.

SECTION 4. SECURITY AGREEMENT

4.1 This Mortgage shall cover, and the Mortgaged Property shall include, all property now or hereafter affixed or attached to or incorporated upon the Premises, which, to the fullest extent permitted by law, shall be deemed fixtures and a part of the Premises. To the extent any of the Mortgaged Property consists of rights in action or personal property covered by the Uniform Commercial Code as enacted in Illinois, as in effect from time to time (hereinafter, "Uniform

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Commercial Code”), this Mortgage shall also constitute a security agreement, and Mortgagor hereby grants to Mortgagee, as secured party, a security interest in such property, including all products and proceeds thereof, for the purpose of securing the Obligation. In addition, for the purpose of securing the Obligation, Mortgagor hereby grants to Mortgagee, as secured party, a security interest in all of the property described below in, to, or under which Mortgagor now has or hereafter acquires any right, title or interest, whether present, future, or contingent: all equipment, inventory, accounts, general intangibles, instruments, documents, and chattel paper, as those terms are defined in the Uniform Commercial Code, and all other personal property of any kind (including without limitation money and rights to the payment of money), whether now existing or hereafter created, that are now or at any time hereafter (i) in the possession or control of Mortgagor in any capacity; (ii) erected upon, attached to, or appurtenant to, the Premises; (iii) located or used on the Premises or identified for use on the Premises (whether stored on the Premises or elsewhere); or (iv) used in connection with, arising from, related to, or associated with the Premises or any of the personal property described herein, the construction of any improvements on the Premises, the ownership, development, maintenance, leasing, management, or operation of the Premises, the use or enjoyment of the Premises, or the operation of any business conducted on the Premises; including without limitation all such property more particularly described as follows:

(a) Buildings, structures and improvements, and building materials, fixtures and equipment to be incorporated into any buildings, structures or improvements;

(b) Goods, materials, supplies, fixtures, equipment, machinery, furniture and furnishings, including without limitation, all such items used for (i) generation, storage or transmission of air, water, heat, steam, electricity, light, fuel, refrigeration or sound; (ii) ventilation, air-conditioning, heating, refrigeration, fire prevention and protection, sanitation, drainage, cleaning, transportation, communications, maintenance or recreation; (iii) removal of dust, refuse, garbage or snow; (iv) transmission, storage, processing or retrieval of information; and (v) floor, wall, ceiling and window coverings and decorations;

(c) Income, receipts, revenues, rents, issues and profits, including without limitation, room rents, minimum rents, additional rents, percentage rents, occupancy and user fees and charges, license fees, parking and maintenance charges and fees, tax and insurance contributions, proceeds of the sale of utilities and services, cancellation premiums, and claims for damages arising from the breach of any leases;

(d) Water and water rights, ditches and ditch rights, reservoirs and reservoir rights, stock or interest in irrigation or ditch companies, minerals, oil and gas rights, royalties, and lease or leasehold interests;

(e) Plans and specifications prepared for the construction of any improvements, including without limitation, all studies, estimates, data, and drawings;

(f) Documents, instruments and agreements relating to, or in any way connected with, the operation, control or development of the Premises, including without limitation, any declaration of covenants, conditions and restrictions and any articles of incorporation, bylaws and other membership documents of any property owners association or similar group;

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(g) Claims and causes of action, legal and equitable, in any form whether arising in contract or in tort, and awards, payments and proceeds due or to become due, including without limitation those arising on account of any loss of, damage to, taking of, or diminution in value of, all or any part of the Premises or any personal property described herein;

(h) Sales agreements, escrow agreements, deposit receipts, and other documents and agreements for the sale or other disposition of all or any part of the Premises or any of the personal property described herein, and deposits, proceeds and benefits arising from the sale or other disposition of all or any part of the Premises or any of the personal property described herein;

(i) Policies or certificates of insurance, contracts, agreements or rights of indemnification guaranty or surety, and awards, loss payments, proceeds, and premium refunds that may be payable with respect to such policies, certificates, contracts, agreements or rights;

(j) Contracts, agreements, permits, licenses, authorizations and certificates, including without limitation all architectural contracts, construction contracts, management contracts, service contracts, maintenance contracts, franchise agreements, license agreements, building permits and operating licenses;

(k) Trade names, trademarks, and service marks (subject to any franchise or license agreements relating thereto);

(l) Refunds and deposits due or to become due from any utility companies or governmental agencies;

(m) Replacements and substitutions for, modifications of, and supplements, accessions, addenda and additions to, all of the personal property described herein;

(n) Books, records, correspondence, files and electronic media, and all information stored therein;

together with all products and proceeds of all of the foregoing, in any form, including all proceeds received, due or to become due from any sale, exchange or other disposition thereof, whether such proceeds are cash or non-cash in nature, and whether represented by checks, drafts, notes or other instruments for the payment of money. The personal property described or referred to in this Paragraph 4.1 is hereinafter called the "Personal Property." The security interests granted in this Paragraph 4.1 are hereinafter severally and collectively called the "Security Interest."

4.2 The Security Interest shall be self-operative with respect to the Personal Property, but Mortgagor shall execute and deliver on demand by Mortgagee from time to time such additional security agreements, financing statements and other authorizations and instruments as may be requested in order to impose the Security Interest more specifically upon the Personal Property. In addition, Mortgagor authorizes Mortgagee at the expense of Mortgagor to execute on its behalf and file such financing statements in those public offices as deemed necessary by Mortgagee to perfect its security interest. Such financing statements may be signed by Mortgagee alone or, to the extent permitted by applicable law, will not be signed by any party.

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The Security Interest, at all times, shall be prior to any other interests in the Personal Property except any lien or security interest granted in connection with any Permitted Exception. Mortgagor shall act and perform as necessary and shall execute and file all security agreements, financing statements, continuation statements and other authorizations and documents requested by Mortgagee from time to time to establish, maintain and continue the perfected Security Interest. Mortgagor, on demand by Mortgagee from time to time, shall promptly pay all reasonable costs and expenses of filing and recording, including, without limitation, the costs of any searches, deemed reasonably necessary by Mortgagee from time to time to establish and determine the validity and the continuing priority of the Security Interest.

4.3 Mortgagor shall not further pledge or encumber any Personal Property or any interest therein without obtaining the prior written consent of Mortgagee. Except Personal Property that Mortgagor is obliged to replace pursuant to the terms hereof, Mortgagor shall not sell, transfer, assign, otherwise dispose of, lease or license any of the Personal Property without obtaining the prior written consent of Mortgagee (which consent shall not be unreasonably withheld or delayed), except in the ordinary course of Mortgagor's business; provided failure by Mortgagee to withhold its written consent within fifteen (15) days after such written request of Mortgagor has been delivered to Mortgagee in accordance with the notice provisions of the Loan Agreement, shall be deemed consent by Mortgagee. Unless Mortgagee then agrees otherwise in writing, all proceeds from any permitted sale or disposition in excess of that required for replacements shall be paid to Mortgagee to be applied to the Obligation, whether or not then due. Mortgagor shall keep the Personal Property free of all security interests or other encumbrances, except the Security Interest and any security interests and encumbrances granted in connection with any Permitted Exception or as otherwise expressly allowed herein. Although proceeds of Personal Property are covered hereby, this shall not be construed to mean that Mortgagee consents to any sale of the Personal Property.

4.4 Mortgagor shall keep and maintain the Personal Property in good condition and repair, and shall promptly replace any part thereof that from time to time may become obsolete, badly worn or in a state of disrepair. All such replacements shall be free of any other security interest or encumbrance, except any security interest or encumbrance granted in connection with any Permitted Exception or as otherwise expressly allowed herein.

4.5 Except for purposes of replacement and repair or as otherwise expressly allowed herein, Mortgagor, without the prior written consent of Mortgagee, shall not remove, or permit the removal of, any Personal Property from the Premises.

