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Illinois Anti-Predatory Lending Database Program

Certificate of Exemption

NCS-442832 7/2/11
3045

Report Mortgage Fraud
800-532-8786



1125244063

Doc#: 1125244063 Fee: \$98.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 09/09/2011 03:23 PM Pg: 1 of 32

The property identified as: PIN: 11-30-420-060-0000

Address:

Street: 7212 North Clark Street

Street line 2:

City: Chicago

State: IL

ZIP Code: 60626

Lender: WELLS FARGO BANK, NATIONAL ASSOCIATION

Borrower: NEW PLAN LEARNING, INC.

Loan / Mortgage Amount: \$175,000,000.00

This property is located within the program area and is exempt from the requirements of 765 ILCS 7770 et seq. because it is commercial property.

Certificate number: E35B8A25-591E-4989-9251-0E68136F6E60

Execution date: 09/08/2011

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This Instrument Prepared By:

*Tom Smith, Esq.
PECK, SHAFFER & WILLIAMS LLP
135 South LaSalle Street, Suite 3025
Chicago, Illinois 60603-4177*

Return to:

*Kristie M. Vehovec
Assistant Vice President
Sr. Commercial Escrow Officer
First American Title Insurance Company
1660 W. Second St., Suite 700
Cleveland, Ohio 44113*

*NCJ-442872
3005700*

**PIN: 11-30-420-060-0000
11-30-420-061-0000
11-30-420-064-0000**

**OPEN-END MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF LEASES
AND RENTS AND FINANCING STATEMENT**

THIS OPEN-END MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF LEASES AND RENTS AND FINANCING STATEMENT (this "**Mortgage**") is made as of September 8, 2011 by **NEW PLAN LEARNING, INC.**, an Ohio nonprofit corporation, with its principal office and mailing address at 2250 E. Devon Avenue, Suite 215, Des Plaines, Illinois 60018, as Mortgagor (the "**Mortgagor**"), to **WELLS FARGO BANK, NATIONAL ASSOCIATION**, as **MASTER TRUSTEE**, a national banking association, with its designated office and mailing address at MAC: S4101-22E, West Washington Street, Phoenix, Arizona 85003, as mortgagee (together with any successors or assigns, the "**Mortgagee**" or the "**Master Trustee**").

I

RECITALS

WHEREAS, Mortgagor is the owner of that certain real property situated in Cook County (the "**County**") in the State of Illinois (the "**State**"), more fully described in Exhibit A attached hereto and made a part hereof (the "**Premises**") together with all improvements thereon and appurtenances thereto;

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WHEREAS, Mortgagor, together with other limited liability companies listed on Appendix A hereto, and the Mortgagee, as the Master Trustee, are parties to a Master Indenture of Trust dated as of September 1, 2011 (as the same may hereafter be amended and/or supplemented from time to time, the "Master Indenture") pursuant to which the Members of the Obligated Group may from time to time issue Obligations to evidence or secure Indebtedness of any Member of the Obligated Group;

WHEREAS, capitalized terms used herein without definitions shall have the meaning assigned to such terms in the Master Indenture;

WHEREAS, Mortgagor wishes to provide further assurance and security to the Master Trustee pursuant to the Master Indenture and does desire to hereby grant to Mortgagee a security interest in and a first lien upon the Property (as hereinafter defined) to secure all of the Mortgagor's obligations, including without limitation, performance and payment obligations, under (i) the Master Indenture, (ii) any Obligation, and (iii) this Mortgage (as such documents may be amended, restated, supplemented or otherwise modified from time to time, the "Security Documents"), whether such obligations are now or hereafter existing (collectively, the "Master Indenture Commitments");

WHEREAS, Mortgagor derives substantial direct and indirect economic benefit to be provided to the Mortgagee under the Master Indenture, and other valuable consideration, the receipt and adequacy of which are hereby acknowledged; and

WHEREAS, this Mortgage also secures the payment of and includes all amounts owing in respect of all future or further advances made to the Mortgagor pursuant to Obligations issued under the Master Indenture, to the same extent as if such future Obligations were made on the date of execution of this Mortgage. Such further or future advances shall be considered obligatory advances and the same shall bear interest at the same rate as specified in that Related Supplement pursuant to which an Obligation is issued. The parties hereby acknowledge and intend that all advances to the Mortgagor, including future advances whenever hereafter made, shall be secured by this Mortgage.

II

THE GRANT

NOW, THEREFORE, in order to secure the payment of all Obligations and other Master Indenture Commitments and the performance of all of the terms, covenants, conditions, provisions, agreements and obligations contained in the Security Documents and also to secure the payment of any and all Master Indenture Commitments, direct or contingent, that may now or hereafter become owing from Mortgagor to Mortgagee whether pursuant to the Security Documents, any agreement by Mortgagor in substitution therefor, any obligation of Mortgagor

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to Mortgagee arising hereafter, or otherwise pursuant thereto (collectively, "Successor Obligations"), and in consideration of Ten and No/100 Dollars (\$10.00) in hand paid by Mortgagee to Mortgagor, the Recitals above stated (which are hereby incorporated herein as if fully restated in their entirety), and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally and firmly bound, Mortgagor hereby irrevocably GRANTS, BARGAINS, SELLS, PLEDGES, ASSIGNS, RELEASES, ALIENS, TRANSFERS, REMISES, WARRANTS, DEMISES, CONVEYS and MORTGAGES unto Mortgagee (and grants to Mortgagee and its successors and assigns forever a continuing security interest in and to) the Premises and all of Mortgagor's estate, right, claim and interest therein, together with the following described property, all of which other property is pledged primarily on a parity with the Premises and not secondarily (the Premises and the following described estate, rights, interests, claims and property collectively referred to as the "Property"):

(a) all buildings, structures and other improvements of every kind and description now or hereafter erected, situated, or placed upon the Premises (the "Improvements"), together with any and all Personal Property (as defined in Paragraph (k) below) and all attachments now or hereafter owned by Mortgagor and located in or on, forming part of, attached to, used or intended to be used in connection with, or incorporated in any such Improvements, including all extensions of, additions to, betterments, renewals of, substitutions for and replacements for any of the foregoing;

(b) all estate, claim, demand, right, title and interest of Mortgagor now owned or hereafter acquired, including without limitation any after-acquired title, franchise, license, remainder or reversion, in and to any and all (i) land or vaults lying within the right-of-way of any street, avenue, way, passage, highway or alley, open or proposed, vacated or otherwise, adjoining the Premises; (ii) alleys, sidewalks, streets, avenues, strips and gores of land belonging, adjacent or pertaining to the Premises or the Improvements; (iii) storm and sanitary sewer, water, gas, electric, railway and telephone services relating to the Premises and the Improvements; (iv) development rights, air rights, water, water rights, water stock, gas, oil, minerals, coal and other substances of any kind or character underlying or relating to the Premises or any part thereof, and (v) tenements, hereditaments, easements, appurtenances, other rights, liberties, reservations, allowances and privileges relating to the Premises or the Improvements or in any way now or hereafter appertaining thereto, including homestead and any other claims at law or in equity;

(c) all community school or charter school lease agreements relating to the use and occupancy of the Premises or the Improvements or any portion thereof, now or hereafter existing or entered into (collectively the "Charter School Lease Agreements");

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- (d) all rents, rent equivalents, issues, profits, royalties, revenue, advantages, income, avails, claims against guarantors, all cash or security deposits, advance rentals, deposits or payments given and other benefits now or hereafter derived directly or indirectly from the Premises and Improvements under the Charter School Lease Agreements or otherwise (collectively "Charter School Payments");
- (e) other than the Charter School Lease Agreements, all other leasehold estates and right, title and interest of Mortgagor in any and all leases, subleases, management agreements, arrangements, concessions, licenses or permits, written or oral, relating to the use and occupancy of the Premises or the Improvements or any portion thereof, now or hereafter existing or entered into (collectively "Leases");
- (f) other than the Charter School Payments, all other rents, rent equivalents, issues, profits, royalties, revenue, advantages, income, avails, claims against guarantors, all cash or security deposits, advance rentals, deposits or payments given and other benefits now or hereafter derived directly or indirectly from the Premises and Improvements under the Leases or otherwise (collectively "Rents"), subject to the right, power and authority to assign, collect and apply the Rents;
- (g) all right, title and interest of Mortgagor in and to all options to purchase or lease the Premises or the Improvements or any portion thereof or interest therein, or any other rights, interests or greater estates in the rights and properties comprising the Property now owned or hereafter acquired by Mortgagor;
- (h) any interests, estates or other claims of every name, kind or nature, both in law and in equity, which Mortgagor now has or may acquire in the Premises and Improvements or other rights, interests or properties comprising the Property now owned or hereafter acquired;
- (i) all rights of Mortgagor to any and all plans and specifications, designs, drawings and other matters prepared for any construction on the Premises or regarding the Improvements;
- (j) all rights of Mortgagor under any contracts executed by Mortgagor with any provider of goods or services for or in connection with any construction undertaken on or services performed or to be performed in connection with the Premises or the Improvements;
- (k) all right, title and interest of Mortgagor in and to all the following tangible personal property (the "Personal Property") owned by Mortgagor and now or at any time hereafter located in, on or at the Premises or the Improvements and used or useful in connection therewith:

