

Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



Doc#: 1201703011 Fee: \$86.00 Eugene "Gene" Moore RHSP Fee:\$10.00 Cook County Recorder of Deeds Date: 01/17/2012 09:54 AM Pg: 1 of 25

Report Mortgage Fraud 800-532-8785

The property identified as: PIN: 13-30-200-025-0000

Address:

Street: 6741-43 W. Belmont Avenue

Street line 2:

City: Chicago

State: IL

ZIP Code: 60634

Lender: PrinsBank

Borrower: Amjad Mustafa

Loan / Mortgage Amount: \$484,000.00

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.

Certificate number: 060FA4CA-35FF-4FCC-99FB-E5B0B861C9B4

Execution date: 12/13/2011

S yes
P 25
S No
M No
SC yes
E yes
INT no

UNOFFICIAL COPY**MORTGAGE, SECURITY
AGREEMENT, AND ASSIGNMENT
OF RENTS AND LEASES
COOK COUNTY**

Prepared by and after recording please
return to:

Scott Larison
Gray Plant Mooty
1010 West St. Germain, Suite 500
St. Cloud, MN 56301
(320) 252-4414

**MORTGAGE, SECURITY AGREEMENT AND
ASSIGNMENT OF RENTS AND LEASES**

MAXIMUM LIEN. At no time shall the principal amount of Indebtedness secured by this Mortgagee, not including any sums advanced to protect the security of this Mortgage, exceed \$548,376.37.

THIS MORTGAGE, SECURITY AGREEMENT and ASSIGNMENT OF RENTS AND LEASES, and all subsequent amendments hereto, (the "Mortgage") is made as of the 16th day of November, 2011, by AMJAD MUSTAFA (the "Mortgagor"), whose address is 6743 West Belmont Avenue, Chicago, Illinois 60634, to PRINSBANK a Minnesota banking corporation (the "Mortgagee"), whose address is 508 Third Street, Prinsburg, Minnesota 56281-0038.

Mortgagor is indebted to the Mortgagee under, and this Mortgage is given to secure repayment of, that certain Promissory Note in the original principal amount of \$484,000.00, dated April 16, 2004, originally executed and delivered by the Mortgagor to Amcore Bank, N.A. ("Amcore"), thereafter assigned by Amcore to CapFinancial CV3, LLC ("CapFinancial"), and thereafter assigned by CapFinancial to the Lender on or about November 30, 2010, as thereafter modified, including by that certain Allonge of even date herewith by and between the Mortgagor and the Mortgagee (the "Note").

FOR VALUE RECEIVED, the receipt and sufficiency of which are hereby acknowledged, Mortgagor DOES HEREBY GRANT, WARRANT, MORTGAGE AND CONVEY unto Mortgagee and its successors and assigns forever, the land located in the State of Illinois and **legally described on Exhibit A attached hereto** and incorporated herein (the "Land") and the following described property rights and interests (which together with the Land are referred to herein collectively as the "Mortgaged Property" or the "Premises") all of which property rights and interests are hereby pledged primarily and on a parity with the Land, and not secondarily:

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a. All improvements of every nature whatsoever now or hereafter situated on the Land, and all fixtures now or hereafter owned by Mortgagor and on, or used or intended to be used in connection with the Land or the improvements, 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 (the "Improvements");

b. All easements, rights of way, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights and powers, and all estates, rights, titles, interests, privileges, liberties, tenements, hereditaments and appurtenances whatsoever, in any way now or hereafter belonging, relating or appertaining to the Land, and the reversions, remainders, rents, issues and profits thereof, and all the estate, right, title, interest, property, possession, claim and demand whatsoever, at law as well as in equity, of Mortgagor of, in and to the same;

c. All income from the Mortgaged Property to be applied against the Indebtedness, provided, however, that Mortgagor may, so long as no Default has occurred hereunder, collect rent or income as it becomes due;

d. All right, title and interest of Mortgagor in all leases now or hereafter on the Mortgaged Property whether written or oral (the "Leases"), together with all security therefore and all monies payable thereunder, subject, however, to the conditional permission hereinabove given to Mortgagor to collect the rentals under any such Lease;

e. All rentals, revenues, payments, repayments, income, profits, charges and monies derived by Mortgagor for the use, lease, sublease, sale, rental or other disposition of all or any of the Mortgaged Property (the "Rents") and the proceeds from any insurance or condemnation award pertaining thereto (the foregoing provisions of this subparagraph (e) shall constitute an absolute and present assignment of the Rents and other benefits derived from the Mortgaged Property, subject, however, to the conditional permission given to Mortgagor to collect and use such rentals, revenues and other benefits that are hereinabove provided until the occurrence of an Event of Default and the existence or exercise of such right shall not operate to subordinate this assignment to any subsequent assignment, in whole or in part, by the Mortgagor);

f. All buildings, structures, fixtures or facilities now or hereafter owned by Mortgagor and forming a part of or used in connection with the Land or the Improvements; it being mutually agreed that all of the aforesaid property owned by Mortgagor and placed on the Mortgaged Property or the Improvements shall, so far as permitted by law, be deemed to be fixtures, a part of the realty, and security for the Indebtedness. Notwithstanding the agreement hereinabove expressed that certain articles of property form a part of the realty covered by this Mortgage and be appropriated to its use and deemed to be realty, to the extent that such agreement and declaration may not be effective and that any of said articles may constitute goods (as said term is used in the Uniform Commercial Code), this instrument shall constitute a security agreement, creating a security interest in such goods, as collateral, in Mortgagee as a

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secured party and Mortgagor as Debtor, all in accordance with the Illinois Uniform Commercial Code; and

g. Provided an Event of Default has occurred under the Note, this Mortgage, or the Loan Documents, as hereinafter defined, 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 Mortgaged Property or any portion thereof under the power of eminent domain, any proceeds of any policies of insurance, maintained with respect to the Mortgaged Property or proceeds of any sale, option or contract to sell the Mortgaged Property or any portion thereof; and, subject to the provisions of this Mortgage, and further provided an Event of Default has occurred, Mortgagor hereby appoints Mortgagee its attorney-in-fact and authorizes Mortgagee, at its option, on behalf of Mortgagor, or the successors or assigns of Mortgagor, to adjust, compromise, claim, collect and receive such proceeds, to give proper acquittances therefore, and, after deducting expenses of collection, to apply the net proceeds as a credit upon any portion, as selected by Mortgagee, of the Indebtedness, notwithstanding the fact that the same may not then be due or that the Indebtedness is otherwise adequately secured.

TO HAVE AND TO HOLD the same, unto the Mortgagee, its successors and assigns, forever, for the purposes and upon the uses set forth herein.

TO SECURE (i) the payment of the principal indebtedness under the Note and interest and premiums on the principal indebtedness thereunder (and all replacements, renewals and extensions thereof in whole or in part) according to its tenor; (ii) the payment of all other sums which may at any time be due under the Note, or this Mortgage, including, without limitation, all fees and expenses (including attorneys' fees) relating thereto and all future advances which Mortgagee may make; (iii) all costs and expenses (including attorneys' fees) incurred by Mortgagee in connection with enforcement of the Note and Loan Documents (as hereinafter defined); (iv) all other debts, liabilities, obligations, covenants, warranties and duties of the Mortgagor to Mortgagee under the Note, this Mortgage and the Loan Documents; and (v) all extensions, modifications and renewals of the Note (collectively, the obligations set forth in subparagraphs (i) through (v) are hereinafter referred to as the "Indebtedness")

MORTGAGOR COVENANTS that it is lawfully seized of the Land, that the same is unencumbered, and that it has good right, full power and lawful authority to convey and mortgage the same, and that it will warrant and forever defend the Land and the quiet and peaceful possession of the same against the lawful claims of all persons whomsoever.