4.6 Mortgagor hereby warrants, covenants and agrees that: (i) the Personal Property is or will be used primarily for business (other than farm) purposes; (ii) the Personal Property will be kept at the Premises; and (iii) Mortgagor's records concerning the Personal Property will be kept at Mortgagor's address as set forth in the beginning of this Mortgage.

4.7 Mortgagor represents and warrants that (i) the name specified above for Mortgagor is the true and correct legal name of Mortgagor as it appears in Mortgagor's organizational documents, as amended, if any, (ii) the address specified above is the address of Mortgagor's chief executive office (or principal residence, if Mortgagor is an individual), and (iii) its state of incorporation or organization is as specified above. Mortgagor shall not, without thirty (30) days' prior written

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notice to Mortgagee, (i) change the legal name of the Mortgagor, (ii) change the location of Mortgagor's chief executive office (or principal residence if Mortgagor is an individual); (iii) change Mortgagor's state of incorporation or organization, if Mortgagor is a registered organization; (iv) change the location of the Personal Property or any part thereof; or (v) change the location of Mortgagor's records concerning the Personal Property.

4.8 All covenants and warranties of Mortgagor contained in this Mortgage shall apply to the Personal Property whether or not expressly referred to in this Section 4. The covenants and warranties of Mortgagor contained in this Section 4 are in addition to, and not in limitation of, those contained in the other provisions of this Mortgage.

4.9 Upon its recording in the real property records, this Mortgage shall be effective as a financing statement filed as a fixture filing. In addition, a carbon, photographic or other reproduced copy of this Mortgage and/or any financing statement relating hereto shall be sufficient for filing and/or recording as a financing statement. The filing of any other financing statement relating to any personal property, rights or interests described herein shall not be construed to diminish any right or priority hereunder.

SECTION 5. PROTECTION AND PRESERVATION OF THE MORTGAGED PROPERTY

5.1 Mortgagor shall neither commit nor permit to occur any waste upon the Mortgaged Property but shall at all times make or cause to be made all repairs, maintenance, renewals and replacements as may be necessary to maintain the Mortgaged Property in good condition and repair. Mortgagor shall keep the Mortgaged Property free of termites, dry rot, fungus, beetles and all other harmful or destructive insects and shall keep all plants, trees and shrubs included in the Mortgaged Property neatly pruned and in good condition. Mortgagor shall keep the Mortgaged Property free of rubbish and other unsightly or unhealthful conditions. Mortgagor shall neither use nor permit the use of the Mortgaged Property in violation of any applicable statute, ordinance or regulation, including, without limitation, the Americans With Disabilities Act of 1990 and corresponding rules and regulations (the "ADA"), or any policy of insurance insuring the Mortgaged Property.

5.2 Mortgagor shall diligently complete any improvements that may be commenced, in good and workmanlike manner and in conformity with the ADA and with plans and specifications approved by Mortgagee. Mortgagor shall repair and restore, in conformity with the ADA, any portions of the Mortgaged Property that may be damaged or destroyed. Mortgagor shall pay when due all claims for work performed and materials furnished on or in connection with the Mortgaged Property or any part thereof and shall pay, discharge, or cause to be removed, all mechanic's, artisan's, laborer's or materialman's charges, liens, claims of liens or encumbrances upon the Mortgaged Property. Mortgagor shall comply with all laws, ordinances and regulations now or hereafter enacted, including, without limitation, the ADA, affecting the Mortgaged Property or requiring any alterations or improvements to be made. Except as required by law, Mortgagor shall not remove, substantially alter, or demolish any building or improvement included in the Mortgaged Property without Mortgagee's prior written consent.

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(a) In the event of loss, the Mortgagor shall give prompt notice thereof to Mortgagee, who, if such loss exceeds the lesser of ten percent (10.00%) of the Indebtedness or Twenty Five Thousand and 00/100 Dollars (\$25,000.00) (the "Threshold"), shall have the sole and absolute right to make proof of loss. If such loss exceeds the Threshold or if such loss is equal to or less than the Threshold and the conditions set forth in clauses (i), (ii) and (iii) of the immediately succeeding subsection are not satisfied, then the Mortgagee, solely and directly shall receive such payment for loss from each insurance company concerned. If and only if (i) such loss is equal to or less than the Threshold, (ii) no Event of Default or event that with the passage of time, the giving of notice or both would constitute an Event of Default then exists, (iii) the Mortgagee determines that the work required to complete the repair or restoration of the Premises necessitated by such loss can be completed no later than six (6) months prior to the Maturity Date, and (iv) the total of the insurance proceeds and such additional amounts placed on deposit with the Mortgagee by the Mortgagor for the specific purpose of rebuilding or restoring the Improvements equals or exceeds, in the sole and absolute discretion of the Mortgagee, the reasonable costs of such rebuilding or restoration, then the Mortgagee shall endorse to the Mortgagor any such payment and the Mortgagor may collect such payment directly. The Mortgagee shall have the right, at its option and in its sole discretion, to apply any insurance proceeds received by the Mortgagee pursuant to the terms of this section, after the payment of all of the Mortgagee's expenses, either (i) on account of the Indebtedness, irrespective of whether such principal balance is then due and payable, whereupon the Mortgagee may declare the whole of the balance of Indebtedness [plus any Prepayment Premium (as defined in the Note) to be due and payable, or (ii) to the restoration or repair of the property damaged as provided in subsection (d) below; provided, however, that the Mortgagee hereby agrees to permit the application of such proceeds to the restoration or repair of the damaged property, subject to the provisions of subsection (d) below, if (i) the Mortgagee has received satisfactory evidence that such restoration or repair shall be completed no later than the date that is six (6) months prior to the Maturity Date, and (ii) no Event of Default, or event that with the passage of time, the giving of notice or both would constitute an Event of Default, then exists. If insurance proceeds are made available to the Mortgagor by the Mortgagee as hereinafter provided, the Mortgagor shall repair, restore or rebuild the damaged or destroyed portion of the Premises so that the condition and value of the Premises are substantially the same as the condition and value of the Premises prior to being damaged or destroyed. Any insurance proceeds applied on account of the unpaid principal balance of the Note shall be subject to the Prepayment Premium described in the Note. In the event of foreclosure of this Mortgage, all right, title and interest of the Mortgagor in and to any insurance policies then in force shall pass to the purchaser at the foreclosure sale.

(b) If insurance proceeds are made available by the Mortgagee to the Mortgagor, the Mortgagor shall comply with the following conditions:

(i) Before commencing to repair, restore or rebuild following damage to, or destruction of, all or a portion of the Premises, whether by fire or other casualty, the Mortgagor shall obtain from the Mortgagee its approval of all site and building plans and specifications pertaining to such repair, restoration or rebuilding.

(ii) Prior to each payment or application of any insurance proceeds to the repair or restoration of the improvements upon the Premises to the extent permitted in

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subsection (c) above (which payment or application may be made, at the Mortgagee's option, through an escrow, the terms and conditions of which are satisfactory to the Mortgagee and the cost of which is to be borne by the Mortgagor), the Mortgagee shall be satisfied as to the following:

(A) no Event of Default or any event which, with the passage of time or giving of notice would constitute an Event of Default, has occurred;

(B) either such Improvements have been fully restored, or the expenditure of money as may be received from such insurance proceeds will be sufficient to repair, restore or rebuild the Premises, free and clear of all liens, claims and encumbrances, except the lien of this Mortgage and the Permitted Exceptions, or, if such insurance proceeds shall be insufficient to repair, restore and rebuild the Premises, the Mortgagor has deposited with the Mortgagee such amount of money which, together with the insurance proceeds shall be sufficient to restore, repair and rebuild the Premises; and

(C) prior to each disbursement of any such proceeds, the Mortgagee shall be furnished with a statement of the Mortgagee's architect (the cost of which shall be borne by the Mortgagor), certifying the extent of the repair and restoration completed to the date thereof, and that such repairs, restoration, and rebuilding have been performed to date in conformity with the plans and specifications approved by the Mortgagee and with all statutes, regulations or ordinances (including building and zoning ordinances) affecting the Premises; and the Mortgagee shall be furnished with appropriate evidence of payment for labor or materials furnished to the Premises, and total or partial lien waivers substantiating such payments.