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(i) all building materials and equipment located upon the Premises and intended for construction, reconstruction, alteration, repair or incorporation in or to the Improvements now or hereafter to be constructed thereon, whether or not yet incorporated in such Improvements, (all of which shall be deemed to be included in the Property upon delivery thereto);

(ii) all machines, machinery, fixtures, apparatus, equipment or articles used in supplying heating, gas, electricity, air-conditioning, water, light, power, plumbing, sprinkler, waste removal, refrigeration, ventilation, and all fire sprinklers, alarm systems, protection, electronic monitoring equipment and device);

(iii) all window, structural, maintenance and cleaning equipment and rigs;

(iv) all Property, Plant and Equipment, to the extent not previously described or granted hereby; and

(v) all fixtures now or hereafter owned by Mortgagor and attached to or contained in and used or useful in connection with the Premises or the Improvements. All such property owned by Mortgagor and placed by it on the Premises or used in connection with the operation or maintenance shall, so far as permitted by law, be deemed for the purposes of this Mortgage to be part of the real estate constituting and located on the Premises and covered by this Mortgage. As to any of the property that is not part of such real estate or does not constitute a "fixture" as such term is defined in the Uniform Commercial Code of the State of Illinois (the "Code"), this Mortgage shall be deemed to be a security agreement under the Code for the purpose of creating hereby a security interest in such property, which Mortgagor, as "debtor" hereby grants to Mortgagee as "secured party" as defined in the Code and a financing statement filed as a fixture filing with respect to all property constituting part of the Property which are or are to become fixtures for the purpose of perfecting such a security interest, provided the filing of any other financing statement relating to the Personal Property shall not be construed to diminish any of Mortgagee's rights or priorities hereunder. The enumeration of any specific items of Personal Property set forth herein shall in no way exclude or be held to exclude any items of property not specifically enumerated; and

(l) all the estate, interest, right, title or other claim or demand which Mortgagor now has or may hereafter have or acquire with respect to (i) proceeds of insurance in effect with respect to the Property and (ii) any and all awards, claims for damages, judgments, settlements and other compensation made for or consequent upon

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the taking by condemnation, eminent domain or any like proceeding, or by any proceeding or purchase in lieu thereof, of the whole or any part of the Property, including, without limitation, any awards and compensation resulting from a change of grade of streets and awards and compensation for severance damages (collectively "Awards").

TO HAVE AND TO HOLD the Property hereby granted, assigned, sold, mortgaged and conveyed, or so intended, unto the Mortgagee and unto its successors and assigns, forever, for the uses and purposes herein set forth, and Mortgagor does hereby bind itself and its successors and assigns to WARRANT AND FOREVER DEFEND the Property unto the Mortgagee and unto its successors and assigns, against any and every person lawfully claiming or to claim the same or any part thereof by, through and under Mortgagor.

The Mortgagor hereby represents, warrants and covenants with the Mortgagee and with the purchaser at any foreclosure sale or grantee under a deed in lieu thereof that, at the execution and delivery hereof: (a) Mortgagor owns the Property and, with respect to the Land, has good, indefeasible estate therein, in fee simple, (b) the Property is free from all encumbrances and exceptions to title (and any claim of any other person) other than the Permitted Liens as defined in the Master Indenture or listed on Exhibit B attached hereto and made a part hereof (the "Permitted Liens"), (c) Mortgagor has good and marketable title in and to the Property and good and lawful right to grant, assign, sell, mortgage and convey its interest in the Property, and (d) Mortgagor and its successors and assigns shall forever warrant and defend the Property against all claims and demands whatsoever.

If and when Mortgagor has paid all of the Master Indenture Commitments and there exist no commitments under the Security Documents which could give rise to any Master Indenture Commitments and no Successor Obligations, and the Master Indenture has been terminated or expired pursuant to its terms, then this Mortgage and the estate, right and interest of Mortgagee in and to the Property shall cease and shall be released by Mortgagee delivering to Mortgagor a release of this Mortgage in proper recordable form at the cost of Mortgagor, but until such time shall remain in full force and effect.

III

GENERAL AGREEMENTS

3.01 Payment of Indebtedness. Mortgagor shall pay promptly and when due all amounts owing in respect of the Master Indenture Commitments in the manner provided in the Master Indenture, this Mortgage or the other Security Documents.

3.02 Impositions. Mortgagor shall pay immediately, when first due and owing, all general taxes, special taxes, special assessments, water charges, sewer charges, and any other

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charges, fees, taxes, claims, levies, expenses, liens and assessments, ordinary or extraordinary, governmental or nongovernmental, statutory or otherwise (all of the foregoing being herein collectively referred to as "Impositions"), that may be asserted against the Property or any part thereof or interest therein.

Mortgagor may, in good faith and with reasonable diligence, contest the validity or amount of any Impositions; provided, that:

(a) Mortgagor shall pay all such Impositions so contested under protest if such payment is required to prevent such contest from having the effect of preventing the sale or forfeiture of the Property or any sub-part or interest;

(b) Mortgagor has notified Mortgagee in writing of the intention of Mortgagor to prosecute the contest before any Impositions have been materially increased by any interest, penalties, or costs;

(c) Mortgagor, at Mortgagee's sole option, shall demonstrate to Mortgagee's reasonable satisfaction that said contest shall conclusively operate to prevent the sale of the Property, or any part thereof, to satisfy such Impositions prior to the final determination of such contest or Mortgagor shall furnish a good and sufficient cash deposit, bond or such other security with respect thereto as requested by and is satisfactory in all respects to Mortgagee; and

(d) Mortgagor shall diligently prosecute the contest of such Impositions by appropriate legal proceedings.

3.03 Payment of Impositions by Mortgagee. Upon Mortgagor's failure to pay the Impositions as provided above, Mortgagee is hereby authorized, but not obligated, to make or advance, in the place and stead of Mortgagor, any payment relating to Impositions, unless such Imposition is then being contested by Mortgagor pursuant to Section 3.02. Mortgagee may do so according to any bill, statement, or estimate procured from the appropriate public office without inquiry into the accuracy or the validity of any Impositions, lien, sale, forfeiture, or related title or claim. Mortgagee is further authorized to make or advance, in place of Mortgagor, unless such matter is being contested by Mortgagor in accordance with Section 3.02, any payment relating to any apparent adverse title, lien, statement of lien, encumbrance, claim, charge, or payment otherwise relating to any other purpose herein and hereby authorized (except the Permitted Liens), but not enumerated in this Section, whenever, in Mortgagee's reasonable judgment and discretion, such advance seems necessary or desirable to protect the full security intended to be created by this Mortgage. All such advances and indebtedness authorized by this Section shall constitute Master Indenture Commitments and shall be repayable by Mortgagor upon demand with interest at the Default Rate (as defined herein).

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3.04 Insurance and Insurance Proceeds. Mortgagor shall, at its sole expense, obtain for, deliver to, assign and maintain for the benefit of Mortgagee (and for the benefit of such other parties as Mortgagee shall require), or cause to be obtained, until the Master Indenture Commitments are paid in full, insurance policies as specified in the Master Indenture. In case of any damage to, or loss or destruction of, the Property or any part thereof (each, a "Destruction"), Mortgagor shall promptly send to Mortgagee a notice setting forth the nature and extent of such Destruction. All such proceeds, less the amount of any expenses incurred in litigating, arbitrating, compromising or settling any claim arising out of such Destruction ("Net Proceeds"), shall be applied in accordance with the Master Indenture.

3.05 Condemnation Awards. In the event of any taking of the Property or any part thereof, in or by condemnation or other eminent domain proceedings pursuant to any law, general or special, or by reason of the temporary requisition of the use or occupancy of the Property or any part thereof, by any governmental authority, civil or military (each, a "Taking"), Mortgagor shall immediately notify Mortgagee upon receiving notice of such Taking or commencement of proceedings thereon. All proceeds or any award or payment in respect of any Taking are hereby assigned and shall be paid to Mortgagee and Mortgagor shall take all steps necessary to notify the condemning authority of such assignment. Such award or payment, less the amount of any expenses incurred in litigating, arbitrating, compromising or settling any claim arising out of such Taking ("Net Award"), shall be applied in accordance with the provisions of Section 3.03 of the Master Indenture.

3.06 Stamp Taxes. If at any time the United States government, or any federal, state, or municipal governmental subdivision, requires Internal Revenue or other documentary stamps or levies any tax on this Mortgage or requires payment of any tax in the nature of or comparable to the United States Interest Equalization Tax on the Master Indenture Commitments, then Mortgagor shall pay such tax, including interest and penalties, in the required manner.