THE MORTGAGEE is to have and hold the rights conveyed herein forever; provided, however, that if all obligations and amounts due under the Note and this Mortgage shall have been paid and if Mortgagor has performed in full all of its obligations under the Note and this Mortgage, this Mortgage (and the rights hereby granted) shall cease and be void; otherwise this Mortgage shall remain in full force and effect.

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MORTGAGOR FURTHER COVENANTS AND AGREES AS FOLLOWS:

1. Representations and Warranties.

Mortgagor represents and warrants to Mortgagee as follows:

1.1 Mortgagor is an individual person having full legal capacity.

1.2 Mortgagor has full power and authority to conduct its business as presently conducted, to own the Land and the Mortgaged Property, to enter into this Mortgage and to perform all of its duties and obligations under the Note and this Mortgage; such execution and performance have been duly authorized by all necessary corporate actions; and no event causing the dissolution of Mortgagor has occurred and Mortgagor has no knowledge of any event, which with the passage of time or the giving of notice or both, would result in such a dissolution or disassociation.

1.3 The Note, together with an Allonge and an Amendment to Mortgage both of this date and by and between Mortgagor and Mortgagee (collectively the "Loan Documents") and this Mortgage, when executed and delivered, will constitute the duly authorized and legally binding obligation of Mortgagee or such other party and will be enforceable in accordance with their respective terms (except to the extent that enforceability may be affected or limited by applicable bankruptcy, insolvency and other similar debtor relief laws affecting the enforcement of creditor's rights generally and general equitable principles which may limit the availability of equitable remedies, including, but not limited to, the remedy of specific performance); no basis presently exists for any claim or defense against Mortgagee under this Mortgage, under the Loan Documents or with respect to the Indebtedness.

1.4 The execution, delivery and performance of the Loan Documents, this Mortgage and any other documents or instruments to be executed and delivered contemporaneously herewith by Mortgagor or in connection with the Indebtedness will not: (i) violate in any material respect any law or applicable regulation, order, writ, injunction or decree of any court or governmental authority by which Mortgagor or its property is bound; or (ii) conflict with, be inconsistent with, or result in any breach or default of any of the terms, covenants, conditions, or provisions of any indenture, mortgage, deed of trust, instrument, document, agreement or contract of any kind to which Mortgagor is a party or by which it may be bound. Mortgagor is not in default under any contract or agreement to which it is a party, the effect of which default will materially and adversely affect the performance by Mortgagor of its obligations pursuant to and as contemplated by the terms and provisions of this Mortgage and the Loan Documents.

1.5 Mortgagor has good and marketable title to the Land and the Mortgaged Property so that upon compliance by Mortgagee with recording and filing requirements applicable thereto, a valid first mortgage lien in the Mortgaged Property and a valid, perfected, first priority security interest in all personal property, fixtures and interests therein included in the Mortgaged Property shall be obtained by Mortgagee. The Mortgaged Property is subject only to liens, security interests or encumbrances disclosed to Mortgagee in the title policy or commitment obtained by Mortgagee in connection with this Mortgage.

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1.6 No condition, circumstance, event, agreement, document, instrument, restriction, litigation or proceeding (or, to Mortgagor's knowledge after reasonable investigation, threatened litigation or proceeding) exists which could materially and adversely affect the validity or priority of the liens and security interests granted Bank under this Mortgage, which could materially adversely affect the ability of Mortgagor to perform its obligations under the Loan Documents, or which could constitute a Default hereunder or a default under any of the other Loan Documents.

2. Payment of Indebtedness and Performance of Covenants.

Mortgagor shall (a) pay the Indebtedness when due; and (b) punctually perform and observe all of the requirements herein and in the other Loan Documents.

3. Maintenance, Repair, Compliance with Law, Use, etc.

Mortgagor shall (a) promptly repair or restore any portion of the Improvements which may become damaged whether or not proceeds of insurance are available or sufficient for that purpose; (b) keep the Mortgaged Property in good condition and free from waste; (c) pay all operating costs of the Mortgaged Property; (d) complete, within a reasonable time, any Improvements at any time in the process of erection upon the Mortgaged Property; (e) comply with all requirements of law relating to the Mortgaged Property or any part thereof by any governmental authority including all Environmental Laws (as hereinafter defined); (f) refrain from any action and correct any condition which would increase the risk of fire or other hazard to the Improvements; (g) comply with any restrictions of record with respect to the Mortgaged Property and the use thereof; and observe and comply with any conditions necessary to preserve and extend any and all rights, licenses, permits (including without limitation zoning variances, special exceptions and nonconforming uses), privileges, franchises and concessions that are applicable to the Mortgaged Property or its use and occupancy; and (h) cause the Mortgaged Property to be managed in a competent and professional manner. Without the prior written consent of Mortgagee, Mortgagor shall not cause, suffer or permit any (i) material structural alterations of the Mortgaged Property except as required by law or except as permitted or required to be made by the terms of any Leases approved by Mortgagee; (ii) change in the intended use or occupancy of the Mortgaged Property; (iii) zoning reclassification with respect to the Mortgaged Property; (iv) unlawful use of, or nuisance to exist upon, the Mortgaged Property; or (v) granting of any easements, licenses, covenants, conditions or declarations of use against the Mortgaged Property, other than use restrictions contained or provided for in Leases approved by Mortgagee.

4. Liens.

4.1 **Prohibition.** Except as permitted in paragraph 4.2 and paragraph 5 below, Mortgagor shall not create or suffer or permit any encumbrance to attach to or be filed against the Mortgaged Property or any part thereof, excepting only (i) the lien of real estate taxes, and assessments and other governmental charges not yet due; (ii) any liens and encumbrances of Mortgagee; (iii) statutory liens such as mechanics, workman's, materialman's or landlord's liens

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arising in the ordinary course of business which secure payment of obligations not yet past due; and (iv) easements, restrictions and similar matters appearing on the title policy or commitment previously delivered to Mortgagee covering the Mortgaged Property.

4.2 Contest of Mechanics' Liens Claims. Notwithstanding the foregoing prohibition against encumbrances, Mortgagor may in good faith and with reasonable diligence contest the validity or amount of any mechanics' lien and defer payment and discharge thereof during the pendency of such contest, provided that:

4.2.1 Such contest shall prevent the sale or forfeiture of the Mortgaged Property or any part thereof, or any interest therein, to satisfy such mechanics' lien;

4.2.2 Within ten (10) days after Mortgagor has been notified of the filing of such mechanics' lien, Mortgagor shall have notified Mortgagee in writing of Mortgagor's intention to contest such mechanics' lien; and

4.2.3 Within ten (10) days after Mortgagor has been notified of the filing of such mechanics' lien, Mortgagor shall have either obtained a title insurance endorsement over such mechanics' liens insuring Mortgagee against loss by reason of the mechanics' liens or Mortgagor shall have deposited with Mortgagee at such place as Mortgagee may from time to time in writing appoint, and in the absence of such appointment, then at the place of payment designated in the Note, a sum of money (the "Deposits") which shall be sufficient in the judgment of Mortgagee to pay in full such mechanics' lien and all interest which might become due thereon. Mortgagor shall increase the Deposits whenever, in the judgment of Mortgagee, such increase is advisable. The Deposits are to be held without any allowance of interest.