(iii) If the Mortgagor shall fail to restore, repair or rebuild the Improvements within a time deemed satisfactory by the Mortgagee, then the Mortgagee, at its option, may (A) commence and perform all necessary acts to restore, repair or rebuild the said Improvements for or on behalf of the Mortgagor, or (B) declare an Event of Default. If insurance proceeds shall exceed the amount necessary to complete the repair, restoration or rebuilding of the Improvements, such excess shall be applied on account of the Indebtedness irrespective of whether such Indebtedness is then due and payable without payment of any premium or penalty.

(c) **Condemnation.** If all or any part of the Premises are damaged, taken or acquired, either temporarily or permanently, in any condemnation proceeding, or by exercise of the right of eminent domain, the amount of any award or other payment for such taking or damages made in consideration thereof, to the extent of the full amount of the remaining unpaid Indebtedness, is hereby assigned to the Mortgagee, who is empowered to collect and receive the same and to give proper receipts therefor in the name of the Mortgagor and the same shall be paid forthwith to the Mortgagee. Such award or monies shall be applied on account of the Indebtedness, irrespective of whether such Indebtedness is then due and payable and, at any time from and after the taking the Mortgagee may declare the whole of the balance of the Indebtedness plus any Prepayment

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Premium to be due and payable. Notwithstanding the provisions of this section to the contrary, if any condemnation or taking of less than the entire Premises occurs and provided that no Event of Default and no event or circumstance which with the passage of time, the giving of notice or both would constitute an Event of Default then exists, and if such partial condemnation, in the reasonable discretion of the Mortgagee, has no material adverse effect on the operation or value of the Premises, then the award or payment for such taking or consideration for damages resulting therefrom may be collected and received by the Mortgagor, and the Mortgagee hereby agrees that in such event it shall not declare the Indebtedness to be due and payable, if it is not otherwise then due and payable.

5.3 Mortgagor shall provide and maintain policies of fire and extended coverage insurance on the Mortgaged Property as required in the Loan Agreement. Mortgagor shall also provide and maintain comprehensive public liability insurance as required in the Loan Agreement.

5.4 Mortgagor shall pay or cause to be paid all taxes and assessments of every kind, nature and description levied or assessed on or against the Mortgaged Property and shall deliver to Mortgagee, at least ten (10) days before they become delinquent, receipts showing payment of all such taxes and assessments and shall pay when due all dues and charges for water and water delivery, electricity, gas, sewers, waste removal, bills for repairs, and any and all other claims, encumbrances and expenses incident to the ownership of the Mortgaged Property. Mortgagor may contest in good faith the validity or amount of any tax, assessment, charge or encumbrance in the manner provided by law, provided that Mortgagor shall have furnished Mortgagee a cash deposit or other security in an amount and form satisfactory to Mortgagee to protect Mortgagee against the creation of any lien on, or any sale or forfeiture of, the Mortgaged Property. Upon the final determination of Mortgagor's contest, Mortgagor shall promptly pay all sums determined to be due. Any deposit or security provided by Mortgagor shall be returned to Mortgagor upon the final determination of Mortgagor's contest and the payment by Mortgagor of the sums, if any, determined to be due.

5.5 Mortgagee may contest, by appropriate legal proceedings, the validity of any valuation for real or personal property tax purposes or of any levy or assessment of any real or personal property taxes against the Mortgaged Property either in the name of Mortgagee or the name of Mortgagor or both. Mortgagor, upon notice and request by Mortgagee, shall join in any such proceedings. Mortgagor shall cooperate with Mortgagee in any such proceeding and execute any documents or pleadings reasonably required for such purposes. Mortgagor shall provide Mortgagee with a copy of the notice of such valuation, levy or assessment within ten (10) days after receipt (five (5) days in the case of personal property). Mortgagor shall reimburse Mortgagee for all reasonable costs and legal expenses incurred by Mortgagee in connection with any such proceedings, but in no event shall such reimbursement exceed the tax savings achieved for the period covered by the notice of such valuation, levy or assessment. To facilitate the right of Mortgagee to contest any real or personal property tax valuation, levy, or assessment as described above, Mortgagor does hereby make, constitute and appoint Mortgagee, and its successors and assigns, Mortgagor's true and lawful attorney-in-fact, in Mortgagor's name, place and stead, or otherwise, to file any claim or proceeding or to take any action, either in its own name, in that of its nominee, in the name of Mortgagor, or otherwise, to contest any real or personal property tax valuation, levy, or assessment. The power of attorney given herein is a power coupled with an interest and shall be irrevocable so long as any part of the Obligation

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remains unpaid or unperformed. Mortgagee shall have no obligation to exercise any of the foregoing rights and powers in any event.

5.6 In order to insure the payment of taxes and assessments that are now, or hereafter may be, a lien upon the Mortgaged Property, and to insure the payment of all premiums on policies of insurance required herein, Mortgagor, if required by Mortgagee after the occurrence of any Event of Default or any failure to pay taxes, assessments or insurance premiums as required herein, shall pay to Mortgagee each month, in addition to any other payments required hereunder, an amount equal to the taxes and special assessments levied or to be levied against the Mortgaged Property and the premium or premiums that will become due and payable to maintain the insurance on the Mortgaged Property, all as reasonably estimated by Mortgagee (giving due consideration to the previous year's taxes, assessments and premiums) less all deposits therefore already made, divided by the number of months remaining before one month prior to the date when the taxes, assessments and premiums become delinquent. If amounts paid to Mortgagee under the terms of this paragraph are insufficient to pay all taxes, assessments and premiums as they become due, Mortgagor shall pay to Mortgagee upon written demand all additional sums necessary to fully pay and discharge these items. All moneys paid to Mortgagee under the terms of this paragraph may be either held by Mortgagee to pay the taxes, assessments and premiums before the same become delinquent or applied to the Obligation upon payment by Mortgagee from its own funds of the taxes, assessments and premiums. To the extent provision is not made for payment pursuant to this paragraph, Mortgagor shall remain obligated to pay all taxes, assessments and premiums as they become due and payable. Deposits made under this paragraph may be commingled with Mortgagee's general funds; Mortgagee shall have no liability to Mortgagor for interest on any deposits.

5.7 As additional security, Mortgagor hereby assigns, transfers and conveys to Mortgagee all compensation and each and every award of damages in connection with any condemnation for public or private use of, or injury to, the Mortgaged Property or any part thereof, to the extent of the Obligation then remaining unpaid, and all such compensation and awards shall be paid directly to Mortgagee. Mortgagee may apply all or any part of such compensation and awards to the payment of the Obligation, whether or not then due, or to the restoration or repair of the Mortgaged Property in accordance with the procedures specified in Paragraph 5.3(c) above for insurance proceeds. Mortgagor further agrees to give to Mortgagee (a) immediate notice of any actual condemnation or eminent domain proceedings, (b) prompt notice of any threatened condemnation or eminent domain proceedings and (c) at any time, upon written request, any additional instruments deemed reasonably necessary by Mortgagee for the purpose of validly and sufficiently assigning all awards or appealing from any such award.

