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## Illinois Anti-Predatory Lending Database Program

### Certificate of Exemption



Doc#: 1024533055 Fee: \$72.00  
Eugene "Gene" Moore RHSP Fee: \$10.00  
Cook County Recorder of Deeds  
Date: 09/02/2010 09:56 AM Pg: 1 of 19

**Report Mortgage Fraud**  
**800-532-8785**

The property identified as: PIN: 07-12-300-024-0000

**Address:**

**Street:** 1105 REMINGTON ROAD

**Street line 2:**

**City:** SCHAUMBURG

**State:** IL

**ZIP Code:** 60173

**Lender:** MB FINANCIAL BANK, N.A.

**Borrower:** REMINGTON BUSINESS CENTRE, L.L.C.

**Loan / Mortgage Amount:** \$1,000,000.00

This property is located within the program area and is exempt from the requirements of 765 ILCS 77/70 et seq. because it is commercial property.

**Box 400-CTCC**

S Y  
P 19  
S N  
SC Y  
INT Y

**Certificate number:** EBF37408-0C28-4644-8FB2-1F508FC308E8

**Execution date:** 08/30/2010

Accom only  
80006638 DZAEY 1all

Property of Cook County Clerk's Office

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COOK COUNTY,  
ILLINOIS

880008638 DRAW  
Accom Only

Property of Cook County Clerk's Office

*This space reserved for Recorder's use only.*

### JUNIOR MORTGAGE

by

**Remington Business Centre, L.L.C.,**  
an Illinois limited liability company

to and for the benefit of

**MB Financial Bank, N.A.,**  
a national banking association

**THIS DOCUMENT PREPARED BY AND  
AFTER RECORDING RETURN TO:**

Francis L. Keldermans, Esq.  
Holland & Knight LLP  
131 S. Dearborn Street  
30<sup>th</sup> Floor  
Chicago, Illinois 60603

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## JUNIOR MORTGAGE

**THIS JUNIOR MORTGAGE** ("Mortgage") is made as of the **30** day of August, 2010, by **Remington Business Centre, L.L.C.**, an Illinois limited liability company ("Mortgagor"), to and for the benefit of **MB Financial Bank, N.A.**, its successors and assigns ("Mortgagee"):

### RECITALS:

A. Mortgagee has heretofore made a loan ("Basswood Loan") to Basswood 2001 LLC, an Illinois limited liability company ("Basswood"), HGCrossing 2004 LLC, an Illinois limited liability company ("HGCrossing") and Sharpe Family 2004 LLC, an Illinois limited liability company ("Sharpe Family") (hereinafter Basswood, HGCrossing and Sharpe Family are referred to collectively as the "Basswood Borrower") in the original principal amount of Five Million Four Hundred Thousand and 00/100 Dollars (\$5,400,000.00). The Basswood Loan is secured by, among other things, a Mortgage dated June 8, 2006, made by Basswood Borrower in favor of Mortgagee and recorded with the Office of the Recorder of Deeds in Will County, Illinois on June 13, 2006 as Document No. R2006096598 ("Basswood Mortgage"), which Mortgage encumbers the real property and all improvements thereon, legally described in the Mortgage (the "Basswood Property").

B. The Basswood Loan is further secured by certain unlimited guarantees ("Basswood Guarantees") dated October 24, 2008, made jointly and severally by Lance Chody ("Chody"), James Sharpe ("Sharpe") and Robert Zacharias ("Zacharias") (hereinafter Chody, Sharpe and Zacharias are referred to collectively as the "Basswood Guarantors") in favor of Mortgagee.

C. Basswood Borrower has heretofore defaulted under the Basswood Loan (the "Basswood Default"), which default remains uncured as of the date hereof. In connection with the Basswood Default, Mortgagee and Basswood Borrower have agreed to enter into a deed in lieu of foreclosure arrangement with respect to the Basswood Loan, as memorialized by that certain Agreement for Deed In Lieu of Foreclosure dated of even date herewith, by and between Basswood Borrower, the Basswood Guarantors and Mortgagee (the "Deed in Lieu Agreement").

D. Mortgagee has also heretofore made a loan ("Remington Loan") to Mortgagor in the original principal amount of Two Million Three Hundred Thousand and 00/100 Dollars (\$2,300,000.00). The Remington Loan is secured by, among other things, a Mortgage dated May 9, 2007, made by Mortgagor in favor of Mortgagee ("First Mortgage") and recorded with the Recorder of Deeds in Cook County, Illinois on May 30, 2007 as Document No. 0715033054, which Mortgage encumbers the Premises (as hereinafter defined).