3.07 Change in Tax Laws. In the event of the enactment, after the date of this Mortgage, of any law of the United States of America, or any state or political subdivision thereof, (i) deducting from the value of the Property, for the purpose of taxation, the amount of any lien thereon; (ii) imposing upon Mortgagee the payment of all or any part of the taxes, assessments, charges or liens hereby required to be paid by Mortgagor; or (iii) changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or Mortgagor's interest in the Property, or the manner of collection of taxes, so as to affect this Mortgage or the Master Indenture Commitments; then Mortgagor, upon demand by Mortgagee, and as required by law, shall pay such taxes, assessments, charges, or liens or reimburse Mortgagee therefor. If, in the opinion of counsel for Mortgagee, it would be unlawful to require Mortgagor to make such payment or the making of such payment might result in the imposition of interest beyond the maximum amount permitted by law, then the applicable provisions of the Master Indenture shall

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apply. Nothing contained in this Section 3.07 shall be construed as obligating Mortgagor to pay any portion of Mortgagee's federal, state and local income tax.

3.08 Assignment of Leases and Rents. All right, title, and interest of Mortgagor in and to all existing Leases affecting the Property and including and together with any and all future Leases, written or oral, upon all or any part of the Property and together with all of the Rents from or due or arising out of the Property are hereby transferred and assigned simultaneously herewith to Mortgagee as further security for the payment of the Master Indenture Commitments. All future Leases affecting the Property shall be submitted by Mortgagor to Mortgagee for its approval in accordance with the Master Indenture. Each Lease, including all future Leases shall be subordinate to this Mortgage, provided that, upon the request of the Mortgagor and the lessee under any such Lease, Mortgagee shall enter into a subordination, nondisturbance and attornment agreement (or similar agreement) with such lessee in form and substance reasonably satisfactory to Mortgagee, pursuant to which (i) Mortgagee will agree that so long as such Lease shall be in full force and effect and such lessee is not in default thereunder, Mortgagee will not disturb, pursuant to a foreclosure action or proceeding or otherwise, such lessee's possession under such Lease, and (ii) such lessee shall agree that if Mortgagee or any future holder of this Mortgage shall become the owner of the Property by reason of foreclosure of this Mortgage or otherwise, or if the Property shall be sold as a result of any foreclosure action or proceeding or deed in lieu thereof, then such lease shall continue in full force and effect as a direct lease between such lessee and the then owner of the Property. Although it is the intention of the parties that the assignment contained in this Section shall be a present and absolute assignment, it is expressly understood and agreed, anything to the contrary notwithstanding, that Mortgagee shall not exercise any of the rights or powers conferred upon it by this Section until an Event of Default shall occur under this Mortgage. Until such an Event of Default occurs, Mortgagee hereby grants to Mortgagor a revocable license, nonexclusive with the rights of Mortgagee reserved in this Section 3.08 hereof, to exercise and enjoy all incidences of the status of a lessor under the Leases, including, without limitation, the right to collect, demand, sue for, attach, levy, recover and receive the Rents and to give proper receipts, releases and acquittances therefor. From time to time upon written request by Mortgagee, Mortgagor shall furnish Mortgagee with executed copies of each of the Leases and shall use commercially reasonable efforts to furnish Mortgagee with estoppel letters from each tenant under each of the Leases in a form satisfactory to Mortgagee within thirty (30) days after Mortgagee's written demand.

Following the occurrence of an Event of Default, (a) Mortgagee shall have the rights and powers as are provided herein, (b) this Mortgage shall constitute a direction to each lessee under the Leases and each guarantor and in the Master Indenture thereof to pay all Rents directly to Mortgagee without proof of the Event of Default, and (c) Mortgagee shall have the authority, as Mortgagor's attorney-in-fact (such authority being coupled with an interest and irrevocable), to sign the name of Mortgagor and to bind Mortgagor on all papers and documents relating to the operation, leasing and maintenance of the Property.

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If Mortgagor, as lessor under any Lease, shall neglect or refuse to perform, observe and keep all of the covenants, provisions and agreements contained in such Lease, then Mortgagee may, at its option, perform and comply with any such Lease covenants, agreements and provisions. All costs and expenses incurred by Mortgagee in complying with such covenants, agreements, and provisions shall constitute Master Indenture Commitments and shall be payable upon demand with interest at the Default Rate.

Mortgagee shall not be obligated to perform or discharge any obligation, duty or liability under any Lease, and Mortgagor shall and does hereby agree, except to the extent of Mortgagee's gross negligence or willful misconduct, to indemnify and hold Mortgagee harmless of and from any and all liability, loss or damage which it may or might incur under any Lease or under or by reason of their assignments and of and from any and all claims and demands whatsoever which may be asserted against it by reason of all alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in such Lease. Should Mortgagee incur any such liability, loss or damage under any Lease or under or by reason of its assignment, or in the defense of any claims or demands, the amount thereof, including costs, expenses and reasonable attorneys' fees, shall be secured hereby. Mortgagor shall reimburse Mortgagee therefor immediately upon demand with interest payable at the Default Rate.

3.09 Releases. Without notice and without regard to the consideration therefor, and to the existence at that time of any inferior liens, Mortgagee may release from the lien created hereby all or any part of the Property, or release from liability any person obligated to repay any Master Indenture Commitments, without affecting the liability of any party to this Mortgage, or any of the other Security Documents (including without limitation any guaranty given as additional security) and without in any way affecting the priority of the lien created hereby. Mortgagee may agree with any liable party to extend the time for payment of any part or all of the Master Indenture Commitments. Such agreement shall not in any way release or impair the lien created by this Mortgage or reduce or modify the liability of any person or entity obligated personally to repay the Master Indenture Commitments, but shall extend the lien created by this Mortgage as against the title of all parties having any interest, subject to the Master Indenture Commitments, in the Property.

3.10 Further Assurances. Mortgagor agrees that, upon request of Mortgagee from time to time, it will, at Mortgagor's sole cost and expense, execute, acknowledge and deliver all such additional instruments and further assurances of title and will do or cause to be done all such further acts and things as may reasonably be necessary to fully effectuate the intent of this Mortgage.

3.11 Environmental Provisions.

(a) For purposes of this Section 3.11, the terms below have the meanings specified below, equally applicable to both singular and plural forms of any such terms.

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"Contamination" means the uncontained presence of Hazardous Substances at any of the site(s) of the Property, or arising from activities at any of the site(s) of the Property, which may require remediation under any Environmental Laws.

"Environmental Laws" means all environmental statutes, ordinances, regulations, permits, orders and requirements of common law concerning (i) activities at any of the site(s) of the Property, (ii) repairs or construction of any Improvements, now existing or hereafter constructed, (iii) handling of any materials at any of the sites of the Improvements, (iv) discharges to the air, soil, surface water or ground water from any of the Property or migrating into any of the Property, and (v) storage, treatment or disposal of any waste at or connected with any activity at any of the sites of the Property.

"Governmental Authority" means any nation or government, state or other political subdivision thereof and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Hazardous Substances" means (a) any "hazardous substance" as defined in or pursuant to the federal Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601(14)), as amended from time to time, and regulations promulgated thereunder; (b) any "regulated substance" within the meaning of Subtitle I of the federal Resource Conservation Recovery Act (42 U.S.C. § 6991(2)), as amended from time to time, and regulations promulgated thereunder; (c) any "contaminants", "hazardous substances", "hazardous wastes", "hazardous materials", "medical wastes" or other substances as defined in or prohibited by or regulated pursuant to any federal, state or local law relating to environmental matters, as amended from time to time, and regulations promulgated thereunder; (d) any substance the presence of which on the applicable property is prohibited by law similar to those set forth in this definition; and (e) any other substance which by law requires special handling in its collection, storage, treatment or disposal.

"Material Adverse Effect" shall mean a material adverse effect on (a) the validity or enforceability of any Security Document; (b) the business, properties, assets, financial condition, results of operations or prospects of the Mortgagor; (c) the ability of the Mortgagor to duly and punctually pay or perform its obligations under any Security Documents or under any other material contract; (d) the ability of the Mortgagee, to the extent permitted, to enforce its legal remedies pursuant to the Master Indenture or other Security Documents; or (e) the status of the Mortgagor as an organization described in Section 501(c)(3) of the Code.

(b) Mortgagor hereby represents and warrants to Mortgagee that except as disclosed in writing to Mortgagee or as set forth in the Master Indenture, the Mortgagor neither knows nor has reason to know of (a) any activity at or on any of the Property, or any storage, treatment or disposal of any waste connected with any activity at any of such sites, which has been conducted, or is being conducted, in material violation of any Environmental Law; (b) any of the following

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present at any of the Property which could give rise to material liabilities, material costs for remediation or a Material Adverse Effect: (i) Contamination, (ii) polychlorinated biphenyls, (iii) asbestos or asbestos containing materials, (iv) urea formaldehyde foam insulation, or (v) tanks presently or formerly used for the storage of any liquid or gas; or (c) the presence at the Property of tanks presently or formerly used for the storage of any liquid or gas below ground.