Mortgagee may, at its option, pay the Deposits, or any part thereof, to the mechanics' lien claimant if Mortgagor (i) fails to maintain sufficient Deposits; or (ii) fails to act in good faith or with reasonable diligence in contesting the mechanics' liens claims. If the mechanics' lien contest is resolved in favor of the claimant and Mortgagor is not in Default hereunder, Mortgagee shall pay the Deposits, or any part thereof, to the claimant upon Mortgagee's receipt of evidence satisfactory to Mortgagee of the amount to be paid. Mortgagee shall pay any remaining Deposits to Mortgagor, provided Mortgagor is not in Default hereunder.

5. Taxes, Other Governmental Charges and Utility Charges.

Mortgagor shall pay, as the same respectively become due and before penalty and interest accrue thereon, all taxes, assessments, whether general or special, and governmental charges of any kind that now or may at any time hereafter be lawfully assessed or levied against or with respect to the Mortgaged Property, or any part thereof (including, without limitation, any taxes levied upon or with respect to the rents from the Mortgaged Property) which, if not paid, may become or be made a lien on the Mortgaged Property, or a charge on the rents, and all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Mortgaged Property; provided, that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, Mortgagor shall be

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obligated to pay only those installments required to be paid during the term of this Mortgage; and, provided further that Mortgagor shall have the right to contest payment of any taxes, assessment or other governmental charges.

6. Insurance.

6.1 Hazard. Mortgagor agrees to keep the improvements now existing or hereafter erected on the Premises insured under a replacement cost form of insurance policy against loss or damage resulting from fire, windstorm, and other hazards as may be required by Mortgagee, and to pay promptly, when due, any premiums on such insurance. All insurance shall be in amounts and of form and content as approved by Mortgagee and shall be carried in companies approved by Mortgagee and the policies and renewals (or certificates evidencing same), marked "Paid," shall be delivered to Mortgagee at least thirty (30) days before the expiration of the old policies and shall have attached thereto standard noncontributing mortgage clause(s) in favor of and entitling Mortgagee to collect any and all of the proceeds payable under all such insurance, as well as standard waiver of subrogation endorsement. Mortgagor shall not carry separate insurance, concurrent in kind or form and contributing in the event of loss, with any insurance required hereunder. In the event of a change in ownership or of occupancy of the Premises (if approved in writing by Mortgagee), immediate notice thereof by mail shall be delivered to all insurers.

- i In the event of any casualty loss, Mortgagor will give immediate notice by mail to Mortgagee. Mortgagor hereby permits Mortgagee, at Mortgagee's option, to adjust, collect, and compromise any losses under any of the aforesaid insurance. After collection of any said proceeds, and after deducting any costs of collection, Mortgagee, in the event the Note or Mortgage are not then in default, and satisfactory evidence of the estimated cost of completion of the rebuilding or restoration is given to Mortgagee, and Mortgagor has deposited with Mortgagee funds sufficient in addition to the proceeds of insurance to complete the proposed rebuilding or restoration, shall use or apply the proceeds to repairing, rebuilding and restoring the improvements, in which event Mortgagee shall not be obligated to see to the proper application thereof nor shall the amount so released or used for restoration be deemed a payment on the indebtedness secured hereby. In the event after use or application of the proceeds to repairing, rebuilding, and restoring the improvements there is a surplus remaining, then, at Mortgagee's option, such surplus may either be applied as a credit upon any portion of the indebtedness secured hereby, or may be delivered to Mortgagor.
- ii In the event either the Note or Mortgage is then in default, or in the event Mortgagor does not deposit with Mortgagee funds sufficient in addition to the proceeds of insurance to complete the proposed rebuilding or restoration, Mortgagee may, at its option, apply all or any part of the proceeds as a credit upon any portion of the indebtedness secured hereby, subject to the applicable provisions of the Note covering prepayment, or may use or apply the proceeds to repairing and restoring the improvements, in which event Mortgagee shall not be

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obligated to see to the proper application thereof nor shall the amount so released or used for restoration be deemed a payment on the indebtedness secured hereby.

- iii In the event the Note or Mortgage are not then in default, or Mortgagee elects to apply the proceeds to rebuilding or restoring the improvements, such proceeds shall be made available, from time to time, upon Mortgagee being furnished with satisfactory evidence of the estimated cost of such restoration and with such architect's certificates, waivers of lien, contractor's sworn statements, and other evidence of cost and of payments as Mortgagee may reasonably require and approve, and (if the estimated cost of the work exceeds ten percent (10%) of the original principal amount of the indebtedness secured hereby) with all plans and specifications for such rebuilding or restoration as Mortgagee may reasonably require and approve. No payment made prior to the final completion of the work shall exceed ninety percent (90%) of the value of the work performed, from time to time, and at all times the undisbursed balance of said proceeds remaining in the hands of Mortgagee shall be at least sufficient to pay for the cost of completion of the work, free and clear of any liens. At Mortgagee's option, and at Mortgagor's expense, the proceeds may be disbursed through the title insurance company insuring this Mortgage to insure full continued mechanic's lien protection.
- iv In the event of foreclosure of this Mortgage, or other transfer of title to the Premises in extinguishment of the indebtedness secured hereby, all right, title and interest of Mortgagor in and to any insurance policies then in force, and any claims or proceeds thereunder, shall pass to Mortgagee or any purchaser or grantee, and Mortgagor hereby appoints Mortgagee its attorney-in-fact, in Mortgagor's name, to assign and transfer all such policies and proceeds to such purchaser or grantee. Mortgagee may, at any time and at its own discretion, procure and substitute for any and all of the insurance so held as aforesaid such other policy or policies of insurance, in such amount, and carried in such company, as it may determine.

6.2 Liability. Mortgagor agrees to carry and maintain Comprehensive Lessors Risk Public Liability Insurance as may be required from time to time by Mortgagee in forms, amounts, and with companies satisfactory to Mortgagee. It is understood and agreed that the amounts of coverage shall not be less than ONE MILLION DOLLARS (\$1,000,000.00) single limit and that the policy shall name Mortgagee as an insured party thereunder. Certificates of such insurance, premiums prepaid, shall be deposited with Mortgagee and shall contain provision for thirty (30) days' notice to Mortgagee prior to any cancellation thereof.

6.3 Fixtures and Equipment Owned by Mortgagor. Mortgagor agrees to carry and maintain in forms, amounts and with companies satisfactory to Mortgagee insurance for the full insurable value of all fixtures and equipment and personal property owned by Mortgagor to be affixed to, used upon, or contained within the Premises. Certificates of such insurance, premiums prepaid, shall be deposited with Mortgagee, shall name Mortgagee as a loss/payee as its interest may appear, and shall contain provision for thirty (30) days' written notice to Mortgagee prior to any cancellation thereof.