E. The Remington Loan is further secured by certain unlimited guarantees ("Remington Guarantees") made jointly and severally by Chody and Sharpe (collectively, the "Remington Guarantors").

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F. On or about April 24, 2009, Basswood Borrower, the Basswood Guarantors and Mortgagee entered into a modification agreement (the "Basswood Modification") with respect to the Basswood Loan whereby, among other things, the parties thereto agreed to cross-collateralize and cross-default the Basswood Loan and the Remington Loan.

G. On or about May 9, 2009, Mortgagor, the Remington Guarantors and Mortgagee entered into a modification agreement ("Remington Modification", and together with the Basswood Modification, the "Modifications") with respect to the Remington Loan whereby, among other things, the parties thereto agreed to cross-collateralize and cross-default the Remington Loan and the Basswood Loan.

H. Pursuant to the Modifications, the Basswood Default constitutes a default under the Remington Loan (the "Remington Default").

I. Chody and Sharpe are members of each Basswood Borrower and of Mortgagor. As members of the foregoing entities, and as Guarantors of the Basswood Loan and the Remington Loan, both Chody and Sharpe have a direct financial interest in achieving an amicable resolution to the Basswood and Remington Defaults.

J. As of the date hereof, the outstanding principal balance under the Basswood Loan is approximately Five Million Two Hundred Fifty Thousand and 00/100 Dollars (\$5,250,000.00). Mortgagor, Mortgagee, Basswood Borrower and the Basswood Guarantors have agreed that the fair market value of the Basswood Property as of the date hereof is approximately Four Million Two Hundred Twenty-Five Thousand and 00/100 Dollars (\$4,225,000.00). As a result, the foregoing parties have agreed that the expected deficiency to be realized by Mortgagee upon the sale of the Basswood Property ("Basswood Deficiency") will be at least One Million and 00/100 Dollars (\$1,000,000.00). Pursuant to the Basswood Guarantees, the Basswood Guarantors have acknowledged their personal liability for any such deficiency.

K. Pursuant to the Deed in Lieu Agreement, and as a condition precedent to Mortgagee's obligations thereunder, and in consideration of Mortgagee's agreement to waive the Remington Default as against Mortgagor and to limit Chody's and Sharpe's personal liability relating to the Basswood Deficiency as set forth in the Deed in Lieu Agreement, Chody and Sharpe have agreed to, (i) in their capacity as members and managers of Mortgagor, cause Mortgagor to execute and deliver this Mortgage to Mortgagee, and (ii) execute and deliver to Mortgagee that certain Promissory Note dated of even date herewith made payable, jointly and severally, by Chody and Sharpe to the order of Mortgagee in the principal amount of One Million and 00/100 Dollars (\$1,000,000.00) (the "Guarantor Note").

## AGREEMENTS

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

Mortgagor hereby mortgages, grants, assigns, hypothecates, remises, releases, warrants and conveys to Mortgagee, its successors and assigns, and grants a security interest in, the following described property, rights and interests (referred to collectively herein as "Premises"),

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all of which property, rights and interests are hereby pledged primarily and on a parity with the Real Estate (as defined below) and not secondarily:

**THE REAL ESTATE** located in the State of Illinois and legally described on Exhibit A attached hereto and made a part hereof ("Real Estate");

**TOGETHER WITH** all improvements of every nature whatsoever now or hereafter situated on the Real Estate, and all fixtures and personal property of every nature whatsoever now or hereafter owned by Mortgagor and on, or used in connection with the Real Estate or the improvements thereon, or in connection with any construction thereon, including all extensions, additions, improvements, betterments, renewals, substitutions and replacements to any of the foregoing and all of the right, title and interest of Mortgagor in and to any such personal property or fixtures together with the benefit of any deposits or payments now or hereafter made on such personal property or fixtures by Mortgagor or on its behalf ("Improvements");

**TOGETHER WITH** all proceeds of the foregoing, including, without limitation, all judgments, awards of damages and settlements hereafter made resulting from condemnation proceeds or the taking of the Premises or any portion thereof under the power of eminent domain, any proceeds of any policies of insurance, maintained with respect to the Premises or proceeds of any sale, option or contract to sell the Premises or any portion thereof.