(c) Mortgagor shall:

(i) comply with, and require compliance by all tenants and to the extent possible, all subtenants, if any, with, all Environmental Laws and obtain and comply with and maintain, and require that all tenants and to the extent possible, all subtenants obtain and comply with and maintain, any and all licenses, approvals, registrations or permits required by Environmental Laws, except to the extent that failure to so comply or obtain or maintain such documents would not have a Material Adverse Effect (and, if and as requested by the Mortgagee, the Mortgagor will provide to the Mortgagee copies of (i) applications or other materials submitted to any governmental agency in compliance with Environmental Laws, (ii) any notifications submitted to any person pursuant to Environmental Laws, (iii) any permit, license, approval, amendment or modification thereto granted pursuant to Environmental Laws, (iv) any record or manifest required to be maintained pursuant to Environmental Laws, and (v) any correspondence, notice of violation, summons, order, complaint or other document received by the Mortgagor, its lessees, sublessees or assigns, pertaining to Contamination, the costs of remediating Contamination or compliance with any Environmental Laws);

(ii) at all times while there are Master Indenture Commitments outstanding (1) not cause, contribute to or permit any Contamination and (2) not cause Hazardous Substances created or used at any of the sites of the Property to be handled in a manner which will cause an undue risk of Contamination;

(iii) comply with all lawful and binding orders and directives of all Governmental Authorities respecting Environmental Laws except to the extent that failure to so comply would not have a Material Adverse Effect.

(d) If Mortgagor fails to timely take or contest, or to diligently and expeditiously proceed to complete in a timely fashion, any such action as required pursuant to subsection (c) above, Mortgagee may, in its reasonable discretion, make advances or payments toward the performance or satisfaction of any activities required pursuant to any Environmental Laws, but shall in no event be under any obligation to do so. All sums so advanced and paid by Mortgagee (including, without limitation, reasonable counsel and consultant fees and expenses, investigation and laboratory fees and expenses, and fines or other penalty payments) and all sums advanced or paid in connection with any judicial or administrative investigation or proceeding relating thereto, will immediately, upon demand, become due and payable from

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Mortgagor and shall bear interest at the lesser of (i) the highest rate of interest associated with any Obligation, or (ii) the highest rate permitted by law (the "Default Rate") from the date any such sums are so advanced or paid by Mortgagee until the date any such sums are repaid by Mortgagor to Mortgagee. Mortgagor will execute and deliver, promptly upon request, such instruments as Mortgagee may reasonably deem necessary to permit Mortgagee to take any such action, and such additional notes and mortgages, as Mortgagee may require to secure all sums so advanced or paid by Mortgagee. If a Lien is filed against the Property by any Governmental Authority resulting from the need to expend or the actual expending of monies arising from an action or omission, whether intentional or unintentional, of Mortgagor or for which Mortgagor is responsible, resulting in the releasing, spilling, leaking, leaching, pumping, emitting, pouring, emptying or dumping of any Hazardous Substance into the waters or onto land located within or without the State where the Property is located, then Mortgagor will, within thirty (30) days from the date that Mortgagor receives notice that such lien has been placed against the Property (or within such shorter period of time as may be specified by Mortgagee if such Governmental Authority has commenced steps to cause the Property to be sold pursuant to such lien), either (a) pay (or otherwise satisfy) the claim and remove the lien; or (b) contest such lien in good faith; or (c) furnish a cash deposit, bond, or such other security with respect thereto as is satisfactory in all respects to Mortgagee and is sufficient to effect a complete discharge of such lien on the Property.

(e) Mortgagee may, at its option, at intervals of not less than one year, or more frequently, if Mortgagee reasonably believes that a Hazardous Substance or other environmental condition violates or threatens to violate any Environmental Laws, or during the continuance of an Event of Default hereunder, cause an environmental audit of the Property or portions thereof to be conducted to evaluate Mortgagor's compliance with the provisions of this Section, and Mortgagor shall cooperate in all reasonable ways with Mortgagee in connection with any such audit. If such audit discloses that a violation of an Environmental Laws exists or if such audit was required or prescribed by law, regulation or governmental or quasi-governmental authority or if such audit is performed during the continuance of an Event of Default hereunder, Mortgagor shall pay all costs and expenses incurred in connection with such audit; otherwise, the costs and expenses of such audit shall, notwithstanding anything to the contrary set forth in this Section, be paid by Mortgagee.

(f) Except for: (a) any Claims (as hereinafter defined) arising as a result of the successful allegation of gross negligence or willful misconduct of Mortgagee during the term of this Mortgage; or (b) any Claims arising as a result of any acts of Mortgagee or its successors and assigns or the occurrence of any acts by any third parties after Mortgagee or its successors and assigns take possession of the Property, in the event Mortgagee takes possession of the Property after an Event of Default, Mortgagor will defend, indemnify, and hold harmless Mortgagee, and its employees, agents, officers, and directors, from and against any and all claims, demands, penalties, causes of action, fines, liabilities, settlements, damages, costs, or expenses of whatever

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kind or nature, known or unknown, foreseen or unforeseen, contingent or otherwise, including, without limitation, reasonable counsel and consultant fees and expenses, investigation and laboratory fees and expenses, court costs, and litigation expenses (all of the foregoing collectively for purposes of this Section the "Claims"), arising out of, or in any way related to: (i) any breach by Mortgagor of any of the provisions of this Section; (ii) the presence, disposal, spillage, discharge, emission, leakage, release, or threatened release of any Hazardous Substance which is at, in, on, under, about, from or affecting the Property, including, without limitation, any damage or injury resulting from any such Hazardous Substance to or affecting the Property or the soil, water, air, vegetation, buildings, personal property, persons or animals located on the Property; (iii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to any such Hazardous Substance; (iv) any lawsuit brought or threatened, settlement reached, or order or directive of or by any Governmental Authority relating to such Hazardous Substance; or (v) any violation of any Environmental Laws or any policy or requirement of Mortgagee hereunder. The aforesaid indemnification shall, notwithstanding any exculpatory or other provision of any other document or instrument now or hereafter executed and delivered in connection with the Master Indenture and secured by this Mortgage, constitute the personal recourse undertakings, obligations and liabilities of Mortgagor, and shall survive the foreclosure or satisfaction of this Mortgage and the discharge of Mortgagor's other Master Indenture Commitments hereunder.

3.12 Open-End Mortgage. The total amount of Master Indenture Commitments or Successor Obligations secured by this Mortgage may decrease or increase from time to time, but the total unpaid principal balance so secured at any one time shall not exceed One Hundred Seventy-Five Million and 00/100 Dollars (\$175,000,000), together with interest thereon and any and all disbursements made by Mortgagee for the payment of taxes or insurance on the Property covered by the lien of this Mortgage and for reasonable attorneys' fees, loan commissions, service charges, liquidated damages, expenses and court costs incurred in the collection of any or all of such sums of money.

3.13 Gross Revenues and Charter School Payments. This Mortgage shall be construed as a mortgage on the Premises and the Improvements and it shall also constitute and serve, together with the Master Indenture, as a "security agreement" within the meaning of, and shall constitute a first and prior security interest under, the Code with respect to the Charter School Lease Agreements, Charter School Payments, Property (as defined in the Master Indenture), fixtures and Gross Revenues (as such term is defined in the Master Indenture). To this end, Mortgagor by these presents does GRANT, BARGAIN, CONVEY, ASSIGN, SELL, TRANSFER and SET OVER unto Mortgagee a security interest in all of Mortgagor's right, title and interest in, to and under the Property (as defined in the Master Indenture) and Gross Revenues (all of the foregoing are collectively referred to herein as the "Other Collateral") to secure the full and timely payment, performance and discharge of the Master Indenture Commitments. Mortgagor hereby consents to Mortgagee filing and recording an "all asset"

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financing statement (and continuations thereof) with the appropriate filing and recording offices in order to perfect (and maintain the perfection of) the security interests granted herein.

Mortgagor hereby represents, warrants and covenants with the Mortgagee and with the purchaser at any foreclosure sale or other sale of Other Collateral or grantee under a deed in lieu thereof that, at the execution and delivery hereof: (a) Mortgagor has rights in and the power to transfer each item of the Other Collateral upon which it purports to grant a Lien (as defined in the Master Indenture) hereunder free and clear of any and all Liens other than Permitted Liens, (b) no effective security agreement, financing statement, equivalent security or Lien instrument or continuation statement covering all or any part of the Other Collateral is on file or of record in any public office, except such as may have been filed (i) by Mortgagor in favor of Mortgagee pursuant to this Mortgage or the other Security Documents, and (ii) in connection with any other Permitted Liens, and (c) this Mortgage is effective to create a valid and continuing Lien on and, upon the timely filing of the appropriate financing statements in the office of the Secretary of State of the State of Illinois and in the real estate records of Cook County, Illinois, a perfected Lien in favor of Mortgagee in the jurisdictions of such filings and to the extent of such filings, on the Other Collateral with respect to which a Lien may be perfected by filing pursuant to the Code. Such Lien will be prior to all other Liens, except Permitted Liens that would be prior to Liens in favor of Mortgagee as a matter of law, and is enforceable as such as against any and all creditors of and purchasers from Mortgagor.