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7. Illinois Insurance Notice.

Unless the Mortgagor provides the Mortgagee with evidence of the insurance coverage required by this Agreement, the Mortgagee may purchase insurance at the Mortgagor's expense to protect the Mortgagee's interests in the Collateral. This insurance may, but need not, protect any interests in the Collateral. The coverage purchased by the Mortgagee may not pay any claims that Mortgagor makes or any claim that is made against Mortgagor in connection with the Collateral. The Mortgagor may later cancel any such insurance purchased by the Mortgagee, but only after providing the Mortgagee with evidence that the Mortgagor has obtained insurance as required by this Agreement. If the Mortgagee purchases insurance for the Collateral, the Mortgagor will be responsible for the costs of that insurance, including interest and any other charges that the Mortgagor may impose in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to the obligations secured hereby. The costs of the insurance may be more than the costs of insurance the Mortgagor may be able to obtain on its own.

8. Payment of Taxes and Insurance Premiums Following Default.

Upon occurrence of a Default under this Mortgage and upon written notice from the Mortgagee, Mortgagor will make monthly deposits (which for purposes of this Mortgage, shall also be deemed to be "Deposits") with the Bank, in a non-interest bearing account, at the same times as installments of principal and interest on the Note are payable, of a sum equal to one-twelfth (1/12) of the estimated yearly taxes and assessments levied or to be levied against the Mortgaged Property and insurance premiums, all as estimated by the Mortgagee, but with an initial payment into escrow which initial payment, together with such subsequent monthly payments, will be sufficient to pay such estimated taxes and assessments and insurance premiums as and when they become due and payable. Such deposits shall be applied by the Mortgagee to the payment of such taxes and assessments and insurance premiums when due. Any insufficiency of such account to pay such taxes, assessments and insurance premiums when due shall be payable by Mortgagor on demand. Upon any Default under this Mortgage, the Mortgagee may apply any funds in said account to any obligation then due under this Mortgage. The enforceability of the covenants relating to taxes, assessments and insurance premiums herein otherwise provided will not be affected except insofar as the obligations thereunder shall have been actually met by compliance with the terms of this paragraph. The Mortgagee may at any time hereafter at its option waive and thereafter alter such waiver or reinstate any or all of the provisions of this paragraph with respect to the making of monthly deposits for estimated yearly taxes, assessments and insurance premiums by notifying Mortgagor in writing of such waiver or reinstatement. While any such waiver is in effect, Mortgagor will pay taxes, assessments and insurance premiums for which monthly deposits have been waived as elsewhere provided in this Mortgage.

Mortgagor may, at its expense and after notice to the Mortgagee in good faith by appropriate proceedings duly instituted and diligently prosecuted, contest any such taxes, assessments and other charges, unless the Mortgagee shall notify Mortgagor that, in the opinion of counsel, by nonpayment of any such items the lien of this Mortgage as to any part of the Mortgaged Property will be materially affected or the Mortgaged Property or any part thereof

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will be subject to imminent loss or forfeiture, in which event such taxes, assessments or charges shall be paid promptly by Mortgagor. During the period when the taxes, assessments or other charges so contested remain unpaid, Mortgagor shall set aside on its books adequate reserves with respect to such taxes, assessments or charges including applicable interest and penalties.

9. Eminent Domain.

Any and all awards heretofore or hereafter made or to be made to the present and all subsequent owners of the Premises, by any governmental or other lawful authority for taking, by condemnation or eminent domain, the whole or any part of the Premises or any improvement located thereon or any easement therein or appurtenant thereto (including any and all payments made in lieu of and/or in settlement of a claim or threat of condemnation or eminent domain and including any award from the United States Government at any time after the allowance of the claim therefore, the ascertainment of the amount thereof and the issuance of the warrant for payment thereof), are hereby assigned by Mortgagor to Mortgagee, which award Mortgagee is hereby authorized to collect and receive from the condemnation authorities, and Mortgagee is hereby authorized to give appropriate receipts and acquittances therefore, and Mortgagee shall use or apply the proceeds of such award or awards in the same manner as is set forth in paragraphs hereof with regard to insurance proceeds received subsequent to a fire or other casualty to the Premises. Mortgagor covenants and agrees that Mortgagor will give Mortgagee immediate notice of the actual or threatened commencement of any such proceedings under condemnation or eminent domain affecting all or any part of the said Premises or any easement therein or appurtenant thereto, including severance and consequential damage and change in grade of streets, and will deliver to Mortgagee copies of any and all papers served in connection with any such proceedings. Mortgagor further covenants and agrees to make, execute, and deliver to Mortgagee, at any time or times upon request, free, clear, and discharged of any encumbrances of any kind whatsoever, any and all further assignments and/or instruments deemed necessary by Mortgagee for the purpose of validly and sufficiently assigning all awards and other compensation heretofore and hereafter to be made to Mortgagor for any taking, either permanent or temporary, under any such proceeding.

10. Assignment of Rents, Leases and Profits.

As additional security for the Indebtedness, Mortgagor hereby assigns unto Mortgagee all of the rents, leases and income now or hereafter due under any Leases agreed to by Mortgagor or the agents of Mortgagor or which may be made or agreed to by Mortgagee under the powers herein granted, it being the intention hereby to establish an absolute transfer and assignment of all such Leases, rents and income thereunder, to Mortgagee. Mortgagor hereby irrevocably appoints Mortgagee its attorney-in-fact (this power of attorney and any other powers of attorney granted herein are powers coupled with an interest and cannot be revoked, modified or altered without the written consent of Mortgagee) with or without taking possession of the Mortgaged Property, to lease any portion of the Mortgaged Property to any party upon such terms as Mortgagee shall determine, and to collect all rents due under each of the Leases, with the same rights and powers and subject to the same immunities, exoneration of liability and rights of recourse and indemnity as Mortgagee would have upon taking possession pursuant to the terms hereof. Mortgagor represents that no rent has been or will be paid by any person in possession of

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any portion of the Mortgaged Property for more than one installment in advance and that the payment of none of the rents for any portion of the Mortgaged Property has been or will be waived, reduced or otherwise discharged or compromised by Mortgagor. Mortgagor waives any rights of set-off against any person in possession of any portion of the Mortgaged Property. Mortgagor agrees that it will not assign any of the rents or profits of the Mortgaged Property, except to Mortgagor. Mortgagor expressly waives all liability of Mortgagee in the exercise of the powers herein granted Mortgagee. Mortgagor shall assign to Mortgagee all future leases upon any part of the Mortgaged Property and shall execute and deliver, at the request of Mortgagee, all such further assurances and assignments in the Mortgaged Property as Mortgagee shall from time to time require. Although the assignment contained in this paragraph is a present assignment, Mortgagee shall not exercise any of the rights or powers conferred upon it by this paragraph until a Default shall exist under this Mortgage. Within thirty (30) days of Mortgagee's written demand, Mortgagor will furnish Mortgagee with executed copies of each of the Leases and with estoppel letters from each tenant in a form satisfactory to Mortgagee. If Mortgagee requires that Mortgagor execute and record a separate collateral assignment of rents or separate assignments of any of the Leases to Mortgagee, the terms of those assignments shall control in the event of a conflict with the terms of this Mortgage.