**TO HAVE AND TO HOLD** the Premises, unto Mortgagee, its successors and assigns, forever, for the purposes and upon the uses herein set forth together with all right to possession of the Premises after the occurrence of any Event of Default; Mortgagee hereby **RELEASING AND WAIVING** all rights under and by virtue of the homestead exemption laws of the State of Illinois.

**FOR THE PURPOSE OF SECURING:** (i) the payment of the Guarantor Note and all interest, charges and other indebtedness evidenced by or owing under the Guarantor Note, together with any extensions, modifications, renewals or refinancings thereof; (ii) the performance and observance of the covenants, conditions, agreements, representations, warranties and other liabilities and obligations of Mortgagor or any other obligor to or benefiting Mortgagee which are evidenced or secured by or otherwise provided in this Mortgage; and (iii) the reimbursement to Mortgagee of any and all sums incurred, expended or advanced by Mortgagee pursuant to any term or provision of or constituting additional indebtedness under or secured by this Mortgage, with interest thereon as provided herein or therein (collectively, "Indebtedness").

## **IT IS FURTHER UNDERSTOOD AND AGREED THAT:**

1. Mortgagor represents, warrants and covenants that (a) Mortgagor is the holder of (i) the fee simple title to the Premises, free and clear of all liens and encumbrances, except those liens and encumbrances in favor of Mortgagee and as otherwise described on Exhibit B attached hereto ("Permitted Exceptions"); and (b) Mortgagor has legal power and authority to mortgage and convey the Premises.

2. Mortgagor agrees to pay when due any indebtedness which may be secured by a permitted lien or charge on the Premises on a parity with, superior to or inferior to the lien

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hereof, and upon request exhibit satisfactory evidence of the discharge of such lien to the Mortgagee.

3. If the payment of the Indebtedness or any part thereof is extended or varied, if any part of any security for the payment of the Indebtedness is released, if the rate of interest charged under the Guarantor Note is changed or if the time for payment thereof is extended or varied, all persons now or at any time hereafter liable therefore, or interested in the Premises or having an interest in Mortgagor, shall be held to assent to such extension, variation, release or change and their liability and the lien and all of the provisions hereof shall continue in full force, any right of recourse against all such persons being expressly reserved by Mortgagee, notwithstanding such extension, variation, release or change.

4. **Event of Default.** Each of the following shall constitute an "**Event of Default**" for purposes of this Mortgage:

a. The Remington Guarantors fail to make any payment due under the Guarantor Note on or before the date when such payment becomes due and payable to Mortgagee;

b. the existence of any inaccuracy or untruth in any material respect in any representation or warranty contained in this Mortgage or of any statement or certification as to facts delivered to Mortgagee by Mortgagor;

c. Mortgagor or any of the Remington Guarantors files a voluntary petition in bankruptcy or is adjudicated a bankrupt or insolvent or files any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future federal, state, or other statute or law, or seeks or consents to or acquiesces in the appointment of any trustee, receiver or similar officer of Mortgagor or of all or any substantial part of the property of Mortgagor or any of the Premises or all or a substantial part of the assets of Mortgagor or the Remington Guarantors are attached, seized, subjected to a writ or distress warrant or are levied upon unless the same is released or located within thirty (30) days;

d. the commencement of any involuntary petition in bankruptcy against Mortgagor or any of the Remington Guarantors or the institution against Mortgagor or any of the Remington Guarantors of any reorganization, arrangement, composition, readjustment, dissolution, liquidation or similar proceedings under any present or future federal, state or other statute or law, or the appointment of a receiver, trustee or similar officer for all or any substantial part of the property of Mortgagor or any of the Remington Guarantors which shall remain undismissed or undischarged for a period of sixty (60) days;

e. the occurrence of an "Event of Default" under the Guarantor Note.

5. **Remedies.** If an Event of Default occurs, Mortgagee may, at its option, declare the whole of the Indebtedness to be immediately due and payable without further notice to Mortgagor.

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When all or any part of the Indebtedness shall become due, whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereof for such Indebtedness or part thereof and/or exercise any right, power or remedy provided in this Mortgage 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 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 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 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 paragraph and such other expenses and fees as may be incurred in the enforcement of 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 Mortgagee in any litigation or proceeding affecting this Mortgage 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 immediately due and payable by Mortgagor, with interest thereon until paid at the Default Rate and shall be secured by this Mortgage.

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 Mortgagee may determine in its sole and absolute discretion.