Mortgagor hereby irrevocably authorizes Mortgagee at any time and from time to time to file in any filing office in any appropriate jurisdiction any initial financing statements and amendments thereto that (a) indicate the Other Collateral, and (b) contain any other information required by part 5 of Article 9 of the Code for the sufficiency or filing office acceptance of any financing statement or amendment, including (i) whether Mortgagor is an organization, the type of organization and any organization identification number issued to Mortgagor, and (ii) in the case of a financing statement filed as a fixture filing, a sufficient description of real property to which the Other Collateral relates. Mortgagor agrees to furnish any such information to Mortgagee promptly upon request. Mortgagor also ratifies its authorization for Mortgagee to have filed in any Uniform Commercial Code jurisdiction any initial financing statements or amendments thereto if filed prior to the date hereof.

3.14 Assignment of Charter School Lease Agreements. All right, title, and interest of Mortgagor in and to all existing Charter School Lease Agreements affecting the Property and including and together with any and all future Charter School Lease Agreements, written or oral, upon all or any part of the Property and together with all of the Charter School Payments from or due or arising out of the Property are hereby transferred and assigned simultaneously herewith to Mortgagee as further security for the payment of the Master Indenture Commitments. Each Charter School Lease Agreement, including all future Charter School Lease Agreements shall be subordinate to this Mortgage. It is the intention of the parties that the assignment contained in

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this Section shall be a present and absolute assignment. The Mortgagee shall be entitled to immediately exercise any of the rights or powers conferred upon it by this Section even if no Event of Default shall occur under this Mortgage. Mortgagee shall immediately exercise and enjoy all incidences of the status of owner under the Charter School Lease Agreements, including, without limitation, the right to collect, demand, sue for, attach, levy, recover and receive the Charter School Payments and to give proper receipts, releases and acquittances therefor.

The Mortgagor has provided or will provide notice to each community school or charter school directing each community school or charter school under the Charter School Lease Agreements to pay all Charter School Payments directly to the Bond Trustee for deposit into the applicable fund under the Bond Indenture. If Mortgagor fails to promptly give such notice, Mortgagee may do so on Mortgagor's behalf, and Mortgagor hereby irrevocably authorizes Mortgagee, coupled with an interest, to do so as Mortgagor's attorney in fact.

Mortgagee shall not be obligated to perform or discharge any obligation, duty or liability under any Charter School Lease Agreement, and Mortgagor shall and does hereby agree, except to the extent of the successful allegation of Mortgagee's gross negligence or willful misconduct, to indemnify and hold Mortgagee, and its employees, agents, officers and directors, harmless from and against any and all liability, loss or damage including without limitation, reasonable counsel and court costs and litigation expenses, which it may or might incur under any Charter School Lease Agreement or under or by reason of their assignments and from and against any and all claims and demands whatsoever which may be asserted against it by reason of all alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in such Charter School Lease Agreement. Should Mortgagee incur any such liability, loss or damage under any Charter School Lease Agreement or under or by reason of its assignment, or in the defense of any claims or demands, the amount thereof, including costs, expenses and reasonable attorneys' fees, shall be secured hereby. Mortgagor shall reimburse Mortgagee therefor immediately upon demand with interest payable at the Default Rate.

IV

EVENT OF DEFAULT AND REMEDIES

4.01 Event of Default. Each of the following shall constitute an event of default ("Event of Default") under this Mortgage:

(a) The occurrence of an "Event of Default" as such term is defined in the Master Indenture (including, if applicable, the expiration of any grace period provided therein); or

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(b) Failure of Mortgagor to perform or observe any other covenant, agreement, representation, warranty or other provision contained in this Mortgage and continuance of such failure for sixty (60) days after written notice, specifying such failure or breach and requesting that it be remedied, has been given to the Mortgagor by the Mortgagee; except that, if such failure or breach can be remedied but not within such sixty (60) day period and if the Mortgagor has taken all action reasonably possible to remedy such failure or breach within such sixty (60) day period, such failure or breach shall not become an Event of Default for so long as the Mortgagor shall diligently proceed to remedy such failure or breach.

4.02 Acceleration of Maturity. Following the occurrence of an Event of Default, all payment Master Indenture Commitments shall become due and payable in accordance with the terms of the Master Indenture. Upon acceleration, Mortgagee may immediately proceed to foreclose this Mortgage and/or exercise any right, power or remedy provided by this Mortgage or any of the other Security Documents or by the Master Indenture or by law or in equity conferred and pursue all remedies afforded under and pursuant to applicable law. Unless the context indicates to the contrary, "foreclosure" shall mean and include a judicial foreclosure and a nonjudicial trustee's sale to the extent authorized by applicable law. Following the occurrence of an Event of Default, the Mortgagee shall provide notices of the exercise of remedies hereunder and under the Master Indenture, and to the extent applicable, pursuant to the IFF Debt Service Reserve Account Agreement dated as of September 1, 2011, among the Mortgagor, the Chicago Mathematics and Science Academy Charter School, Inc., IFF, and Mortgagee, as the same may be from time to time.

4.03 Litigation Expenses. In any proceeding to foreclose the lien of this Mortgage or enforce any other remedy of Mortgagee under the Security Documents, or in any other proceeding in connection with any of the Security Documents or any of the Property or Other Collateral in which Mortgagee is named as a party, there shall be allowed and included, as additional Master Indenture Commitments in the judgment or decree resulting all related expenses paid or incurred by or on behalf of Mortgagee. Such expenses shall include: attorney's fees, trustee's fees, appraiser's fees, outlays for documentary and expert evidence, stenographer's charges, publication costs, survey costs, foreclosure costs and costs of procuring all abstracts of title, title searches and examinations, title insurance policies, Torrens certificates, if applicable, and any similar data and assurances with respect to title to the Property as Mortgagee may deem reasonably necessary either to prosecute or defend in such proceeding or to evidence to bidders at any sale pursuant to such decree the true condition of the title to or value of the Premises or the Property. All foregoing expenses, and such expenses as may be incurred in the protection of any of the Property or the Other Collateral and the maintenance of the lien of this Mortgage, including the fees of any attorney employed by Mortgagee in any litigation affecting the Security Documents, or the Property or Other Collateral, or in preparation for the commencement or defense of any proceeding or threatened suit or proceeding (which may be estimated as to items

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to be expended after entry of such judgment or decree), shall be due and payable by Mortgagor upon demand with interest thereon at the Default Rate.

4.04 Mortgagee's Performance of Mortgagor's Master Indenture Commitments. Following the occurrence of an Event of Default, Mortgagee, either before or after acceleration of the Master Indenture Commitments or the foreclosure of the lien hereof and during the period of redemption, if any, may, but shall not be required to, make any payment or perform any act herein, in any of the other Security Documents or any document or instrument related thereto which is required of Mortgagor (whether or not Mortgagor is personally liable therefor) in any form and manner deemed expedient to Mortgagee; and Mortgagee may, but shall not be required to, make full or partial payments towards purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting the Property, or contest any Impositions and may, but shall not be required to, complete construction, furnishing and equipping of the Improvements upon the Premises and rent, operate and manage the Premises and such Improvements and pay operating costs and expenses, including management fees, of every kind and nature in connection therewith, so that the Premises and Improvements shall be operational and usable for their intended purposes. All monies paid for any of the purposes herein authorized, and all expenses paid or incurred in connection therewith, including reasonable attorneys' fees and any other monies advanced by Mortgagee to protect the Premises, such Improvements, and the lien hereof, or to complete construction, furnishing and equipping or to rent, operate and manage the Premises and such Improvements or to pay any such operating costs and expenses thereof or to keep the Premises and Improvements operational and usable for their intended purposes, shall constitute Master Indenture Commitments, and shall become due and payable upon demand and with interest thereon at the Default Rate. Mortgagee, in making any payment hereby authorized: (a) for the payment of Impositions, may do so according to any bill, statement or estimate, without inquiry into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof; (b) for the purchase, discharge, compromise or settlement of any other prior lien, may do so without inquiry as to the validity or amount of any claim or lien which may be asserted; or (c) for the completion of construction, furnishing or equipping of the Improvements or the Premises or the rental, operation or management of the Premises or Improvements or the payment of operating cost and expenses thereof, may do so in such amounts and to such persons as Mortgagee may deem appropriate and may enter into such contracts therefor as Mortgagee may deem appropriate or may perform the same itself.

All advances, disbursements and expenditures made by Mortgagee after an Event of Default, before and during foreclosure, prior to sale, and where applicable, after sale, for the following purposes, including interest thereon at the Default Rate, are hereinafter referred to as "Protective Advances":

- (1) Advances pursuant to this Section 4.04.