SECTION 6. PROTECTION AND PRESERVATION OF MORTGAGEE'S INTEREST

6.1 Mortgagor, by the payment of any such tax or taxes, shall protect Mortgagee against any and all loss from any taxation of indebtedness or mortgages, direct or indirect, that may be imposed upon this Mortgage, the lien of this Mortgage on the Mortgaged Property, or upon the Obligation, by any law, rule, regulation or levy of the federal government, any state government, or any political subdivision thereof. In the event the burden of such taxation cannot lawfully be shifted from Mortgagee to Mortgagor, Mortgagee may declare the entire Obligation due and payable sixty (60) days after written notice to Mortgagor.

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6.2 If Mortgagor shall fail to pay any taxes, assessments, expenses or charges, to keep all of the Mortgaged Property free from liens and claims of liens, to maintain and repair the Mortgaged Property, or to procure and maintain insurance thereon, or otherwise fail to perform as required herein, Mortgagee may advance the monies necessary to pay the same, to accomplish such maintenance and repairs, to procure and maintain such insurance or to so perform; Mortgagee is hereby authorized to enter upon the Mortgaged Property for such purposes.

6.3 Upon written request by Mortgagee, Mortgagor shall appear in and prosecute or defend any action or proceeding that may affect the lien or the priority of the lien of this Mortgage or the rights of Mortgagee hereunder and shall pay all costs, expenses (including the cost of searching title) and reasonable attorneys' fees incurred in such action or proceeding. Mortgagee may appear in and defend any action or proceeding purporting to affect the lien or the priority of the lien of this Mortgage or the rights of Mortgagee. Mortgagee may pay, purchase, contest or compromise any adverse claim, encumbrance, charge or lien that in the judgment of Mortgagee appears to be prior or superior to the lien of this Mortgage, other than any Permitted Exceptions.

6.4 Without obtaining the prior written consent of Mortgagee, which consent may be withheld in the sole and absolute discretion of Mortgagee, Mortgagor shall not sell, transfer, convey, assign or otherwise dispose of, or further pledge or encumber, all or any part of the Mortgaged Property or any interest therein, voluntarily or involuntarily, by operation of law or otherwise. If Mortgagor is a corporation, limited liability company, partnership, joint venture or trust, any material change in the ownership or management of, or interest in, Mortgagor, or any pledge or encumbrance of any interest in Mortgagor, shall be deemed to be a transfer of the Mortgaged Property. Upon the occurrence of any such transaction with Mortgagee's consent, or without Mortgagee's consent if Mortgagee elects not to exercise its rights and remedies for an Event of Default, Mortgagee (i) may increase the interest rate on all or any part of the Obligation to its then current market rate for similar indebtedness (ii) may charge a loan fee and a processing fee in connection with the change; and (iii) shall not be obligated to release Mortgagor from any liability hereunder or for the Obligation except to the extent required by law. Consent to any such transaction shall not be deemed to be consent or a waiver of the requirement of consent to any other such transaction.

6.5 Without obtaining the prior written consent of Mortgagee, Mortgagor shall not consent to, or vote in favor of, or acquiesce in (a) the inclusion of all or any part of the Mortgaged Property in any special service district nor (b) any zoning reclassification of all or any part of the Mortgaged Property. Mortgagor shall promptly give notice to Mortgagee of any notification or advice that Mortgagor may receive from any municipality or other third party of any intent or proposal to (i) include all or any part of the Mortgaged Property in a special service district or (ii) any zoning reclassification of all or any part of the Mortgaged Property. Mortgagee shall have the right to file a written objection to the inclusion of all or any part of the Mortgaged Property in a special service district or any such zoning reclassification, either in its own name or in the name of Mortgagor, and to appear at, and participate in, any hearing with respect thereto. In addition, Mortgagor shall not by any act or omission, without prior written consent of Mortgagee in each instance: (1) permit any building or other improvements located on any premises not constituting part of the Mortgaged Property to rely on the Mortgaged Property or any part thereof or any interest therein to fulfill any municipal or governmental requirement; (2) permit any of the improvements now or hereafter located on all or any part of the Mortgaged Property to rely on

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any premises not constituting part of the Mortgaged Property to fulfill any municipal or governmental requirement; (3) by any act or omission impair the integrity of the Mortgaged Property as a single zoning lot; (4) reduce, build upon, obstruct, redesignate or relocate any parking areas, sidewalks, aisles, streets, driveways or rights-of-way or lease or grant any right to use the same to any person; or (5) grant or permit the granting of any easements, licenses, covenants, conditions or declarations of use applicable to or binding upon the Mortgaged Property.

6.6 All rights, powers and remedies granted Mortgagee herein, or otherwise available to Mortgagee, are for the sole benefit and protection of Mortgagee, and Mortgagee may exercise any such right, power or remedy at its option and in its sole and absolute discretion (except as otherwise expressly set forth herein) without any obligation to do so. In addition, if, under the terms hereof, Mortgagee is given two or more alternative courses of action, Mortgagee may elect any alternative or combination of alternatives, at its option and in its sole and absolute discretion. All monies advanced by Mortgagee under the terms hereof and all amounts paid, suffered or incurred by Mortgagee in exercising any authority granted herein, including reasonable attorneys' fees, shall be added to the Obligation, shall be secured by this Mortgage, shall bear interest at the highest rate payable on any of the Obligation until paid, and shall be due and payable by Mortgagor to Mortgagee immediately without demand.

6.7 Mortgagor, upon request of Mortgagee, shall promptly correct any defect, error or omission that may be discovered in the content of this Mortgage or in the execution or acknowledgment hereof. In addition, Mortgagor shall do such further acts as may be necessary or that Mortgagee may reasonably request to carry out more effectively the purposes of this Mortgage, to subject any property intended to be encumbered hereby to the lien and security interest hereof, and to perfect and maintain the lien and security interest hereof.

SECTION 7. REPRESENTATIONS AND WARRANTIES

7.1 Mortgagor (i) is a limited partnership; (ii) is duly organized, validly existing and in good standing under the laws of the State of Illinois; (iii) is qualified to do business and is in good standing under the laws of the State of Illinois and in each state in which it is doing business; (iv) has full power and authority to own its properties and assets and to carry on its business as now conducted; (v) is fully authorized and permitted to execute and deliver this Mortgage (vi) is the record owner of the Premises; (vii) has its chief executive office is located in the State of Illinois; (viii) has the exact legal name is as set forth on Page 1 of this Mortgage; and (ix) represents its organizational identification number is S023944.

7.2 The execution, delivery and performance by Mortgagor of this Mortgage and all other documents and instruments relating to the Obligation will not result in any breach of the terms or conditions or constitute a default under any agreement or instrument under which Mortgagor is a party or is obligated. Mortgagor is not in default in the performance or observance of any covenants, conditions or provisions of any such agreement or instrument.

7.3 The liens, security interests and assignments created hereby will be valid, effective and enforceable liens, security interests and assignments.

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7.4 All financial statements, profit and loss statements, statements as to ownership and other statements or reports previously or hereafter given to Mortgagee by or on behalf of Mortgagor are and shall be true, complete and correct as of the date thereof. There has been no material adverse change in the financial condition or the results of the operation of Mortgagor since the latest financial statement of Mortgagor given to Mortgagee.

7.5 Mortgagor has filed all federal, state and local tax returns and has paid all of its current obligations before delinquent, including all federal, state and local taxes and all other payments required under federal, state or local law.

7.6 Mortgagor has received no notice or advice that the Mortgaged Property is in violation of the ADA or is subject to any existing, pending or threatened investigation in connection with the ADA.

7.7 Mortgagor has received no notice or advice of proceedings of any kind pending or, to Mortgagor's knowledge, threatened (i) against or affecting Mortgagor or the Mortgaged Property (including any attempt or threat to condemn or rezone all or any portion or the Mortgaged Property); (ii) involving the validity, enforceability or priority of this Mortgage, the Note or any of the Other Documents; or (iii) enjoining or preventing, or threatening to enjoin or prevent, the use and occupancy of the Mortgaged Property or the performance by Mortgagor of its obligations under any of the Other Documents. To Mortgagor's knowledge, there are no rent controls, governmental moratoria or environmental orders presently in existence or threatened against or otherwise affecting the Mortgaged Property, except as identified in writing and approved by Mortgagee.