If any provision in this Mortgage shall be inconsistent with any provision of the Act, 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 (including Mortgagee acting as a mortgagee-in-possession) any powers, rights or remedies prior to, upon or following the occurrence of an Event of Default which are more limited than the powers, rights or remedies that would otherwise be vested in Mortgagee or in such receiver under the Act in the absence of said provision, Mortgagee and such receiver shall be vested with the powers, rights and remedies granted in the Act to the full extent permitted by law.

Without limiting the generality of the foregoing, all expenses incurred by Mortgagee which are of the type referred to in Section 5/15-1510 or 5/15-1512 of the Act, whether incurred before or after any decree or judgment of foreclosure, and whether or not enumerated in this Mortgage, shall be added to the Indebtedness and/or by the judgment of foreclosure.

Each right, power and remedy herein conferred upon Mortgagee is cumulative and in addition to every other right, power or remedy, express or implied, given now or hereafter

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existing under any other agreement between Mortgagor and Mortgagee, or at law or in equity, and each and every right, power and remedy herein set forth or otherwise so existing may be exercised from time to time as often and in such order as may be deemed expedient by Mortgagee, and the exercise or the beginning of the exercise of one right, power or remedy shall not be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy, and no delay or omission of Mortgagee in the exercise of any right, power or remedy accruing hereunder or arising otherwise shall impair any such right, power or remedy, or be construed to be a waiver of any Event of Default or acquiescence therein.

6. **Mortgagee's Right of Inspection.** Mortgagee and its representatives shall have the right to inspect the Premises and the books and records with respect thereto at all reasonable times upon not less than twenty-four (24) hours prior notice to Mortgagor, and access thereto, subject to the rights of tenants in possession, shall be permitted for that purpose.

7. **Release Upon Payment and Discharge of Mortgagor's and Remington Guarantors' Obligations.** Mortgagee shall release this Mortgage and the lien hereof by proper instrument upon payment and discharge of all Indebtedness, including payment of all reasonable expenses incurred by Mortgagee in connection with the execution of such release.

8. **Assignment of Leases and Rents.** In order to further secure payment of the Indebtedness and the observance, performance and discharge of the obligations described herein, Mortgagor hereby absolutely and irrevocably assigns and transfers to Mortgagee, all of Mortgagor's right, title and interest in and to the leases and the rents with respect to the Premises, subject only to the Permitted Exceptions. Mortgagor hereby appoints Mortgagee its true and lawful attorney-in-fact, with the right, at Mortgagee's option at any time, to demand, receive and enforce payment, to give receipts, releases and satisfactions, and to sue, either in Mortgagor's or Mortgagee's name, for all rents. Notwithstanding the foregoing assignment of leases and rents, so long as no Event of Default has occurred which remains uncured, Mortgagor shall have a license (such license to be deemed revoked upon the occurrence of an Event of Default) provided that the existence or exercise of such right of Mortgagor shall not operate to subordinate this assignment to any subsequent assignment, in whole or in part, by Mortgagor, and any subsequent assignment by Mortgagor shall be subject to the rights of the Mortgagee hereunder. This assignment shall not be deemed or construed to constitute Mortgagee as a mortgagee in possession nor obligate Mortgagee to take any action or to incur expenses or perform or discharge any obligation, duty or liability. Exercise of any rights under this Section 8 and the application of the rents to the Indebtedness shall not cure or waive any Event of Default.

9. **Notices.** Any notices, communications and waivers under this Mortgage shall be in writing and shall be (i) delivered in person, (ii) mailed, postage prepaid, either by registered or certified mail, return receipt requested, or (iii) by overnight express carrier, addressed in each case as follows:

To Mortgagee:

MB Financial Bank, N.A.  
6111 North River Road  
Rosemont, Illinois 60018  
Attn: Robert Hanigan, Senior Vice President



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With a copy to: Francis L. Keldermans, Esq.  
Holland & Knight LLP  
131 S. Dearborn Street  
30<sup>th</sup> Floor  
Chicago, Illinois 60603

to Mortgagor: Remington Business Centre, L.L.C.  
1125 Remington Road  
Schaumburg, Illinois 60173  
Attn: Lance Chody, Manager

With a copy to: Paul Bach, Esq.  
Bauch & Michaels, LLC  
53 West Jackson Boulevard  
Chicago, Illinois 60604

or to any other address as to any of the parties hereto, as such party shall designate in a written notice to the other party hereto. All notices sent pursuant to the terms of this Paragraph shall be deemed received (i) if personally delivered, then on the date of delivery, (ii) if sent by overnight, express carrier, then on the next federal banking day immediately following the day sent, or (iii) if sent by registered or certified mail, then on the earlier of the third federal banking day following the day sent or when actually received.