11. Security Instruments.

This instrument constitutes a security agreement to the extent all or any portion of the Mortgaged Property constitutes a fixture and other personal property and Mortgagee shall have all of the rights of a secured party under the Uniform Commercial Code, as amended from time to time. Notwithstanding the foregoing, Mortgagor shall execute, acknowledge and deliver to Mortgagee a security agreement, financing statements, and any other similar security instrument required by Mortgagee, in form and content satisfactory to Mortgagee, covering all Mortgaged Property which is personal property. Mortgagor shall further execute, acknowledge, and deliver any financing statement, affidavit, continuation statement, certificate, (or other document) as Mortgagee may request in order to perfect, preserve, maintain, continue, and extend such security instruments.

12. Restriction on Transfer.

Mortgagor shall not, without the prior written consent of Mortgagee effect, suffer or permit any Prohibited Transfer (as hereinafter defined). For purposes hereof, a "Prohibited Transfer" shall include, without limitation (a) any voluntary or involuntary disposition of legal or beneficial title to the Mortgaged Property by whatever means; or (b) any other arrangement by which Mortgagor divests itself of the degree of control it currently exercises or may exercise over the decisions affecting the operation of the Mortgaged Property. No sale of the Mortgaged Property, and no forbearance or extension by the Mortgagee of the time of the payment of the debt or the performance of the covenants and agreements hereby secured, shall in any way whatever operate to release, discharge, modify, change or affect the lien of this Mortgage or the liability of Mortgagor for the performance hereof, either in whole or in part.

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13. Defaults.

If one or more of the following events (herein called "Defaults") shall occur:

13.1 If Mortgagor shall fail to make payments of amounts owed under the Note or this Mortgage or any other Loan Documents when due;

13.2 If default shall continue for twenty (20) days after notice thereof by Mortgagee to Mortgagor in the punctual performance or observance of any other agreement or condition herein contained;

13.3 If any default shall exist under any of the Loan Documents;

13.4 The Mortgage or any of the Loan Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time for any reason;

13.5 The occurrence of a Prohibited Transfer;

13.6 If Mortgagor shall file a voluntary petition in bankruptcy or for relief under the Federal Bankruptcy Code or any similar state or federal law, or within thirty (30) days after the filing against Mortgagor of any involuntary proceeding under the Federal Bankruptcy Code or similar state or federal law, such proceedings shall not have been vacated;

13.7 If Mortgagor shall make an assignment for the benefit of creditors or shall consent to the appointment of a receiver or trustee or liquidator of all or the major part of its property, or the Mortgaged Property, or any order appointing a receiver, trustee or liquidator of Mortgagor or all or a major part of Mortgagor's property or the Mortgaged Property is not vacated within thirty (30) days following the entry thereof;

13.8 Mortgagor is dissolved or files articles of dissolution or gives notice of dissolution to any claimant.

13.9 Any warranty, representation or statement made or furnished to Mortgagee by or on behalf of the Mortgagor under this Mortgage or any of the Loan Documents is false or misleading in any material respect, either now or at the time when made or furnished;

13.10 Commencement of foreclosure or forfeiture proceedings, self-help, repossession or any other method by any creditor of Mortgagor or by any governmental entity against the Mortgaged Property;

then Mortgagee may, at its option and without affecting the lien hereby created or the priority of said lien or any other right of Mortgagee hereunder, declare without further notice, all Indebtedness immediately due with interest thereon at the Default Rate (as defined in the Note), whether or not such Default be thereafter remedied by Mortgagor, and Mortgagee may

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immediately proceed to foreclose this Mortgage and to exercise any right provided by this Mortgage, the Loan Documents or permitted by law or in equity or otherwise.

14. Foreclosure.

Upon the occurrence of a Default, Mortgagee shall have the right to foreclose the lien hereof in accordance with the Illinois Mortgage Foreclosure Law, 735 ILCS 5/15-1101 et seq. as the same may be amended or renumbered from time to time (the "Act") and to exercise any other remedies of Mortgagee provided in this Mortgage, or the Loan Documents, or which Mortgagee may have at law, in equity or otherwise. In any suit to foreclose the lien hereof, there shall be allowed and included as additional Indebtedness in the decree of sale, all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographer's charges, publication costs, 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 assurance with respect to title as Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at sales which may be had pursuant to such decree the true conditions of the title to or the value of the Mortgaged Property, and any other expenses and expenditures which may be paid or incurred by or on behalf of Mortgagee and permitted by the Act to be included in such decree. All expenditures and expenses of the nature mentioned in this paragraph, and such other expenses and fees as may be incurred in the protection of the Mortgaged Property and rents and income therefrom and the maintenance of the lien of this Mortgage, including the fees of any attorney employed by Mortgagee in any litigation or proceedings affecting this Mortgage, the Loan Documents or the Mortgaged Property, including probate and bankruptcy proceedings, or in preparation of the commencement or defense of any proceedings or threatened suit or proceeding, or otherwise in dealing specifically therewith, shall be so much additional Indebtedness and shall be immediately due and payable by Mortgagor with interest thereon at the Default Rate until paid.

15. Right of Possession.

Upon the occurrence of a Default, or if Mortgagee has a right to institute foreclosure proceedings, Mortgagor shall, forthwith upon demand of Mortgagee, surrender to Mortgagee, and Mortgagee shall be entitled to be placed in possession of the Mortgaged Property as provided in the Act, and Mortgagee, in its discretion and pursuant to court order, may enter upon and take and maintain possession of all or any part of the Mortgaged Property, together with all documents, books, records, papers, and accounts of Mortgagor or the then owner of the Mortgaged Property relating thereto, and may exclude Mortgagor, such owner, and any agents and servants thereof wholly therefrom and may, on behalf of Mortgagor or such owner, or in its own name as Mortgagee and under the powers herein granted:

15.1 hold, operate, manage, and control all or any part of the Mortgaged Property and conduct the business concerning the Mortgaged Property, if any, thereof, either personally or by its agents, with full power to use such measures, legal or equitable, as Mortgagee may deem necessary to enforce the payment or security of the rents, issues, deposits, profits, and avails of

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the Mortgaged Property, including without limitation actions for recovery of rent, actions in forcible detainer, and actions in distress for rent, all without notice to Mortgagor;

15.2 cancel or terminate any Lease or sublease of all or any part of the Mortgaged Property for any cause or on any ground that would entitle Mortgagor to cancel the same;

15.3 elect to disaffirm any Lease or sublease of all or any part of the Mortgaged Property made subsequent to this Mortgage without Mortgagee's prior written consent;

15.4 extend or modify any then existing Leases and make new Leases of all or any part of the Mortgaged Property, which extensions, modifications, and new Leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the maturity date of the loan evidenced by the Note and the issuance of a deed to a purchaser at a foreclosure sale, 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, all persons whose interests in the Mortgaged Property are subject to the lien hereof, and the purchaser at any foreclosure sale, notwithstanding any redemption from sale, reinstatement, discharge of the Indebtedness, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any such purchaser;

15.5 make all necessary or proper repairs, decorations, renewals, replacements, alterations, additions, betterments, and improvements in connection with the Mortgaged Property as may seem judicious to Mortgagee, to insure and reinsure the Mortgaged Property and all risks incidental to Mortgagee's possession, operation, and management thereof, and to receive all rents, issues, deposits, profits, and avails therefrom; and

15.6 apply the net income, after allowing a reasonable fee for the collection thereof and for the management of the Mortgaged Property, to the payment of taxes, premiums and other charges applicable to the Mortgaged Property, or in reduction of the Indebtedness in such order and manner as Mortgagee shall select.