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(2) Any amount expended by Mortgagee in restoring the Property in excess of the actual or estimated proceeds of insurance or condemnation, which excess shall constitute additional Master Indenture Commitments;

(3) Advances in accordance with the terms of this Mortgage to: (a) protect, preserve or restore the Property; (b) preserve the lien of this Mortgage or the priority thereof; or (c) enforce this Mortgage;

(4) When due installments of real estate taxes and other Impositions; other obligations authorized by this Mortgage; or with court approval, any other amounts in connection with other liens, encumbrances or interests reasonably necessary to preserve the status of title, all as referred to in this Section 4.04 of this Mortgage;

(5) Reasonable attorneys' fees and other costs incurred in connection with: (a) the exercise of Mortgagee's rights to make Protective Advances; (b) the foreclosure of this Mortgage; (c) any other litigation or administrative proceeding relating to the Property or the Other Collateral to which Mortgagee may be or become or be threatened or contemplated to be a party, without fault on its part, including probate and bankruptcy proceedings; or (d) in the preparation for the commencement or defense of any such suit or proceeding; including filing fees, appraisers' fees, outlays for documents and expert evidence, witness fees, stenographer's charges, publication costs, and costs (which may be estimated as to items to be expended after entry of judgment) of procuring all such abstracts of title, title charges and examinations, foreclosure minutes, title insurance policies, Torrens certificates, appraisals, and similar data and assurances with respect to title and value as Mortgagee may deem reasonably necessary either to prosecute or defend such suit or, in case of foreclosure, to evidence to bidders at any sale which may be had pursuant to the foreclosure judgment the true condition of the title to or the value of the Property;

(6) Mortgagee's fees and costs arising between the entry of judgment of foreclosure and the confirmation hearing;

(7) Payment by Mortgagee of any Impositions as may be required by this Mortgage;

(8) Mortgagee's advances of any amount required to make up a deficiency in deposits for installments of Impositions as may be required by this Mortgage;

(9) Expenses deductible from proceeds of sale;

(10) Expenses incurred and expenditures made by Mortgagee for any one or more of the following: (a) premiums upon casualty and liability insurance made by Mortgagee whether or not Mortgagee or a receiver is in possession, if reasonably required without regard to the limitation to maintaining insurance in effect at the time any receiver or mortgagee takes

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possession of the Property; (b) expenditures in connection with restoring the Property in excess of available insurance proceeds or condemnation awards; (c) payments required or deemed by Mortgagee to be for the benefit of the Property or required to be made by the owner of the Property under any grant or declaration of easement, easement agreement, agreement with any adjoining land owners or instruments creating covenants or restrictions for the benefit of or affecting the Property; (d) operating deficits incurred by Mortgagee as a mortgagee in possession or reimbursed by Mortgagee to any receiver; and (e) all amounts paid to any public authority for the use or occupancy of any street, alley, or public way.

All Protective Advances shall constitute Master Indenture Commitments and shall become immediately due and payable without notice and with interest thereon until paid at the Default Rate. This Mortgage shall be a lien for all Protective Advances as to subsequent purchasers and judgment creditors from the time this Mortgage is recorded, to the extent such Protective Advances constitute "advances" within the meaning of 735 Illinois Compiled Statutes 5/15-1301.

4.05 Right of Possession. In any case in which Mortgagee has a right to institute foreclosure proceedings (whether or not the entire principal sum of the Master Indenture Commitments secured hereby becomes immediately due and payable or whether before or after the institution of foreclosure proceedings or whether before or after judgment thereunder and at all times until the confirmation of sale) and upon Mortgagee's request to the court, Mortgagor shall, immediately upon Mortgagee's demand, surrender to Mortgagee, and Mortgagee shall be entitled to take actual possession of the Property or any part thereof, personally or by its agent or attorneys. Mortgagee, with or without application to the court, may enter upon and take and maintain possession or may apply to the court in which a foreclosure is pending to be placed in possession of all or any part of the Property, together with all documents, books, records, papers, and accounts of Mortgagor or the then owner of the Property relating thereto. Mortgagee may exclude Mortgagor, such owner, and any agents and servants from the Property. As attorney-in-fact or agent of Mortgagor or such owner, or in its own name Mortgagee may hold, operate, manage, and control all or any part of the Property and conduct the business thereof, either personally or by its agents. Mortgagee shall have full power to use such measures, legal or equitable, as it may deem proper or necessary to enforce the payment or security of the Rents of the Property, including actions for recovery of rent, actions in forcible detainer, and actions in distress for rent, all without notice to Mortgagor.

4.06 Priority of Payments. Any Rents, issues, deposits, profits, Charter School Payments, Gross Revenues and avails of the Property received by Mortgagee after taking possession of the Property, or pursuant to any assignment to Mortgagee under the provisions of this Mortgage or any of the other Security Documents or the Master Indenture, shall be applied as provided thereunder or under applicable law or, in the case of a receivership, as the court may determine.

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4.07 Appointment of Receiver. Upon, or at any time after the occurrence of an Event of Default, and in every such case, Mortgagee may as a matter of right and at its election file an action for the appointment of a receiver of the Property by a court of competent jurisdiction, without notice and without regard for the adequacy of the security for the Master Indenture Commitments and without regard for the solvency of Mortgagor, any guarantor, any indemnitor or any person, firm or other entity liable for the payment of the Master Indenture Commitments. The right to appointment of a receiver shall be independent of and may precede the exercise of any other right or remedy of Mortgagee hereunder. Such receiver shall have all powers and duties prescribed by applicable law, including the power to make leases to be binding upon all parties, including the Mortgagor after any redemption, the purchaser at a sale pursuant to a judgment of foreclosure and any person acquiring an interest in the Property after such trustee's sale or entry of a judgment of foreclosure. In addition, such receiver shall also have the following powers: (a) to extend or modify any then existing leases, which extensions and modifications may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the maturity date of the Master Indenture Commitments and beyond the date of the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale or sale of Other Collateral, it being understood and agreed that any such leases, and the options or other such provisions to be contained therein, shall be binding upon Mortgagor and all persons whose interests in the Property are subject to the lien hereof and upon the purchaser or purchasers at any foreclosure sale or sale of Other Collateral, notwithstanding any redemption, discharge of the Master Indenture Commitments secured by this Mortgage, satisfaction of any deficiency or foreclosure judgment, or issuance of any deed, certificate of sale or sheriff's deed to any purchaser; and (b) all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Property during the whole of the period of receivership. The court from time to time, either before or after a trustee's sale or entry of judgment of foreclosure, may authorize the receiver to apply the net income in his hands in payment in whole or in part of: (a) the Master Indenture Commitments, or any amounts included in any judgment of foreclosure or supplemental judgment or other item for which Mortgagee is authorized to make a Protective Advance, and (b) the deficiency in case of a sale and deficiency.

4.08 Application of Proceeds. The proceeds of any foreclosure sale of the Property or any sale of Other Collateral shall be distributed and applied in accordance with the Master Indenture.

4.09 Insurance Upon Foreclosure. In case of an insured loss after foreclosure proceedings have been instituted, the proceeds of any insurance policy or policies, if not applied in restoring the Property shall be used to pay the amount due in accordance with any decree of foreclosure that may be entered in any such proceedings, and the balance, if any, shall be paid as the court may direct. In case of the foreclosure of this Mortgage, the court in its judgment may provide that the judgment creditor may cause a new or additional loss clause to be attached to

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each of said policies making the loss thereunder payable to said judgment creditor; and any such foreclosure judgment may further provide, unless the right of redemption has been waived, that in case of redemption under said judgment, pursuant to applicable law, then, and in every such case, the redemptory may cause the preceding loss clause attached to each insurance policy to be canceled and a new loss clause to be attached thereto, making the loss thereunder payable to such redemptory. In the event of foreclosure sale, Mortgagee is hereby authorized, but not required, without the consent of Mortgagor, to assign or cause a receiver to assign any and all insurance policies to the purchaser at the sale, or to take such other action as Mortgagee may deem advisable, to cause the interest of such purchaser to be protected by any of the said insurance policies.

4.10 Cumulative Remedies; Delay or Omission Not a Waiver. Each remedy or right of Mortgagee shall not be exclusive of, but shall be in addition to, every other remedy or right now or hereafter existing at law or in equity. No delay in the exercise or omission to exercise any remedy or right accruing on the occurrence or existence of any Event of Default shall impair any such remedy or right or be construed to be a waiver of any such Event of Default or acquiescence therein, nor shall it affect any subsequent Event of Default of the same or different nature. Every such remedy or right may be exercised concurrently or independently and when and as often as may be deemed expedient by Mortgagee.

4.11 No Merger. In the event of a foreclosure of this Mortgage, the Master Indenture Commitments then due Mortgagee shall not be merged into any decree of foreclosure entered by the court, and Mortgagee may concurrently or subsequently seek to foreclose one or more mortgages which also secure said Master Indenture Commitments.