10. **Waiver of Rights.** Mortgagor hereby covenants and agrees that it will not at any time insist upon or plead, or in any manner claim or take any advantage of, any stay, exemption or extension law or any so-called "Moratorium Law" now or at any time hereafter in force providing for the valuation or appraisal of the Premises, or any part thereof, prior to any sale or sales thereof to be made pursuant to any provisions herein contained, or to decree, judgment or order of any court of competent jurisdiction; or, after such sale or sales, claim or exercise any rights under any statute now or hereafter in force to redeem the property so sold, or any part thereof, or relating to the marshalling thereof, upon foreclosure sale or other enforcement hereof; and without limiting the foregoing:

a. The Mortgagor hereby expressly waives any and all rights of reinstatement and redemption, if any, under any order or decree of foreclosure of this Mortgage, on its own behalf and on behalf of each and every person, it being the intent hereof that any and all such rights of reinstatement and redemption of the Mortgagor and of all other persons are and shall be deemed to be hereby waived to the full extent permitted by the provisions of Illinois Compiled Statutes 735 ILCS 5/15 - 1601 or other applicable law or replacement statutes; and

b. The Mortgagor will not invoke or utilize any such law or laws or otherwise hinder, delay or impede the execution of any right, power remedy herein or otherwise granted or delegated to the Mortgagee but will suffer and permit the execution of every such right, power and remedy as though no such law or laws had been made or enacted.

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11. **Contests.** Notwithstanding anything herein to the contrary, Mortgagor shall have the right to contest by appropriate legal proceedings diligently prosecuted, any Taxes imposed or assessed upon the Premises or which may be or become a lien thereon and any mechanics', materialmen's or other liens or claims for lien upon the Premises (all herein called "Contested Liens"). Contested Liens shall not constitute an Event of Default hereunder, if, but only if:

a. Mortgagor shall forthwith give notice of any Contested Lien to Mortgagee at the time the same shall be asserted;

b. Mortgagor shall either pay under protest or deposit with Mortgagee the full amount (herein called "Lien Amount") of such Contested Lien, together with such amount as Mortgagee may reasonably estimate as interest or penalties which might arise during the period of contest; provided that in lieu of such payment Mortgagor may furnish to Mortgagee a bond or title indemnity in such amount and form, and issued by a bond or title insurance company, as may be satisfactory to Mortgagee;

c. Mortgagor shall diligently prosecute the contest of any Contested Lien by appropriate legal proceedings having the effect of staying any foreclosure or forfeiture of the Premises, and shall permit Mortgagee to be represented in any such contest and shall pay all expenses incurred, in so doing, including fees and expenses of Mortgagee's counsel (all of which shall constitute so much additional Indebtedness bearing interest at the Default Rate until paid, and payable upon demand);

d. Mortgagor shall pay such Contested Lien and all Lien Amounts together with interest and penalties thereon (i) if and to the extent that any such Contested Lien shall be determined adverse to Mortgagor, or (ii) forthwith upon demand by Mortgagee if, in the opinion of Mortgagee, and notwithstanding any such contest, the Premises shall be in jeopardy or in danger of being forfeited or foreclosed; provided that if Mortgagor shall fail so to do, Mortgagee may, but shall not be required to, pay all such Contested Liens and Lien Amounts and interest and penalties thereon and such other sums as may be necessary in the judgment of the Mortgagee to obtain the release and discharge of such liens; and any amount expended by Mortgagee in so doing shall be so much additional Indebtedness bearing interest at the Default Rate until paid, and payable upon demand; and provided further that Mortgagee may in such case use and apply monies deposited as provided in subsection (b) above and may demand payment upon any bond or title indemnity furnished as aforesaid.