Without limiting the generality of the foregoing, Mortgagee shall have all power, authority and duties as provided in the Act. Nothing herein contained shall be construed as constituting Mortgagee a mortgagee in possession in the absence of the actual taking of possession of the Mortgaged Property.

16. Receiver.

Upon the filing of a complaint to foreclose this Mortgage or at any time thereafter, the court in which such complaint is filed may appoint upon petition of Mortgagee, and at Mortgagee's sole option, a receiver of the Mortgaged Property pursuant to the Act. Such appointment may be made either before or after sale, without notice, without regard to solvency or insolvency of Mortgagor at the time of application for such receiver, and without regard to the then value of the Mortgaged Property or whether the same shall be then occupied as a homestead or not; and Mortgagee hereunder or any employee or agent thereof may be appointed as such receiver. Such receiver shall have all powers and duties prescribed by the Act, including the

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power to make leases to be binding upon all parties, including the Mortgagor, the purchaser at a sale pursuant to a judgment of foreclosure and any person acquiring an interest in the Mortgaged Property after entry of a judgment of foreclosure, all as provided in the Act. In addition, such receiver shall also have the power 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 Note and beyond the date the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such leases, and the options or other provisions to be contained therein, shall be binding upon Mortgagor and all the persons whose interest in the Mortgaged Property are subject to the lien hereof and upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption, reinstatement, discharge of the Indebtedness, satisfaction of any foreclosure judgment, or issuance of any certificate of sale or deed to any purchaser. In addition, such receiver shall have the power to collect the rents, issues and profits of the Mortgaged Property during the pendency of such foreclosure suit and, in case of a sale and deficiency, during the full statutory period of redemption, if any, whether there be a redemption or not, as well as during any further times when Mortgagor, except for the intervention of such receiver, would be entitled to collection of such rents, issues and profits, and such receiver shall have all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Mortgaged Property during the whole of said period. The court may, from time to time, authorize the receiver to apply the net income from the Mortgaged Property in payment in whole or in part of: (a) the Indebtedness or the indebtedness secured by a decree foreclosing this Mortgage, or any tax, special assessment, or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to the foreclosure sale; or (b) the deficiency in case of a sale and deficiency.

17. Foreclosure Sale; Application of Proceeds.

In the event of any foreclosure sale of the Mortgaged Property, the same may be sold in one or more parcels. Mortgagee may be the purchaser at any foreclosure sale of the Mortgaged Property or any part thereof. Mortgagor hereby waives any and all right to have the Mortgaged Property marshaled. The proceeds of any foreclosure sale of the Mortgaged Property, or any part thereof, shall be distributed and applied in the following order of priority: (a) on account of all costs and expenses incidental to the foreclosure proceedings; (b) all other taxes that under the terms of this Mortgage constitute secured Indebtedness additional to the principal and interest under the Note with interest thereon at the rate specified in the Note; (c) all interest remaining unpaid under the First Note; (d) all principal remaining unpaid under the First Note; (e) all interest remaining unpaid on the Second Note; (f) all principal remaining unpaid under the Second Note; and (g) any surplus to Mortgagor, or its successors or assigns, as their interests and rights may appear.

18. Application of Deposits.

In the event of any Default, Mortgagee may, at its option, without being required to do so, apply any monies or securities that constitute Deposits made to or held by Mortgagee or any depository pursuant to any of the provisions of this Mortgage toward payment of the Indebtedness in such order and manner as Mortgagee may elect. When the Indebtedness secured

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hereby has been fully paid, any remaining Deposits shall be paid to Mortgagor or to the then owner or owners of the Mortgaged Property. Such Deposits are hereby pledged as additional security for the prompt payment of the Indebtedness and shall be held to be applied irrevocably by such depository for the purposes for which made hereunder and shall not be subject to the direction or control of Mortgagor.

19. Insurance During Foreclosure.

In case of an insured loss after foreclosure proceedings have been instituted, the proceeds of any insurance policy, if not applied in rebuilding or restoring the Improvements, as aforesaid, 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. The foreclosure decree may provide that the mortgagee's clause attached to each of the casualty insurance policies may be cancelled and that the decree creditor may cause a new loss payable clause to be attached to each of said casualty insurance policies making the loss payable thereunder payable to said decree creditors. The foreclosure decree may further provide that in the case of one or more redemptions under said decree, each successive redemptory may cause the loss payable clause attached to each casualty insurance policy to be cancelled and a new loss payable clause to be attached thereto, making the loss thereunder payable to such redemptor. In the event of foreclosure sale, Mortgagee may, without the consent of Mortgagor, assign any insurance policies to the purchaser at the sale, or take such other steps as Mortgagee may deem advisable to protect the interest of such purchaser.

20. Waiver of Right of Redemption and other Rights.

Mortgagor or any other person hereafter obtaining a mortgage or lien upon, or any other interest in the Mortgaged Property, releases and waives all rights under and by virtue of the homestead exemption laws of the State of Illinois and waives with respect to any foreclosure of this Mortgage, (i) any right to marshalling of the Mortgaged Property and any right to require a minimum bid or "upset" price, and (ii) the benefit of any valuation, appraisal, stay, extension, exemption or moratorium laws, now existing or hereafter enacted, and (iii) any right to reinstatement or redemption provided by any law now existing or hereafter enacted. As used herein, the term "Mortgagor" shall include all persons liable for payment of the Indebtedness or any part thereof secured by this Mortgage, regardless of whether such persons have executed this Mortgage.

21. Mortgagee's Performance of Mortgagor's Obligations.

In case of Default, either before or after acceleration of the Indebtedness or the foreclosure of the lien hereof and during any period of redemption, Mortgagee may, but shall not be required to, make any payment or perform any act herein required of Mortgagor (whether or not Mortgagor is personally liable therefore) in any manner deemed expedient to Mortgagee. Mortgagee may, but shall not be required to, complete construction, furnishing and equipping of the Improvements and rent, operate and manage the Mortgaged Property and the Improvements and pay operating costs, including management fees, of every kind in connection therewith, so that the Mortgaged Property shall be useable for its intended purposes. All such monies paid and

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expenses incurred, including attorneys' fees, shall be so much additional Indebtedness and shall become immediately due with interest thereon at the Default Rate. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to it on account of any Default nor shall the provisions of this paragraph or any exercise by Mortgagee of its rights hereunder prevent any default from constituting a Default. Mortgagee, in making any payment hereby authorized (a) relating to taxes, 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 lien, may do so without inquiry as to the validity or amount of any claim for lien which may be asserted; or (c) in connection with the completion of construction, furnishing or equipping of the Mortgaged Property or the rental, operation or management of the Mortgaged Property or the payment of operating costs thereof, may do so in such amounts and to such persons as Mortgagee may deem appropriate. Nothing contained herein shall be construed to require Mortgagee to advance monies for any purpose.