4.12 Waiver of Statutory Rights. MORTGAGOR SHALL NOT APPLY FOR OR AVAIL ITSELF OF ANY APPRAISEMENT, VALUATION, REDEMPTION, STAY, EXTENSION, OR EXEMPTION LAWS, OR ANY SO-CALLED "MORATORIUM LAWS," NOW EXISTING OR HEREAFTER ENACTED, IN ORDER TO PREVENT OR HINDER THE ENFORCEMENT OR FORECLOSURE OF THIS MORTGAGE, AND MORTGAGOR HEREBY WAIVES THE BENEFIT OF SUCH LAWS (TO THE EXTENT PERMITTED BY APPLICABLE LAW). MORTGAGOR, FOR ITSELF AND ALL WHO MAY CLAIM THROUGH OR UNDER IT, WAIVES ANY AND ALL RIGHTS TO HAVE THE PROPERTY AND ESTATES COMPRISING THE PROPERTY MARSHALED UPON ANY FORECLOSURE OF THE LIEN OF THIS MORTGAGE, AND AGREES THAT ANY COURT HAVING JURISDICTION TO FORECLOSE SUCH LIEN MAY ORDER THE PROPERTY SOLD IN ITS ENTIRETY. MORTGAGOR FURTHER WAIVES ANY AND ALL RIGHTS OF REDEMPTION FROM FORECLOSURE AND FROM SALE UNDER ANY ORDER OR DECREE OF FORECLOSURE OF THE LIEN CREATED BY THIS MORTGAGE, FOR ITSELF AND ON BEHALF OF: (I) ANY TRUST ESTATE OF WHICH THE PROPERTY IS A PART, ALL BENEFICIALLY INTERESTED PERSONS; (II) EACH

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AND EVERY PERSON ACQUIRING ANY INTEREST IN THE PROPERTY OR TITLE TO THE PROPERTY SUBSEQUENT TO THE DATE OF THIS MORTGAGE; AND (III) ALL OTHER PERSONS TO THE EXTENT PERMITTED BY THE PROVISIONS OF LAWS OF THE STATE IN WHICH THE PROPERTY IS LOCATED.

4.13 Rights and Remedies Under the Code. In addition to all other rights and remedies granted to it under this Mortgage, the Master Indenture, the other Security Documents and under any other instrument or agreement securing, evidencing or relating to any of the Master Indenture Commitments (but subject to the terms of such instruments or agreements), if any Event of Default shall have occurred and be continuing, Mortgagee may exercise all rights and remedies of a secured party under the Code. Without limiting the generality of the foregoing, Mortgagor expressly agrees that in any such event, Mortgagee, without demand of performance or other demand, advertisement or notice of any kind (except the notice specified below of time and place of public or private sale) to or upon Mortgagor or any other Person (all and each of which demands, advertisements and notices are hereby expressly waived to the maximum extent permitted by the Code and other applicable law), may forthwith (personally or through its agents or attorneys) enter upon the Premises where any Other Collateral is located, without any obligation to pay rent, through self-help, without judicial process, without first obtaining a final judgment or giving Mortgagor or any other Person notice and opportunity for a hearing on Mortgagee's claim or action and may take possession of, collect, receive, assemble, process, appropriate, remove and realize upon the Other Collateral, or any part thereof, and may forthwith sell, lease, license, assign, give an option or options to purchase, or otherwise dispose of and deliver said Other Collateral (or contract to do so) or any part thereof, in one or more parcels at a public or private sale or sales, at any exchange at such prices as it may deem acceptable, for cash or on credit or for future delivery without assumption of any credit risk. Mortgagee shall have the right upon any such public sale or sales and, to the extent permitted by law, upon any such private sale or sales, to purchase for the benefit of Mortgagee, the whole or any part of said Other Collateral so sold, free of any right or equity of redemption, which equity of redemption Mortgagor hereby releases. Such sales may be adjourned and continued from time to time with or without notice. Mortgagee shall have the right to conduct such sales on Mortgagor's Premises or elsewhere and shall have the right to use Mortgagor's Premises without charge for such time or times as Mortgagee deems necessary or advisable. Mortgagor agrees that ten (10) days prior notice by Mortgagee of the time and place of any public sale or of the time after which a private sale may take place is reasonable notification of such matters. Notwithstanding any such notice of sale, Mortgagee shall not be obligated to make any sale of Other Collateral. In connection with any sale, lease, license or other disposition of Other Collateral, Mortgagee may disclaim any warranties that might arise in connection therewith and Mortgagee shall have no obligation to provide any warranties at such time. Mortgagor shall remain liable for any deficiency if the proceeds of any sale or disposition of the Other Collateral are insufficient to pay all Master Indenture Commitments, including any reasonable attorneys' fees or other expenses incurred by Mortgagee to collect such deficiency.

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To the extent that applicable law imposes duties on Mortgagee to exercise remedies in a commercially reasonable manner, Mortgagor acknowledges and agrees that it is not commercially unreasonable for Mortgagee (i) to fail to obtain third party consents for access to Other Collateral to be disposed of, or to obtain or, if not required by other law, to fail to obtain governmental or third party consents for the collection or disposition of Other Collateral to be collected or disposed of, (ii) to fail to exercise collection remedies against account debtors or other Persons obligated on Other Collateral or to remove Liens on or any adverse claims against Other Collateral, (iii) to exercise collection remedies against account debtors and other Persons obligated on Other Collateral directly or through the use of collection agencies and other collection specialists, (iv) to advertise dispositions of Other Collateral through publications or media of general circulation, whether or not the Other Collateral is of a specialized nature, or (v) to contact other Persons, whether or not in the same business as Mortgagor, for expressions of interest in acquiring all or any portion of such Other Collateral. Mortgagor acknowledges that the purpose of this paragraph is to provide non-exhaustive indications of what actions or omissions by Mortgagee would not be commercially unreasonable in Mortgagee's exercise of remedies against the Other Collateral and that other actions or omissions by Mortgagee shall not be deemed commercially unreasonable solely on account of not being indicated in this paragraph.

To the extent it may lawfully do so, Mortgagor absolutely and irrevocably waives and relinquishes the benefit and advantage of, and covenants not to assert against Mortgagee, any valuation, stay, appraisal, extension, redemption or similar laws and any and all rights or defenses it may have as a surety now or hereafter existing which, but for this provision, might be applicable to the sale of any Other Collateral made under the judgment, order or decree of any court, or privately under the power of sale conferred by this Mortgage or otherwise.

V

MISCELLANEOUS

5.01 Notices. Any notice that Mortgagee or Mortgagor may desire or be required to give to the other shall be in writing and shall be mailed or delivered in the manner set forth in the Master Indenture. Except as otherwise specifically required, notice of the exercise of any right or option granted to Mortgagee by this Mortgage is not required to be given.

5.02 Time of Essence. Time is of the essence of this Mortgage.

5.03 Covenants Run with Land. All of the covenants of this Mortgage shall run with the land constituting the Premises.

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5.04 GOVERNING LAW. THIS MORTGAGE SHALL BE CONSTRUED, GOVERNED AND ENFORCED ACCORDING TO THE LAWS OF THE STATE OF ILLINOIS. TO THE EXTENT THAT THIS MORTGAGE MAY OPERATE AS A SECURITY AGREEMENT UNDER THE CODE, MORTGAGEE SHALL HAVE ALL RIGHTS AND REMEDIES CONFERRED THEREIN FOR THE BENEFIT OF A SECURED PARTY AS SUCH TERM IS DEFINED IN THE CODE.

5.05 Rights and Remedies Cumulative. All rights and remedies in this Mortgage are cumulative. The Mortgagee hereunder may recover judgment, issue execution therefor, and resort to every other right or remedy available at law or in equity, without first exhausting and without affecting or impairing the security of any right or remedy. Mortgagee shall have, in addition to all other rights and remedies provided herein and at law or in equity, the rights and remedies afforded by applicable law, without regard to the adequacy of the security or to the solvency of Mortgagor or to whether Mortgagee has commenced to exercise any other right or remedy provided herein or at law or in equity. In the event Mortgagor fails or refuses to surrender possession of the Property after any sale thereof, Mortgagor shall be deemed a tenant at sufferance, subject to eviction by means of forcible entry and detainer proceedings, provided that this remedy is not exclusive or in derogation of any other right or remedy available to Mortgagee.

5.06 Severability. If any provision of this Mortgage, or any paragraph, sentence, clause, phrase, or word, or their application, in any circumstance, is held invalid, the validity of the remainder of this Mortgage shall be construed as if such invalid part were never included.

5.07 Non-Waiver. Unless expressly provided in this Mortgage to the contrary, no consent or waiver, express or implied, by any party, to or of any breach or default by any other party shall be deemed a consent to or waiver of the performance by such defaulting party of any other Master Indenture Commitments or the performance by any other party of the same, or of any other Master Indenture Commitments.

5.08 Headings. The headings of sections and paragraphs in this Mortgage are for convenience or reference only and shall not be construed in any way to limit or define the content, scope, or intent of the provisions.

5.09 Grammar. As used in this Mortgage, the singular shall include the plural, and masculine, feminine, and neuter pronouns shall be fully interchangeable, where the context so requires.

5.10 Deed in Trust. If title to the Property or any part thereof is now or hereafter becomes vested in a trustee, any prohibition or restriction against the creation of any lien on the Property shall be construed as a similar prohibition or restriction against the creation of any lien on or security interest in the beneficial interest of such trust.

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5.11 Successors and Assigns. This Mortgage shall be binding upon Mortgagor, its successors, assigns, legal representatives, and all other persons or entities claiming under or through Mortgagor.

5.12 Mortgagee in Possession. Nothing contained in this Mortgage shall be construed as constituting Mortgagee as a mortgagee in possession in the absence of the actual taking of possession of the Property.

5.13 Compliance with Applicable Law. Anything elsewhere herein contained to the contrary notwithstanding,

(a) in the event that any provision in this Mortgage shall be inconsistent with any provision of applicable law, the provisions of applicable law 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 applicable law; and

(b) if any provision of this Mortgage shall grant to Mortgagee any rights or remedies upon default of Mortgagor which are more limited than the rights that would otherwise be vested in Mortgagee under applicable law in the absence of said provision, Mortgagee shall be vested with the rights granted under applicable law to the full extent permitted by law.