7.8 Single Asset Entity.

The Mortgagor shall not hold or acquire, directly or indirectly, any ownership interest (legal or equitable) in any real or personal property other than the Premises, or become a shareholder of or a member or partner in any entity which acquires any property other than the Premises, until such time as the Indebtedness has been fully repaid. The partnership agreement of the Mortgagor shall limit its purpose to the acquisition, operation, management and disposition of the Premises, and such purposes shall not be amended without the prior written consent of the Mortgagee. The Mortgagor covenants:

(a) To maintain its assets, accounts, books, records, financial statements, stationery, invoices, and checks separate from and not commingled with any of those of any other person or entity;

(b) To conduct its own business in its own name, pay its own liabilities out of its own funds, allocate fairly and reasonably any overhead for shared employees and office space, and to maintain an arm's length relationship with its affiliates;

(c) To hold itself out as a separate entity, correct any known misunderstanding regarding its separate identity, maintain adequate capital in light of its contemplated business operations, and observe all organizational formalities;

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(d) Not to guarantee or become obligated for the debts of any other entity or person or hold out its credits as being available to satisfy the obligations of others, including not acquiring obligations or securities of its partners, members or shareholders;

(e) Not to pledge its assets for the benefit of any other entity or person or make any loans or advances to any person or entity;

(f) Not to enter into any contract or agreement with any party which is directly or indirectly controlling, controlled by or under common control with the Mortgagor (an "Affiliate"), except upon terms and conditions that are intrinsically fair and substantially similar to those that would be available on an arms-length basis with third parties other than any Affiliate;

(g) Neither the Mortgagor nor any constituent party of the Mortgagor will seek the dissolution or winding up, in whole or in part, of the Mortgagor, nor will the Mortgagor merge with or be consolidated into any other entity;

(h) The Mortgagor has and will maintain its assets in such a manner that it will not be costly or difficult to segregate, ascertain or identify its individual assets from those of any constituent party of the Mortgagor, any Affiliate, the Guarantor or any other person;

(i) The Mortgagor now has and will hereafter have no debts or obligations other than normal accounts payable in the ordinary course of business, this Mortgage, and the Loan; and any other indebtedness or other obligation of the Mortgagor has been paid in full prior to or through application of proceeds from the funding of the Loan.

7.9 All representations and warranties made herein shall survive the execution hereof, the execution and delivery of all other documents and instruments in connection with the Obligation, and until the Obligation has been fully paid and performed.

SECTION 8. DEFAULTS; REMEDIES

8.1 The occurrence of any of the following events or conditions shall constitute an "Event of Default" under this Mortgage:

(a) The occurrence of any Event of Default, as that term is defined in the Loan Agreement.

(b) The abandonment by Mortgagor of all or any material portion of the Mortgaged Property.

(c) The existence of any material encroachment upon the Mortgaged Property that has occurred without the prior written consent of Mortgagee that is not removed or corrected within thirty (30) days after its creation.

(d) The demolition or destruction of, or any substantial damage to, any portion of the Mortgaged Property that is not adequately covered by insurance, or the loss, theft or destruction

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of, or any substantial damage to, any portion of the Personal Property or any other collateral or security for the Obligation, that is not adequately covered by insurance.

8.2 Upon the occurrence of any Event of Default arising from a filing under the federal bankruptcy laws the entire Obligation shall become immediately due and payable, without demand or notice, and the same, with all costs and charges, shall be collectible thereupon by action at law. Upon the occurrence of any other Event of Default, and at any time while such Event of Default is continuing, Mortgagee may declare the entire Obligation to be immediately due and payable, and the same, with all costs and charges, shall be collectible thereupon by action at law. In addition, upon the occurrence of any Event of Default and while such Event of Default is continuing, Mortgagee may do one or more of the following remedies concurrently or successively, it being the intent hereof that none of such remedies shall be to the exclusion of any others:

(a) Take possession of the Premises and complete the construction and equipping of the Project and do anything required, necessary or advisable in Mortgagee's sole judgment to fulfill the obligations of Mortgagor hereunder, including the rights to avail itself of or procure performance of existing Contracts, to let any contracts with the same contractors, subcontractors or others and to employ watchmen to protect the Premises from injury. Without restricting the generality of the foregoing and for the purposes aforesaid, Mortgagor hereby appoints and constitutes Mortgagee as Mortgagor's lawful attorney-in-fact with full power of substitution in the premises to perform the following actions:

- (b) to complete construction of the Project in the name of Mortgagor;
- (c) to use unadvanced Loan Proceeds or to advance funds in excess of the face amount of the Note to complete the Project;
- (d) to make changes in the Plans which Mortgagee deems necessary or appropriate to complete the Project;
- (e) to retain or employ new contractors, subcontractors, architects, engineers and inspectors;
- (f) without inquiring into and without respect to the validity thereof, to pay, settle or compromise all existing bills and claims which may be liens, or to avoid such bills and claims becoming liens, against the Premises or any portion of the Premises or as may be necessary or desirable for the completion of the construction and equipping of the Project or for the clearance of title to the Premises;
- (g) to prosecute and defend actions or proceedings in connection with the Premises;
- (h) to take action and require such performance as Mortgagee deems necessary or advisable under any of the bonds to be furnished hereunder and to make settlements and compromises with the surety or sureties thereunder, and in connection therewith, to execute instruments of release and satisfaction; and

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(i) to do any and every act which Mortgagor might do in its own behalf with respect to the Premises, it being understood and agreed that this power of attorney shall be a power coupled with an interest and cannot be revoked;

(j) Withhold further disbursement of the proceeds of the Loan and terminate any of its obligations to Mortgagor;

(k) Declare the Note to be due and payable forthwith, without presentment, demand, protest or other notice of any kind, all of which Mortgagor hereby expressly waives;

(l) In addition to any rights of setoff that Mortgagee may have under applicable law, Mortgagee, without notice of any kind to Mortgagor, may appropriate and apply to the payment of the Note or of any sums due under this Agreement any and all balances, deposits, credits, accounts, certificates of deposit, instruments or money of Mortgagor then or thereafter in the possession of Mortgagee; and

(m) Exercise or pursue any other remedy or cause of action permitted at law or in equity or under this Agreement or any other Loan Document, including, but not limited to, foreclosure of the Mortgage and enforcement of all Other Documents.

8.3 Foreclosure; Expense of Litigation.

(a) In addition to the remedies set forth in Section 8.2, following an event of Default, Mortgagee shall have the right to foreclose the lien hereof for such Obligations or part thereof and/or exercise any right, power or remedy provided in this Mortgage or any of the other Loan Documents in accordance with the Illinois Mortgage Foreclosure Act (Chapter 735, Sections 5/15-1101 et seq., Illinois Compiled Statutes) (as may be amended from time to time, the "Act"). In the event of a foreclosure sale, the Mortgagee is hereby authorized, without the consent of the Mortgagor, to assign any and all insurance policies to the purchaser at such sale or to take such other steps as the Mortgagee may deem advisable to cause the interest of such purchaser to be protected by any of such insurance policies.

(b) In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale all expenditures and expenses which may be paid or incurred by or on behalf of the Mortgagee for reasonable attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, and similar data and assurances with respect to the title as the Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the Premises. All expenditures and expenses of the nature mentioned in this section and such other expenses and fees as may be incurred in the enforcement of the Mortgagor's obligations hereunder, the protection of said Premises and the maintenance of the lien of this Mortgage, including the reasonable fees of any attorney employed by the Mortgagee in any litigation or proceeding affecting this Mortgage, the Note, or the Premises, including probate and bankruptcy proceedings, or in preparations for the commencement or defense of any proceeding or threatened suit or proceeding shall be

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immediately due and payable by the Mortgagor, with interest thereon until paid at the Default Rate and shall be secured by this Mortgage.