12. **Expenses Relating to Note and Mortgage.**

a. Mortgagor will pay all expenses, charges, costs and fees necessitated by the terms of this Mortgage, including without limitation, Mortgagee's reasonable attorneys' fees in connection with the administration, servicing and enforcement of this Mortgage, all filing, registration and recording fees, all other expenses incident to the execution and acknowledgment of this Mortgage and all federal, state, county and municipal taxes, and other taxes (provided Mortgagor shall not be required to pay any income or franchise taxes of Mortgagee), duties, imposts, assessments and charges arising out of or in

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connection with the execution and delivery of this Mortgage. Mortgagor recognizes that, during the term of this Mortgage, Mortgagee:

i. May be involved in court or administrative proceedings, including, without restricting the foregoing, foreclosure, probate, bankruptcy, creditors' arrangements, insolvency, housing authority and pollution control proceedings of any kind, to which Mortgagee shall be a party by reason of this Mortgage or in which this Mortgage or the Premises are involved directly or indirectly;

ii. May make preparations following the occurrence of an Event of Default hereunder for the commencement of any suit for the foreclosure hereof, which may or may not be actually commenced;

iii. May make preparations following the occurrence of an Event of Default hereunder for, and do work in connection with, Mortgagee's taking possession of and managing the Premises, which event may or may not actually occur;

iv. May make preparations for and commence other private or public actions to remedy an Event of Default hereunder, which other actions may or may not be actually commenced;

v. May enter into negotiations with Mortgagor or any of its agents, employees or attorneys in connection with the existence or curing of any Event of Default hereunder, the sale of the Premises, the assumption of liability for any of the Indebtedness or the transfer of the Premises in lieu of foreclosure; or

vi. May enter into negotiations with Mortgagor or any of its agents, employees or attorneys pertaining to Mortgagee's approval of actions taken or proposed to be taken by Mortgagor which approval is required by the terms of this Mortgage.

b. All expenses, charges, costs and fees described in this Section 12 shall be so much additional Indebtedness, shall bear interest from the date so incurred until paid at the Default Rate and shall be paid, together with said interest, by Mortgagor forthwith upon demand.

13. **Statement of Indebtedness.** Mortgagor, within seven days after being so requested by Mortgagee, shall furnish a duly acknowledged written statement setting forth the amount of the debt secured by this Mortgage, the date to which interest has been paid and stating either that no offsets or defenses exist against such debt or, if such offsets or defenses are alleged to exist, the nature thereof.

14. **Further Instruments.** Upon request of Mortgagee, Mortgagor shall execute, acknowledge and deliver all such additional instruments and further assurances of title and shall do or cause to be done all such further acts and things as may reasonably be necessary fully to effectuate the intent of this Mortgage.

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15. **Additional Indebtedness Secured.** All persons and entities with any interest in the Premises or about to acquire any such interest should be aware that this Mortgage secures more than the stated principal amount of the Guarantor Note and interest thereon; this Mortgage secures any and all other amounts which may become due under the Guarantor Note or any other document or instrument evidencing, securing or otherwise affecting the Indebtedness, including, without limitation, any and all amounts expended by Mortgagee to operate, manage or maintain the Premises or to otherwise protect the Premises or the lien of this Mortgage.

16. **Indemnity.** Mortgagor hereby covenants and agrees that no liability shall be asserted or enforced against Mortgagee in the exercise of the rights and powers granted to Mortgagee in this Mortgage, and Mortgagor hereby expressly waives and releases any such liability. Mortgagor shall indemnify and save Mortgagee harmless from and against any and all liabilities, obligations, losses, damages, claims, costs and expenses (including reasonable attorneys' fees and court costs) (collectively, "Claims") of whatever kind or nature which may be imposed on, incurred by or asserted against Mortgagee at any time by any third party which relate to or arise from: (a) any suit or proceeding (including probate and bankruptcy proceedings), or the threat thereof, in or to which Mortgagee may or does become a party, either as plaintiff or as a defendant, by reason of this Mortgage or for the purpose of protecting the lien of this Mortgage; (b) the offer for sale or sale of all or any portion of the Premises; and (c) the ownership, leasing, use, operation or maintenance of the Premises, if such Claims relate to or arise from actions taken prior to the surrender of possession of the Premises to Mortgagee in accordance with the terms of this Mortgage, provided, however, that Mortgagor shall not be obligated to indemnify or hold Mortgagee harmless from and against any Claims directly arising from the gross negligence or willful misconduct of Mortgagee. All costs provided for herein and paid for by Mortgagee shall be so much additional indebtedness and shall become immediately due and payable upon demand by Mortgagee and with interest thereon from the date incurred by Mortgagee until paid at the Default Rate.