5.14 Incorporation of Master Indenture. In the event of any conflict between the terms and provisions of this Mortgage, any other Security Document and the Master Indenture, the terms and provisions of the Master Indenture shall control.

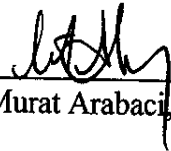
5.15 Mortgagee's Attorneys' Fees. With respect to any agreement by Mortgagor in this Mortgage to pay Mortgagee's attorneys' fees and disbursements incurred in connection with this Mortgage, Mortgagor agrees that the Mortgage and other Security Documents and the Master Indenture are each a "contract of indebtedness" and that the attorneys' fees and disbursements referenced herein or therein are those which are a reasonable amount, all as contemplated by 735 Illinois Compiled Statutes 5/15-1509.10. Mortgagor further agrees that the indebtedness incurred in connection with the Mortgage is not incurred for purposes that are primarily personal, family or household and confirms that the total amount owed on the contract of indebtedness exceeds One Hundred Thousand and No/100 Dollars (\$100,000.00).

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IN WITNESS WHEREOF, Mortgagor has duly signed and delivered this Mortgage as of the date first above written.

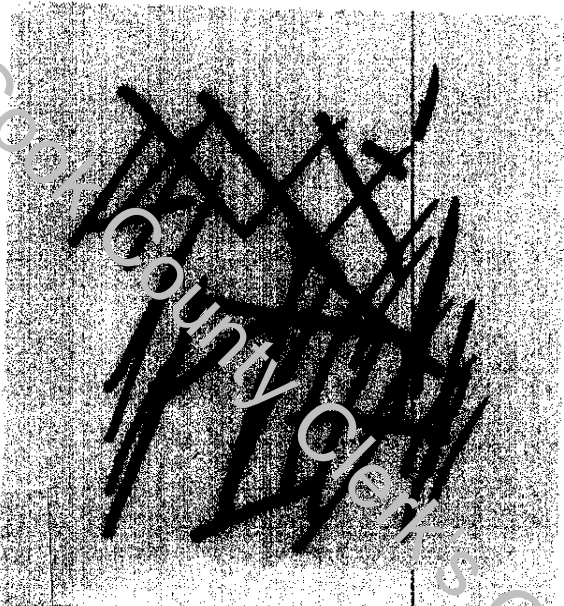
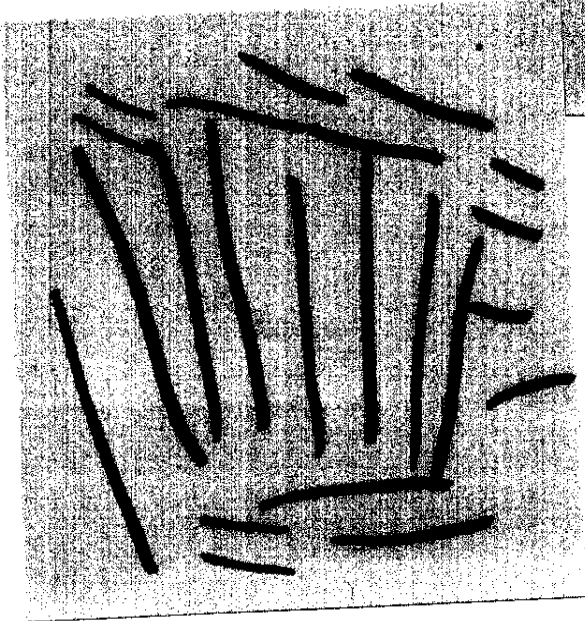
Mortgagor:

NEW PLAN LEARNING, INC., an Ohio nonprofit corporation

By: 
Murat Arabaci, President

141152

Property of Cook County Clerk's Office



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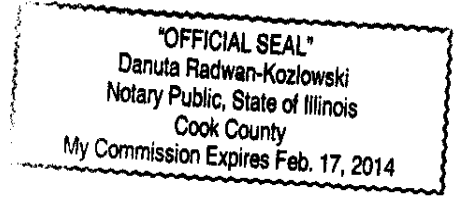
STATE OF ILLINOIS)
) SS:
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this 25 day of August, 2011, by Murat Arabaci, the President of NEW PLAN LEARNING, INC., an Ohio nonprofit corporation, on behalf of the nonprofit corporation.



Notary Public
(Seal)

My Commission Expires: Feb. 17, 2014



141152

Property of Cook County Clerk's Office

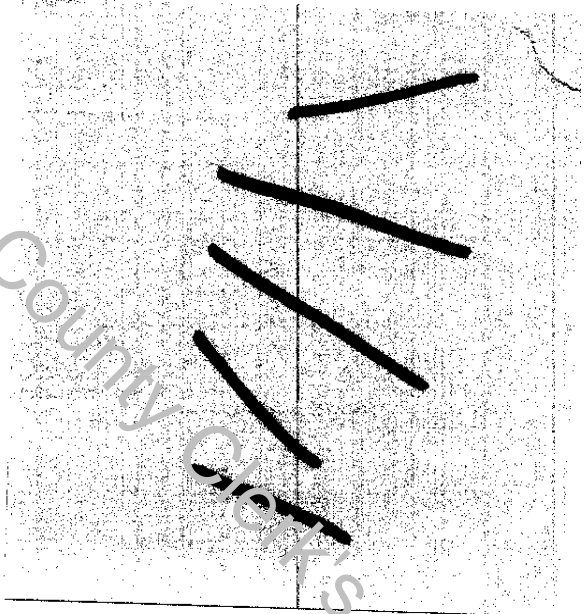
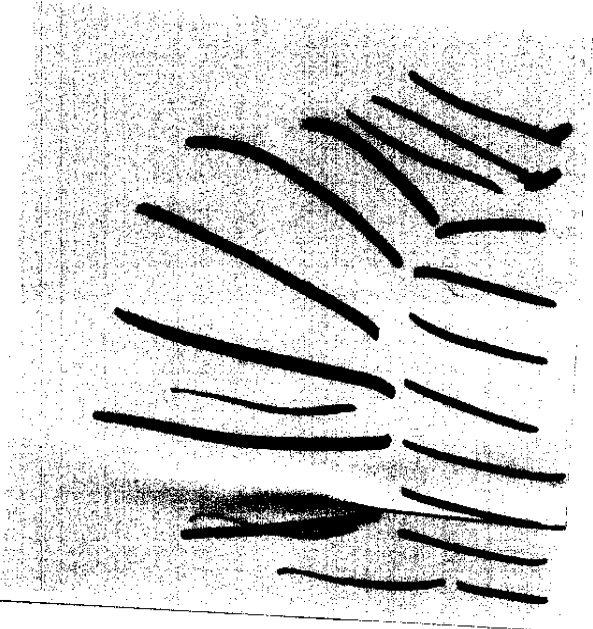
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APPENDIX A

LIST OF MEMBERS OF OBLIGATED GROUP

New Plan Learning, Inc.
250 Shoup Mill LLC
OG-Ohio LLC

Property of Cook County Clerk's Office



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EXHIBIT A

LEGAL DESCRIPTION

7212 North Clark Street, Chicago, IL

Parcel 1:

Lot 5 in the Resubdivision of Lots 11 to 31 inclusive, and the South 15 feet of Lot 10 in John A. Bickford Clark Street Addition, a subdivision of Block 2 (except the South 200 feet of said Block 2 lying East of East line alley) in Roger's Park, a subdivision of the Northeast 1/4 and part of the Northwest 1/4 lying East of Ridge Road of Section 31, also the West 1/2 of the Northwest 1/4 of Section 32, also all Section 30, lying South of Indian Boundary line, Township 41 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Parcel 2:

The North 100 feet of South 200 feet of Lot 3 in Owner's Subdivision of Block 2 in Roger's Park in Southeast 1/4 of Section 30, Township 41 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Parcel 3:

Lot 1 (except the North 106 feet thereof) and all of Lots 2, 3 and 4 Resubdivision of Lots 11 to 31 inclusive and the South 15 feet of Lot 10 in John A. Bickford Clark Street Addition, a subdivision of Block 2 (except the South 200 feet of said Block 2 lying East of East line alley) in Roger's Park, a subdivision of the Northeast 1/4 and part of the Northwest 1/4 lying East of Ridge Road of Section 31, also the West 1/2 of the Northwest 1/4 of Section 32, also all Section 30, lying South of Indian Boundary line, Township 41 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Note: For informational purposes only, the land is known as:

7212 North Clark Street
Chicago, IL

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EXHIBIT B

PERMITTED ENCUMBRANCES

Permitted Liens means (i) "Permitted Liens" as defined in the Master Indenture between the Mortgagor and Mortgagee dated September 1, 2011, and (ii) those exceptions to coverage included on Schedule B of the final loan policy of title insurance issued pursuant to the commitment therefor of First American Title Insurance Company, File No. NCS-442832-CLE, as approved and accepted by Mortgagee.