(c) The proceeds of any foreclosure sale of the Premises shall be distributed and applied in accordance with the Act and, unless otherwise specified therein, in such order as the Mortgagee may determine in its sole and absolute discretion.

(d) Upon or at any time after the filing of a complaint to foreclose this Mortgage, the court in which such complaint is filed shall, upon petition by the Mortgagee, appoint a receiver for the Premises in accordance with the Act. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of the Mortgagor at the time of application for such receiver and without regard to the value of the Premises or whether the same shall be then occupied as a homestead or not and the Mortgagee hereunder or any other holder of the Note may be appointed as such receiver. Such receiver shall have power to collect the rents, issues and profits of the Premises (i) during the pendency of such foreclosure suit, (ii) in case of a sale and a deficiency, during the full statutory period of redemption, whether there be redemption or not, and (iii) during any further times when the Mortgagor, but for the intervention of such receiver, would be entitled to collect such rents, issues and profits. Such receiver also shall have all other powers and rights that may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Premises during said period, including, to the extent permitted by law, the right to lease all or any portion of the Premises for a term that extends beyond the time of such receiver's possession without obtaining prior court approval of such lease. The court from time to time may authorize the application of the net income received by the receiver in payment of (a) the Indebtedness, or by any decree foreclosing this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to foreclosure sale, and (b) any deficiency upon a sale and deficiency.

8.4 If Mortgagor shall fail to perform any of its covenants or agreements herein or in any of the Other Documents, Mortgagee may (but shall not be required to) perform any of such covenants and agreements, and any amounts expended by Mortgagee in so doing, and any amounts expended by Mortgagee pursuant to Section 12.1 hereof and any amounts advanced by Mortgagee pursuant to this Agreement shall be deemed advanced by Mortgagee under an obligation to do so regardless of the identity of the person or persons to whom said funds are disbursed. Loan Proceeds advanced by Mortgagee in the exercise of its judgment that the same are needed to complete the Project to protect its security for the Loan are obligatory advances hereunder and shall constitute additional indebtedness payable on demand and evidenced and secured by the Other Documents.

8.5 Mortgagor will pay Mortgagee's reasonable attorneys' fees and costs in connection with the negotiation, preparation, administration and enforcement of this Agreement; without limiting the generality of the foregoing, if at any time or times hereafter Mortgagee employs counsel for advice or other representation with respect to any matter concerning Mortgagor, this Agreement, the Premises or the Other Documents or to protect, collect, lease, sell, take possession of, or liquidate any of the Premises, or to attempt to enforce or protect any security interest or lien or other right in any of the Premises or under any of the Other Documents, or to enforce any rights of Mortgagee or obligations of Mortgagor or any other person, firm or corporation which may be

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obligated to Mortgagee by virtue of this Agreement or under any of the Other Documents or any other agreement, instrument or document, heretofore or hereafter delivered to Mortgagee in furtherance hereof, then in any such event, all of the attorneys' fees arising from such services, and any expenses, costs and charges relating thereto (including reasonable attorneys' fees and time charges of attorneys who may be employees of Mortgagee or any affiliate of Mortgagee), shall constitute an additional indebtedness owing by Mortgagor to Mortgagee payable on demand and evidenced and secured by the Other Documents.

8.6 No failure by Mortgagee to exercise, or delay by Mortgagee in exercising, any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof, or the exercise of any other right, power or privilege. The rights and remedies provided in this Agreement and in the Other Documents are cumulative and not exclusive of each other or of any right or remedy provided at law or in equity. No notice to or demand on Mortgagor in any case, in itself, shall entitle Mortgagor to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of Mortgagee to any other or further action in any circumstances without notice or demand.

8.7 From and after the date of any Event of Default until the date on which such Event of Default is cured or waived, interest on funds outstanding hereunder shall accrue at the Default Rate and be payable on demand. The failure of Mortgagee to charge interest at the Default Rate shall not be evidence of the absence of an Event of Default or waiver of an Event of Default by Mortgagee.

8.8 In the event that any portion of this Mortgage shall be inconsistent with any provision of the Illinois Mortgage Foreclosure Law (735 ILCS 5/15-1101, et seq. (herein called the "Act"), the provisions of the Act shall take precedence over the provisions of this Mortgage, but shall not invalidate or render unenforceable any other provision of this Mortgage that can be construed in a manner consistent with the Act. If any provision of this Mortgage shall grant to Mortgagee any rights or remedies upon default of the Mortgagor which are more limited than the rights that would otherwise be vested in Mortgagee under the Act in the absence of said provision, Mortgagee shall be vested with the rights granted in the Act to the full extent permitted by law. Without limiting the generality of the foregoing, all expenses incurred by Mortgagee to the extent reimbursable under the Act, whether incurred before or after any decree or judgment of foreclosure, and whether enumerated in Paragraph 8.3 of this Mortgage, shall be added to the Obligation or to the indebtedness secured by the judgment of foreclosure.

8.9 In addition to any remedies provided herein for an Event of Default, Mortgagee shall have all other legal or equitable remedies allowed under applicable law. No failure on the part of Mortgagee to exercise any of its rights hereunder arising upon any Event of Default shall be construed to prejudice its rights upon the occurrence of any other or subsequent Event of Default. No delay on the part of Mortgagee in exercising any such rights shall be construed to preclude it from the exercise thereof at any time while that Event of Default is continuing. Mortgagee may enforce any one or more remedies or rights hereunder successively or concurrently. By accepting payment or performance of any of the Obligation after its due date, Mortgagee shall not thereby waive the agreement contained herein that time is of the essence, nor shall Mortgagee waive either its right to require prompt payment or performance when due of the

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remainder of the Obligation or its right to consider the failure to so pay or perform an Event of Default. In any action by Mortgagee to recover a deficiency judgment for any balance due under the Note upon the foreclosure of this Mortgage or in any action to recover the Obligation or Obligations secured hereby, and as a material inducement to making the loan evidenced by the Note, Mortgagor acknowledges and agrees that the successful bid amount made at any judicial foreclosure sale, if any, shall be conclusively deemed to constitute the fair market value of the Premises, that such bid amount shall be binding against Mortgagor in any proceeding seeking to determine or contest the fair market value of the Premises and that such bid amount shall be the preferred alternative means of determining and establishing the fair market value of the Premises.

SECTION 9. GENERAL PROVISIONS

9.1 Mortgagor shall defend, indemnify and hold harmless Mortgagee, any successors to Mortgagee's interest in the Mortgaged Property, any purchaser of the Mortgaged Property upon foreclosure, and all shareholders, directors, officers, employees and agents of all of the foregoing and their heirs, personal representatives, successors and assigns (each an "Indemnified Party") from and against all claims, costs, expenses, actions, suits, proceedings, losses, damages and liabilities of any kind whatsoever, except to the extent arising from the gross negligence or willful misconduct of such Indemnified Party, including but not limited to all amounts paid in settlement of, and all costs and expenses (including reasonable attorneys' fees) incurred in defending or settling, any actual or threatened claim, action, suit or proceeding, directly or indirectly arising out of or relating to the Obligation, this Mortgage, or the Mortgaged Property, including but not limited to (i) any violation of or claim of violation of the ADA with respect to the Mortgaged Property; or (ii) any breach of any of the warranties, representations and covenants contained herein or in the Environmental Indemnity Agreement. This indemnity provision shall continue in full force and effect and shall survive the payment and performance of the Obligation, the release of record of the lien of this Mortgage, any foreclosure (or action in lieu of foreclosure) of this Mortgage, the exercise by Mortgagee of any other remedy under this Mortgage or any other document or instrument evidencing or securing the Obligation, and any suit, proceeding or judgment against Mortgagor by Mortgagee hereon.