17. **Subordination of Property Manager's Lien.** Any property management agreement for the Premises entered into hereafter with a property manager shall contain a provision whereby the property manager agrees that any and all mechanics' lien rights that the property manager or anyone claiming by, through or under the property manager may have in the Premises shall be subject and subordinate to the lien of this Mortgage and shall provide that Mortgagee may terminate such agreement at any time after the occurrence of an Event of Default hereunder. Such property management agreement or a short form thereof, at Mortgagee's request, shall be recorded with the Recorder of Deeds of the county where the Premises are located. In addition, if the property management agreement in existence as of the date hereof does not contain a subordination provision, Mortgagor shall cause the property manager under such agreement to enter into a subordination of the management agreement with Mortgagee, in recordable form, whereby such property manager subordinates present and future lien rights and those of any party claiming by, through or under such property manager to the lien of this Mortgage.

18. **Miscellaneous.**

a. **Successors and Assigns.** This Mortgage and all provisions hereof shall be binding upon and enforceable against Mortgagor and its assigns and other successors.

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This Mortgage and all provisions hereof shall inure to the benefit of Mortgagee, its successors and assigns and any holder or holders, from time to time, of the Guarantor Note.

b. **Invalidity of Provisions; Governing Law.** In the event that any provision of this Mortgage is deemed to be invalid by reason of the operation of law, or by reason of the interpretation placed thereon by any administrative agency or any court, Mortgagor and Mortgagee shall negotiate an equitable adjustment in the provisions of the same in order to effect, to the maximum extent permitted by law, the purpose of this Mortgage and the validity and enforceability of the remaining provisions, or portions or applications thereof, shall not be affected thereby and shall remain in full force and effect. This Mortgage is to be construed in accordance with and governed by the laws of the State of Illinois.

c. **Municipal Requirements.** Mortgagor shall not by act or omission permit any building or other improvement on premises not subject to the lien of this Mortgage to rely on the Premises or any part thereof or any interest therein to fulfill any municipal or governmental requirement, and Mortgagor hereby assigns to Mortgagee any and all rights to give consent for all or any portion of the Premises or any interest therein to be so used. Similarly, no building or other improvement on the Premises shall rely on any premises not subject to the lien of this Mortgage or any interest therein to fulfill any governmental or municipal requirement. Any act or omission by Mortgagor which would result in a violation of any of the provisions of this subparagraph shall be void.

d. **Rights of Tenants.** Mortgagee shall have the right and option to commence a civil action to foreclose this Mortgage and to obtain a decree of foreclosure and sale subject to the rights of any tenant or tenants of the Premises having an interest in the Premises prior to that of Mortgagee. The failure to join any such tenant or tenants of the Premises as party defendant or defendants in any such civil action or the failure of any decree of foreclosure and sale to foreclose their rights shall not be asserted by Mortgagor as a defense in any civil action instituted to collect the Indebtedness, or any part thereof or any deficiency remaining unpaid after foreclosure and sale of the Premises, any statute or rule of law at any time existing to the contrary notwithstanding.

e. **Option of Mortgagee to Subordinate.** At the option of Mortgagee, this Mortgage shall become subject and subordinate, in whole or in part (but not with respect to priority of entitlement to insurance proceeds or any condemnation or eminent domain award) to any and all leases of all or any part of the Premises upon the execution by Mortgagee of a unilateral declaration to that effect and the recording thereof in the Office of the Recorder of Deeds in and for the county wherein the Premises are situated.

f. **Mortgagee in Possession.** Nothing herein contained shall be construed as constituting Mortgagee a mortgagee in possession in the absence of the actual taking of possession of the Premises by Mortgagee pursuant to this Mortgage.

g. **Relationship of Mortgagee and Mortgagor.** Mortgagee shall in no event be construed for any purpose to be a partner, joint venturer, agent or associate of Mortgagor

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or of any lessee, operator, concessionaire or licensee of Mortgagor in the conduct of their respective businesses, and, without limiting the foregoing, Mortgagee shall not be deemed to be such partner, joint venturer, agent or associate on account of Mortgagee becoming a mortgagee in possession or exercising any rights pursuant to this Mortgage or otherwise. The relationship of Mortgagor and Mortgagee hereunder is solely that of debtor/creditor.

h. **Time of the Essence.** Time is of the essence of the performance and observance by Mortgagor of all terms, conditions, obligations and agreements contained in this Mortgage.