22. Rights Cumulative.

Each right herein conferred upon Mortgagee is cumulative and in addition to every other right provided by law or in equity, and Mortgagee may exercise each such right in any manner deemed expedient to Mortgagee. If any provision of this Mortgage shall grant to Mortgagee any rights or remedies upon default of the Mortgagor which are more limited than the rights that would otherwise be vested in Mortgagee under the laws of the State of Illinois in the absence of said provision, Mortgagee shall be vested with the rights granted in the laws of the State of Illinois to the full extent permitted by such laws. Mortgagee's exercise or failure to exercise any right shall not be deemed a waiver of that right or any other right or a waiver of any default. Except as otherwise specifically required herein, Mortgagee is not required to give notice of its exercise of any right given to it by this Mortgage.

23. Successors and Assigns.

23.1 Covenants Run With Land; Successor Owners. All of the covenants of this Mortgage shall run with the Mortgaged Property and be binding on any successor owners of the Mortgaged Property. In the event that the ownership of the Mortgaged Property or any portion thereof becomes vested in a person or persons other than Mortgagor, Mortgagee may, without notice to Mortgagor, deal with such successor or successors in interest of Mortgagor with reference to this Mortgage and the Loan hereby secured in the same manner as with Mortgagor without in any way releasing or discharging Mortgagor from its obligations hereunder. Mortgagor will give immediate written notice to Mortgagee of any conveyance, transfer or change of ownership of the Mortgaged Property.

23.2 Successors and Assigns. This Mortgage and all provisions hereof shall be binding upon Mortgagor, its successors, assigns, legal representatives, and all other persons or entities claiming under or through Mortgagor, and the word "Mortgagor," when used herein, shall include all such persons and entities and any others liable for the payment of the Indebtedness secured hereby or any part thereof, whether or not they have executed the Note, this Mortgage or any documents or instruments evidencing the same. The word "Mortgagee," when used herein,

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shall include Mortgagee's successors, assigns, and legal representatives, including all other holders, from time to time, of the Note.

24. Effect of Extensions and Amendments.

If the payment of the Indebtedness, or any part thereof, be extended or varied, or if any part of the security or guaranties therefore be released, all persons now or at any time hereafter liable therefore, or interested in the Mortgaged Property, shall be held to assent to such extension, variation or release, and their liability, and the lien, and all provisions hereof, shall continue in full force and effect; the right of recourse against all such persons being expressly reserved by Mortgagee, notwithstanding any such extension, variation or release. Any person, firm or corporation taking a junior mortgage, or other lien upon the Mortgaged Property or any part thereof or any interest therein, shall take the said lien subject to the rights of Mortgagee to amend, modify, extend or release the Note, this Mortgage any of the other Loan Documents, in each case without obtaining the consent of the holder of such junior lien and without the lien of this Mortgage losing its priority over the rights of any such junior lien.

25. Environmental Matters.

Mortgagor represents, covenants and agrees as follows:

- A. Mortgagor will not use, generate, manufacture, produce, store, release, discharge of on, under or about the Premises or transport to or from the Premises any Hazardous Substance (as hereinafter defined) or allow any other person or entity to do so;
- B. Mortgagor, shall keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of any Environmental Law (as hereinafter defined) or allow any other person or entity to do so;
- C. Mortgagor shall give prompt written notice to Mortgagee of:
 1. any proceeding or inquiry by any governmental authority whether Federal, state, or local, with respect to violation of any Environmental Law, the presence of any Hazardous Substance on the Premises or the migration thereof from or to other property;
 2. all claims made or threatened by any third party against Mortgagor or the Premises relating to any loss or injury resulting from any Hazardous Substance; and
 3. Mortgagor's discovery of any occurrence or condition on any real property adjoining or in the vicinity of the Premises that could cause the Premises or any part thereof to be subject to any restrictions on the ownership, occupancy, transferability or use of the Premises under any Environmental Law;

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D. Mortgagee shall have the right to join and participate in, as a party if it so elects, any legal proceedings or actions initiated in connection with violation of any Environmental Law and Mortgagor hereby agrees to pay reasonable attorney's fees thereby incurred by Mortgagee in connection therewith;

E. Mortgagor shall protect, indemnify and hold harmless Mortgagee, its directors, officers, administrators, shareholders, employees, agents, contractors, attorneys, successors and assigns from and against any and all loss, damage, cost, expense or liability (including reasonable attorneys' fees and costs) directly or indirectly arising out of or attributable to violation of any Environmental Law, the use, generation, manufacture, production, storage, release, threatened release, discharge, disposal, or presence of a Hazardous Substance on, under or about the Premises including without limitation (1) all foreseeable consequential damages; and (2) the costs of any required or necessary repair, cleanup, or detoxification of the Premises and the preparation and implementation of any closure, remedial or other required plans. This indemnity and covenant shall survive the assignment or satisfaction of the lien of this Mortgage, or the extinguishment of such lien by foreclosure or action in lieu thereof;

F. In the event that any investigation, site monitoring, containment, cleanup, removal, restoration, or other remedial work of any kind or nature (the "Remedial Work") is reasonably necessary under any applicable local, state or Federal law or regulation, any judicial order, or by any governmental or nongovernmental entity or person because of, or in connection with the current or future presence, or suspected Presence release or suspected release of a Hazardous Substance in or into the air, soil, ground, water, surface water or soil vapor at, on, about, under or within the Premises or any portion thereof, Mortgagor shall have thirty (30) days after written demand for performance thereof by Mortgagee or other party or governmental entity or agency (or such shorter period of time as may be required under any applicable law, regulation, order or agreement), to commence to perform, or cause to be commenced, and thereafter diligently prosecuted to completion, all such Remedial Work. All Remedial Work shall be performed by one or more contractors, approved in advance in writing by Mortgagee, and under the supervision of a consulting engineer approved in advance in writing by Mortgagee. All costs and expenses of such Remedial Work shall be paid by Mortgagor, including, without limitation, the charges of such contractor and the consulting engineer, and Mortgagee's reasonable attorneys' fees and costs incurred in connection with the monitoring or review of such Remedial Work. In the event Mortgagor shall fail to timely commence, or cause to be commenced, or fail to diligently prosecute to completion, such Remedial Work, Mortgagee may but shall not be required to, cause such Remedial Work to be performed and all costs and expenses thereof incurred in connection therewith shall become immediately due and payable with interest thereon at the Default Interest Rate until paid, and such amounts shall be secured by this Mortgage;

G. Without Mortgagee's prior written consent, which shall not be unreasonably withheld, Mortgagor shall not take any remedial action in response to the presence of any Hazardous Substance on, under, or about the Premises nor enter into any settlement agreement, consent, decree or other compromise in respect to any Hazardous

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Substance claims. Said consent may be withheld, without limitation, if Mortgagee, in its reasonable judgment, determines that said remedial action, settlement, consent or compromise might impair the value of Mortgagee's security hereunder; provided, however, that Mortgagee's prior consent shall not be necessary in the event that the presence of Hazardous Substance in, on, under or about the Premises either poses an immediate threat to the health, safety, or welfare of any individual or is of such nature that an immediate remedial response is necessary, and it is not possible to obtain Mortgagee's consent before taking such action, provided that in such event Mortgagor shall notify Mortgagee as soon as practicable of any action so taken. Mortgagee agrees not to withhold its consent, when such consent is required hereunder, if either (1) a particular remedial action is ordered by a court of competent jurisdiction; or (2) Mortgagor establishes to the reasonable satisfaction of Mortgagee that there is no reasonable alternative to such remedial action that would result in materially less impairment of Mortgagee's security hereunder.