9.2 The acceptance of this Mortgage by Mortgagee shall not be considered a waiver of or in any way to affect or impair any other security that Mortgagee may have, acquire simultaneously herewith, or hereafter acquire for the payment or performance of the Obligation, nor shall the taking by Mortgagee at any time of any such additional security be construed as a waiver of or in any way to affect or impair the security of this Mortgage; Mortgagee may resort, for the payment or performance of the Obligation, to its several securities therefor in such order and manner as it may determine.

9.3 Without notice or demand, without affecting the obligations of Mortgagor hereunder or the personal liability of any person for payment or performance of the Obligation, and without affecting the lien or the priority of the lien of this Mortgage, Mortgagee, from time to time, may: (i) extend the time for payment of all or any part of the Obligation, accept a renewal note therefor, reduce the payments thereon, release any person liable for all or any part thereof, or otherwise change the terms of all or any part of the Obligation; (ii) take and hold other security for the payment or performance of the Obligation and enforce, exchange, substitute, subordinate,

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waive or release any such security; (iii) consent to the making of any map or plat of the Mortgaged Property; (iv) join in granting any easement on or in creating any covenants, conditions or restrictions affecting the use or occupancy of the Mortgaged Property; (v) join in any extension or subordination agreement; or (vi) release any part of the Mortgaged Property from this Mortgage. Any such action by Mortgagee may be taken without the consent of any junior lienholder and shall not affect the priority of this Mortgage over any junior lien.

9.4 Mortgagee waives and agrees not to assert: (i) any right to require Mortgagee to proceed against any guarantor, to proceed against or exhaust any other security for the Obligation, to pursue any other remedy available to Mortgagee, or to pursue any remedy in any particular order or manner; (ii) the benefits of any legal or equitable doctrine or principle of marshalling; (iii) the benefits of any statute of limitations affecting the enforcement hereof; (iv) demand, diligence, presentment for payment, protest and demand, and notice of extension, dishonor, protest, demand and nonpayment, relating to the Obligation; and (v) any benefit of, and any right to participate in, any other security now or hereafter held by Mortgagee.

9.5 Upon payment of all of the Obligation, Mortgagee shall cause the lien of this Mortgage to be released and all costs and expenses of Mortgagee relating to such release shall be paid by Mortgagor, including but not limited to title fees, recording fees and legal expenses.

9.6 Mortgagee shall have the right to inspect the Mortgaged Property at all reasonable times.

9.7 Time is of the essence hereof. If more than one Mortgagor is named herein, the word "Mortgagor" shall mean all and any one or more of them, severally and collectively. All liability hereunder shall be joint and several. This Mortgage shall be binding upon, and shall inure to the benefit of, the parties hereto and their heirs, personal representatives, successors and assigns. The term "Mortgagee" shall include not only the original Mortgagee hereunder but also any future owner and holder, including pledgees, of the Note. The provisions hereof shall apply to the parties according to the context thereof and without regard to the number or gender of words or expressions used.

9.8 No setoff or claim that Mortgagor now has or may in the future have against Mortgagee shall relieve Mortgagor from paying or performing the Obligation.

9.9 Each term, condition and provision of this Mortgage shall be interpreted in such manner as to be effective and valid under applicable law but if any term, condition or provision of this Mortgage shall be held to be void or invalid, the same shall not affect the remainder hereof which shall be effective as though the void or invalid term, condition or provision had not been contained herein.

9.10 This Mortgage, the Obligation and the agreements of any person or entity to pay or perform the Obligation shall be governed by and construed according to the laws of the State of Illinois, without giving effect to conflict of laws principles.

9.11 All notices required or permitted to be given hereunder shall be in writing and may be given in person or by United States mail, by delivery service or by electronic transmission. Any notice directed to a party to this Mortgage shall become effective upon the earliest of the following: (i) actual receipt by that party; (ii) delivery to the designated address of that party,

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addressed to that party; or (iii) if given by certified or registered United States mail, twenty-four (24) hours after deposit with the United States Postal Service, postage prepaid, addressed to that party at its designated address. The designated address of a party shall be the address of that party shown at the beginning of this Mortgage or such other address as that party, from time to time, may specify by notice to the other parties.

9.12 As further security for the payment and performance of the Obligation, Mortgagee shall be subrogated to the lien, although released of record, of any and all encumbrances paid from the proceeds of any loan included in the Obligation.

9.13 There shall be no merger of the estate or interest created by this Mortgage with any other interest or estate in the Mortgaged Property at any time held by or for the benefit of Mortgagee in any capacity, without the written consent of Mortgagee.

9.14 Mortgagor covenants that the proceeds of the loan evidenced by the Note and secured by this Mortgage will be used for the purposes specified in 815 ILCS 205/4, and that the principal obligation secured hereby constitutes a "business loan" which comes within the purview of said Paragraph.

9.15 Mortgagor hereby releases and waives any and all rights to retain possession of the Mortgaged Property after the occurrence of an Event of Default hereunder and any and all rights of redemption from sale under any order or decree of foreclosure, pursuant to rights therein granted, on behalf of Mortgagor and each and every person acquiring any interest in, or title to, the premises described herein subsequent to the date of this Mortgage, and on behalf of all other persons to the extent permitted by the provisions of 735 ILCS 5/15 – 1601 or other applicable law or replacement statutes.

9.16 Any property management agreement for the Mortgaged Property entered into hereafter by Mortgagor with a property manager, shall contain a "no lien" provision whereby the property manager waives and releases any and all mechanics' lien rights that the property manager or anyone claiming by, through or under the property manager may have pursuant to 770 ILCS 60/0.01 et seq. Such property management agreement or a short form thereof shall, at Mortgagee's request, be recorded with the Recorder of Deeds of the county where the Mortgaged Property is located.

9.17 Notwithstanding anything contained herein to the contrary, in no event shall the Indebtedness exceed an amount equal to \$750,000.00; provided, however, in no event shall the Mortgagor be obligated to advance funds in excess of the face amount of the Note.

9.18 TO INDUCE THE MORTGAGEE TO ACCEPT THE NOTE, THE MORTGAGOR IRREVOCABLY AGREES THAT, SUBJECT TO THE MORTGAGEE'S SOLE AND ABSOLUTE ELECTION, ALL ACTIONS OR PROCEEDINGS IN ANY WAY ARISING OUT OF OR RELATED TO THE NOTE AND THIS MORTGAGE WILL BE LITIGATED IN COURTS HAVING SITUS IN CHICAGO, ILLINOIS. THE MORTGAGOR HEREBY CONSENTS AND SUBMITS TO THE JURISDICTION OF ANY COURT LOCATED WITHIN CHICAGO, ILLINOIS, WAIVES PERSONAL SERVICE OF PROCESS UPON THE MORTGAGOR, AND

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AGREES THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE BY REGISTERED MAIL DIRECTED TO THE MORTGAGOR AT THE ADDRESS STATED HEREIN AND SERVICE SO MADE WILL BE DEEMED TO BE COMPLETED UPON ACTUAL RECEIPT.

9.19 WAIVER OF JURY TRIAL. THE MORTGAGOR AND THE MORTGAGEE (BY ACCEPTANCE HEREOF), HAVING BEEN REPRESENTED BY COUNSEL EACH KNOWINGLY AND VOLUNTARILY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS (A) UNDER THIS MORTGAGE OR ANY RELATED AGREEMENT OR UNDER ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION WITH THIS MORTGAGE OR (B) ARISING FROM ANY BANKING RELATIONSHIP EXISTING IN CONNECTION WITH THIS MORTGAGE, AND AGREES THAT ANY SUCH ACTION OR PROCEEDING WILL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. THE MORTGAGOR AGREES THAT IT WILL NOT ASSERT ANY CLAIM AGAINST THE MORTGAGEE OR ANY OTHER PERSON INDEMNIFIED UNDER THIS MORTGAGE ON ANY THEORY OF LIABILITY FOR SPECIAL, INDIRECT, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES.