i. **No Merger.** The parties hereto intend that the Mortgage and the lien hereof shall not merge in fee simple title to the Premises, and if Mortgagee acquires any additional or other interest in or to the Premises or the ownership thereof, then, unless a contrary intent is manifested by Mortgagee as evidenced by an express statement to that effect in an appropriate document duly recorded, this Mortgage and the lien hereof shall not merge in the fee simple title and this Mortgage may be foreclosed as if owned by a stranger to the fee simple title.

j. **Maximum Indebtedness.** Notwithstanding anything contained herein to the contrary, in no event shall the Indebtedness exceed an amount equal to TWO MILLION AND NO/100 DOLLARS (\$2,000,000.00).

k. **Consent to Jurisdiction** TO INDUCE MORTGAGEE TO ACCEPT THE NOTE, MORTGAGOR IRREVOCABLY AGREES THAT, SUBJECT TO 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 COOK COUNTY ILLINOIS. MORTGAGOR HEREBY CONSENTS AND SUBMITS TO THE JURISDICTION OF ANY COURT LOCATED WITHIN COOK COUNTY, ILLINOIS, WAIVES PERSONAL SERVICE OF PROCESS UPON MORTGAGOR, AND AGREES THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE BY REGISTERED MAIL DIRECTED TO MORTGAGOR AT THE ADDRESS STATED HEREIN AND SERVICE SO MADE WILL BE DEEMED TO BE COMPLETED UPON ACTUAL RECEIPT.

l. **Waiver of Jury Trial.** MORTGAGOR AND 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

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**JURY. MORTGAGOR AGREES THAT IT WILL NOT ASSERT ANY CLAIM AGAINST MORTGAGEE OR ANY OTHER PERSON INDEMNIFIED UNDER THIS MORTGAGE ON ANY THEORY OF LIABILITY FOR SPECIAL, INDIRECT, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES.**

m. **Complete Agreement.** This Mortgage constitutes the complete agreement between the parties with respect to the subject matter hereof and may not be modified, altered or amended except by an agreement in writing signed by both Mortgagor and Mortgagee.

[Signature Page Follows]

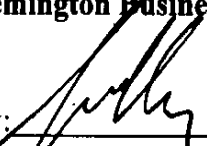
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**IN WITNESS WHEREOF**, Mortgagor has executed and delivered this Mortgage as of the day and year first above written.

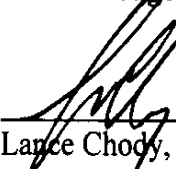
**MORTGAGOR:**

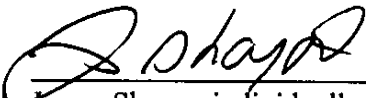
**Remington Business Centre, L.L.C.**

By:   
Lance Chody, Manager

By:   
James Sharpe, Manager

**Acknowledged and Agreed to by:**

  
Lance Chody, individually

  
James Sharpe, individually

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STATE OF ILLINOIS )  
COUNTY OF Cook ) SS

I, R. Scott Schroeder a Notary Public in and for said County, in the State aforesaid, do hereby certify that Lance Chody, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal, this 27<sup>th</sup> day of August, 2010.

R. Scott Schroeder  
NOTARY PUBLIC

(SEAL)



STATE OF ILLINOIS )  
COUNTY OF Cook ) SS

I, R. Scott Schroeder a Notary Public in and for said County, in the State aforesaid, do hereby certify that James Sharpe, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal, this 27<sup>th</sup> day of August, 2010.

R. Scott Schroeder  
NOTARY PUBLIC

(SEAL)



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## EXHIBIT A

### LEGAL DESCRIPTION OF THE REAL PROPERTY

LOT 1 IN REMINGTON CENTRE SUBDIVISION, BEING A RESUBDIVISION OF LOT 6 IN THE RESUBDIVISION OF PART OF OUT LOT "F" IN SCHAUMBURG INDUSTRIAL PARK, A SUBDIVISION OF THE SOUTHEAST 1/4 OF SECTION 11, TOWNSHIP 41 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED MAY 21, 2 007 AS DOCUMENT 0714116058, IN COOK COUNTY, ILLINOIS.

Property Address: 1105 Remington Road, Schaumburg, Illinois

Tax Parcel No.: 07-12-300-024-0000

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## EXHIBIT B

### PERMITTED EXCEPTIONS

1. Mortgage dated May 9, 2007 and recorded in the Office of the Recorder of Deeds in Cook County, Illinois on May 30, 2007 as Document No. 0715033054; and
2. The Permitted Exceptions set forth on the foregoing Mortgage.

Property of Cook County Clerk's Office

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