For purposes of this paragraph, the following terms shall have the meanings as set forth below:

A. "Environmental Laws" shall mean any Federal, state or local law, statute, ordinance, or regulation pertaining to health, industrial hygiene, or the environmental conditions on, under or about the premises, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA") as amended, 42 U.S.C. Sections 9601 *et seq.*, and the Resource Conservation and Recovery Act of 1976 ("RCRA") as amended, 42 U.S.C. Sections 6901 *et seq.*;

B. The term "Hazardous Substance" shall include without limitation:

1. those substances included within the definitions of any more or one of the terms "hazardous substances," "hazardous materials," "toxic substances," and "solid waste" in CERCLA, RCRA, and the Hazardous Materials Transportation Act, as amended, 49 U.S.C. Sections 1801 *et seq.*, and in the regulations promulgated pursuant to said laws or under applicable Illinois law.

2. those substances listed in the United States Department of Transportation Table (49 CFR 172.101 and amendments thereto) or by the Environmental Protection Agency (or any successor agency) as hazardous substances (40 CFR Part 302 and amendments thereto);

3. such other substances, materials and wastes which are or become regulated under applicable local, state or Federal laws, or which are classified as hazardous or toxic under Federal, state, or local laws or regulations; and

4. any material, waste or substance which is (a) petroleum; (b) asbestos; (c) polychlorinated biphenyls; (d) designated as a "Hazardous Substance" pursuant to Section 311 of the Clean Water Act, 33 U.S.C. 1251 *et*

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seq. (33 U.S.C. 1321), or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. 1317); (e) flammable explosives; or (f) radioactive materials.

26. Subrogation.

If any part of the Indebtedness is used directly or indirectly to satisfy, in whole or in part, any prior encumbrance upon the Mortgaged Property or any part thereof, Mortgagee shall be subrogated to the rights of the holder thereof in and to such other encumbrance and any additional security held by such holder, and shall have the benefit of the priority of the same.

27. Expenses and Attorneys' Fees.

Without limitation of the terms hereof or under any of the other Loan Documents and to the extent not prohibited by applicable laws, Mortgagor shall pay when due, and reimburse the Mortgagee on demand and indemnify Mortgagee from, all reasonable out-of-pocket fees, costs, and expenses reasonably paid or incurred by Mortgagee in connection with the defense, enforcement, collection or exercise of any other right or remedy of Mortgagee hereunder, including reasonable fees and expenses of Mortgagee's counsel.

28. Governing Law.

The place of negotiation, execution, and delivery of this Mortgage and the location of the Property being the State of Illinois, this Mortgage shall be construed and enforced according to the laws of that State, without reference to the conflicts of law principles of that State.

29. Business Loan.

The proceeds of the Note will be used for the purposes specified in 815 ILCS 205/4 and the principal obligation secured hereby constitutes a "business loan" coming within the definition and purview of said section.

30. 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 to the intended recipient thereof at its address herein below set forth, or at such other address as such intended recipient may, from time to time, by notice in writing, designate to the sender pursuant hereto. Any such notice shall be deemed to have been delivered on the date deposited in United States registered or certified mail, return receipt requested, postage prepaid addressed to a party at its address set forth below or such other address as the party to receive such notice may have designated to all other parties by notice in accordance herewith or when delivered in person.

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a. If to Mortgagee:

PrinsBank
Attn. Joe De Groot
508 Third Street
Prinsburg, MN 56281-0038

(b) If to Mortgagor:

Amjad Mustafa
6743 West Belmont Avenue
Chicago, IL 60634

31. No Joint Ventures.

Mortgagor acknowledges that the relationship between the parties is that of Mortgagor and Mortgagee and that in no event shall Mortgagee be deemed to be a partner or joint venturer with Mortgagor. Mortgagee shall not be deemed to be such a partner or joint venturer by reason of its becoming a Mortgagee in possession or exercising any rights pursuant to this mortgage or any other of the Loan Documents.

32. Time of the Essence.

Time is of the essence in the Note, this Mortgage, and any other document or instrument evidencing or securing the Indebtedness.

33. Captions and Pronouns.

The captions and headings of the various sections of this Mortgage are for convenience only, and are not to be construed as confining or limiting in any way the scope or intent of the provisions hereof. Whenever the context requires or permits, the singular shall include the plural, the plural shall include the singular, and the masculine, feminine and neuter shall be freely interchangeable.

34. Severability.

If all or any portion of any provision of this Mortgage or the other Loan Documents shall be held to be invalid, illegal or unenforceable in any respect, then such invalidity, illegality or unenforceability shall not affect any other provision hereof or thereof, and such provision shall be limited and construed in such jurisdiction as if such invalid, illegal or unenforceable provision or portion thereof were not contained herein or therein.

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35. Partial Releases.

Any part of the Mortgaged Property may be released by Mortgagee from the lien and encumbrance created by this Mortgage. Any such partial release shall be at the sole option of Mortgagee; Mortgagee shall not be obligated to grant partial releases. Any such partial release shall not affect the lien and encumbrance created by this Mortgage as to the remainder of the Mortgaged Property.

36. Full Release.

When the Indebtedness is paid in full and all of Mortgagor's covenants and agreements in this Mortgage are fully performed, this Mortgage shall be released of record at the cost of Mortgagor.

IN WITNESS WHEREOF, Mortgagor has caused this Mortgage to be duly signed, sealed and delivered the day and year first above written.

MORTGAGOR:

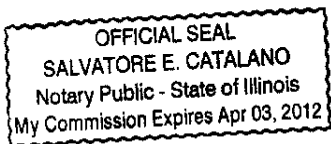
AMJAD MUSTAFA

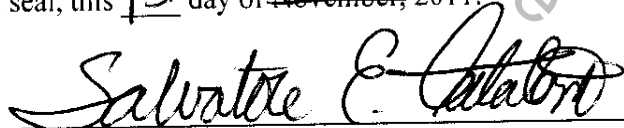

Amjad Mustafa

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, a Notary Public, in and for said County in the State aforesaid, DO HEREBY CERTIFY, that AMJAD MUSTAFA, personally known to me, 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 of writing as his free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal, this 13th day of December, 2011.




Notary Public

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EXHIBIT A

LEGAL DESCRIPTION

THE EAST 35 FEET OF THE WEST 68 FEET OF LOT 7 IN FIRST ADDITION TO MONT CLARE GARDENS, BEING A SUBDIVISION OF THE WEST HALF (W-1/2) OF THE NORTHEAST QUARTER (NE-1/4) (EXCEPT THAT PART TAKEN FOR RAILROAD) IN SECTION 30, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS;

PERMANENT INDEX NUMBER: 13-30-200-025-0000.

PROPERTY COMMONLY KNOWN AS: 6741-43 W. BELMONT AVENUE, CHICAGO, ILLINOIS, 60634.