9.20 This Mortgage, the Note and the Other Documents constitute the complete agreement between the parties with respect to the subject matter hereof and the Other Documents may not be modified, altered or amended except by an agreement in writing signed by both the Mortgagor and the Mortgagee.

[signature on following page]

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IN WITNESS WHEREOF, these presents are executed as of the date indicated above.

MORTGAGOR:

Englewood Housing Group II, L.P.
an Illinois limited partnership

By: Antioch III, Ltd., its general partner

By: John E. Taylor
John E. Taylor, President

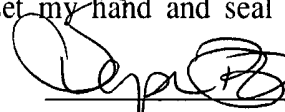
Property of Cook County Clerk's Office

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STATE OF ILLINOIS)
)SS:
COUNTY OF COOK)

I, Stephanie Williams, a Notary Public, in and for the County and State aforesaid, **DO HEREBY CERTIFY**, that the foregoing instrument was acknowledged before me on this 24th day of October, 2008, by Donna Taylor as PRESIDENT of **Antioch III, Ltd.**, the general partner of Englewood Housing Group II, L.P., an Illinois limited partnership on behalf of the limited partnership.

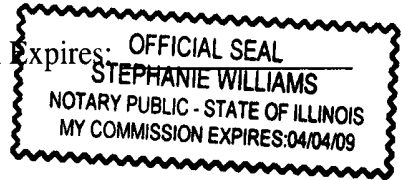
In Witness Whereof, I have hereunto set my hand and seal the day and year before written.



Notary Public

My Commission Expires:

[SEAL]



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LEGAL DESCRIPTION:**PARCEL 1:**

THE EAST 44 FEET OF LOT 5 IN COUNTY CLERK'S DIVISION OF LOTS 1, 2, 3 AND 4 IN BLOCK 20 IN LINDEN GROVE, BEING A SUBDIVISION OF THE WEST 355 ACRES OF THE NORTH 70 ACRES AND THE SOUTH 90 ACRES OF THE NORTHWEST 1/4 OF SECTION 21, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

THE EAST 120 FEET OF LOT 1 AND THE NORTH 20 FEET OF THE EAST 120 FEET OF LOT 4 IN BLOCK 19 IN LINDEN GROVE, A SUBDIVISION OF THE SOUTH 90 ACRES AND THE WEST 35 ACRES OF THE NORTH 70 ACRES OF THE NORTHWEST 1/4 OF SECTION 21, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

THE WEST 125 FEET OF LOT 5 (EXCEPT THE SOUTH 35 FEET THEREOF) IN COUNTY CLERK'S DIVISION OF LOTS 1 TO 4 IN BLOCK 20 IN LINDEN GROVE, SAID LINDEN GROVE BEING A SUBDIVISION OF THE SOUTH 90 ACRES AND THE WEST 35 ACRES OF THE NORTH 70 ACRES OF THE NORTHWEST 1/4 OF SECTION 21, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 4:

THE SOUTH 35 FEET OF THE WEST 125 FEET OF LOT 5 IN COUNTY CLERK'S DIVISION OF LOTS 1, 2, 3 AND 4 IN BLOCK 20 IN LINDEN GROVE, SAID LINDEN GROVE BEING A SUBDIVISION OF THE NORTHWEST 35 ACRES OF THE WEST 70 ACRES AND THE SOUTH 90 ACRES OF THE NORTHWEST 1/4 OF SECTION 21, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 5:

LOT 21 AND THE NORTH 1/2 OF LOT 22 IN BLOCK 3 IN UNIVERSITY SUBDIVISION OF ENGLEWOOD SUBDIVISION OF THE EAST 35 ACRES OF THE NORTH 70 ACRES OF THE NORTHWEST 1/4 OF SECTION 21, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 6:

THE SOUTH 1/2 OF LOT 22 AND ALL OF LOT 23 IN BLOCK 3 IN UNIVERSITY SUBDIVISION OF ENGLEWOOD SUBDIVISION OF THE EAST 35 ACRES OF THE NORTH 70 ACRES OF THE NORTHWEST 1/4 OF SECTION 21, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 7A:

LOT 44 (EXCEPT THE WEST 5.00 FEET) AND LOT 45 (EXCEPT THE EAST 8.50 FEET) IN BLOCK 1 IN E. L. BATES RESUBDIVISION OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 21, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPT THE EAST 644 FEET OF THE 691 FEET SOUTH OF AND ADJOINING THE NORTH 428 FEET THEREOF), IN COOK COUNTY, ILLINOIS.

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PARCEL 7B:

LOT 47 (EXCEPT THE EAST 22.50 FEET) AND LOT 46, AND LOT 45 (EXCEPT THE WEST 16.50 FEET) IN BLOCK 1 IN E. L. BATES RESUBDIVISION OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 21, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPT THE EAST 644 FEET OF THE 691 FEET SOUTH OF AND ADJOINING THE NORTH 428 FEET THEREOF), IN COOK COUNTY, ILLINOIS.

PARCEL 7C:

LOT 47 (EXCEPT THE WEST 2.5 FEET) AND LOT 48 (EXCEPT THE EAST 11.50 FEET) IN BLOCK 1 IN E. L. BATES RESUBDIVISION OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 21, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPT THE EAST 644 FEET OF THE 691 FEET SOUTH OF AND ADJOINING THE NORTH 428 FEET THEREOF), IN COOK COUNTY, ILLINOIS.

PARCEL 7D:

LOT 48 (EXCEPT THE WEST 13.50 FEET) AND LOT 49 IN BLOCK 1 IN E. L. BATES RESUBDIVISION OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 21, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPT THE EAST 644 FEET OF THE 691 FEET SOUTH OF AND ADJOINING THE NORTH 428 FEET THEREOF), IN COOK COUNTY, ILLINOIS.

PARCEL 8:

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PARCEL 9:

LOT 4 IN COUNTY CLERK'S DIVISION OF LOTS 1, 2, 3 AND 4 OF BLOCK 20 OF LINDEN GROVE SUBDIVISION, BEING THE NORTHWEST 35 ACRES OF THE NORTH 70 ACRES AND THE SOUTH 90 ACRES OF THE NORTHWEST 1/4 OF SECTION 21, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

20-21-105-036-0000
 20-21-105-037-0000
 20-21-127-010-0000
 20-21-129-001-0000
 20-21-129-002-0000

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 20-21-129-010-0000
 20-21-130-010-0000
 20-21-305-009-0000
 20-21-305-010-0000

20-21-305-025-0000

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EXHIBIT "B" (Permitted Exceptions)

Notwithstanding the provisions of the foregoing instrument, the Mortgaged Property is subject to the following encumbrances:

1. Taxes which are not yet due or payable.
2. Regulatory Agreement according to the terms and provisions thereof, from Borrower to City of Chicago Department of Housing dated October 24, 2008
3. Mortgage, according to the terms and provisions thereof, from Borrower to City of Chicago Department of Housing, to secure the originally stated indebtedness of \$5,571,434 dated October 24, 2008
4. Mortgage, according to the terms and provisions thereof, from Borrower to the Chicago Low Income Housing Trust Fund, to secure the originally stated indebtedness of \$375,000 dated October 24, 2008
5. Easement for sole purpose of ingress and egress recorded December 16, 2007 as Document Number 0734022048 made by Englewood Housing Group II, L.P. Grantor and Englewood Housing Group II, Grantee.
6. Rights to Maintain Power pole and Overhead Wires on the East Portion of the Premises as disclosed by survey prepared by LR Pass dated February 20, 2008 Order No. 07-163J-07.