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Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



Doc#: 1217419000 Fee: \$102.25
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 06/22/2012 08:11 AM Pg: 1 of 32

Report Mortgage Fraud
800-532-8785

The property identified as: **PIN:** 03-27-307-028-0000

Address:

Street: 2 W. Rand Road

Street line 2:

City: Mt. Prospect

State: IL

ZIP Code: 60056

Lender: Heartland Bank and Trust Company

Borrower: RH 1115 Green Bay LLC, RHR 1115 Green Bay LLC, SH 1115 Green Bay LLC, and LN 1115 Green Bay LLC

Loan / Mortgage Amount: \$1,200,000.00

This property is located within the program area and the transaction is exempt from the requirements of 765 ILCS 7770 et seq. because the application was taken by an exempt entity.

S Y
P 32
S N
M N
SC Y
E N
INT FD

Certificate number: 50E71E62-CEF5-4707-BAC1-AB775302524A

Execution date: 06/12/2012

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THIS MORTGAGE ("Mortgage") is made this 12th day of June, 2012, by RH 2 W. Rand LLC, an Illinois limited liability company, whose address is 2711 N. Halsted Street, Chicago, IL 60614, RHSR 2 W. Rand LLC, an Illinois limited liability company, whose address is 2711 N. Halsted Street, Chicago, IL 60614, SH 2 W. Rand LLC, an Illinois limited liability company, whose address is 2711 N. Halsted Street, Chicago, IL 60614, LN 2 W. Rand LLC, an Illinois limited liability company, whose address is 2800 N. Orchard, Suite 307, Chicago, IL 60657 (collectively, the "Mortgagor") and Heartland Bank & Trust Company, an Illinois banking corporation, whose address is 4456 Wolf Road, Western Springs, IL 60558 ("Mortgagee").

WHEREAS, Mortgagor, together with RH 1115 Green Bay LLC, RHSR 1115 Green Bay LLC, SH 1115 Green Bay LLC, and LN 1115 Green Bay LLC (collectively, the "Borrower"), is justly indebted to Mortgagee for money borrowed in the principal amount of One Million Two Hundred Thousand and 00/100 Dollars (\$1,200,000.00) ("Principal Amount"), or such lesser sum advanced to Mortgagor, as evidenced by a Loan Note of even date herewith bearing interest, with a maturity date of June 12, 2015, in the original principal amount of \$1,200,000.00, executed by Borrower, made payable to the order of and delivered to Mortgagee (which note, together with all renewals, extensions, modifications, refinancings, consolidations, and substitutions thereof, in whole or in part, is herein collectively referred to as "Note"), by the provisions of which Borrower promises to pay to Mortgagee or to the legal owner and holder of Note, from time to time.

- I. The Principal Amount (or so much thereof as may be advanced by Mortgagee from time to time);

Prepared by, and when recorded, mail to:

Daniel Acosta
Boodell & Domanskis, LLC
205 N. Michigan Avenue, Suite 4307
Chicago, IL 60601

Property Addresses:

2 W. Rand Road, Mt. Prospect, IL

Tax Number: 03-27-307-028-0000

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II. Interest at the rate specified in the Note; and

III. All other sums due and owing pursuant to the Note or hereunder and advanced by Mortgagee to protect the Mortgaged Premises or to preserve the priority of the lien established hereby;

(collectively, "Indebtedness"), from the date of the disbursement of the Principal Amount, as set forth in the Note, with a final payment of Indebtedness on June 12, 2015 ("Maturity Date", as defined in the Note).

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, to secure the payment of the Indebtedness and the performance of the terms, covenants, conditions and agreements contained herein and in the Note and in any guaranty and all other documents, including without limitation the Loan Agreement, executed and delivered to secure, evidence or guaranty the Indebtedness (collectively, the "Other Loan Documents"), Mortgagor, by these presents, DOES HEREBY MORTGAGE, GRANT, CONVEY, SELL, ASSIGN, TRANSFER, PLEDGE, and SET OVER with the right of entry and possession forever the land legally described on Exhibit "A" attached hereto and made a part hereof ("Land"), TOGETHER WITH THE FOLLOWING (collectively "Other Interests"):

A. All right, title and interest of Mortgagor in all of the air space, easements, rights, privileges, royalties and appurtenances belonging or in any way appertaining to the Land, and in the streets, alleys and ways adjacent thereto, either in law or in equity, in possession or expectancy, now or hereafter acquired;

B. All buildings, structures and other improvements of every kind and character now or hereafter located or erected on the Land, together with all fixtures, equipment, machinery, appliances and other articles and attachments (collectively, "Fixtures") now or hereafter forming part of, attached to or incorporated in any such buildings, structures or other improvements (all herein together sometimes called the "Improvements"), including without limitation, all machines, machinery, fixtures, apparatus, equipment or articles used in supplying heating, gas, electricity, air-conditioning, water, light, power, sprinkler protection, waste removal, refrigeration, ventilation and lifting (including elevators); and all fire sprinklers, alarm systems, and electronic monitoring equipment and devices; and all equipment and devices relating to cable television, computer and internet services; provided that the enumeration of any specific articles of Fixtures set forth above shall in no way exclude or be held to exclude any items of property not specifically enumerated; further provided, that there shall be excluded from and not included within the term "Fixtures" any equipment, trade fixtures, furniture, furnishings or other property of tenants of the Land or the Improvements;

C. All right, title and interest of Mortgagor in and to the minerals, flowers, shrubs, trees and landscaping now or hereafter located on the Land or under or above the same, or any part of parcel thereof;

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D. All leases, subleases, arrangements or agreements relating to the use and occupancy of the Land, Improvements or Fixtures or any portion thereof, now or hereafter existing or entered into (all herein generally called "Leases"), together with all cash or security deposits, advance rentals and other deposits or payments of similar nature given in connection with any Leases;

E. All rents, issues, profits, royalties, income, avails and other benefits now or hereafter derived from the Land, the Improvements or Fixtures, under Leases or otherwise;

F. Proceeds heretofore or hereafter payable to Mortgagor and all subsequent owners of the Land, Improvements or Fixtures ("Proceeds") by reason of loss or damage by fire and such other hazards, casualties and contingencies (collectively "Casualty") insured pursuant to Insurance Policies with respect to the Land, Improvements or the Fixtures;

G. Awards and other compensation heretofore or hereafter payable to Mortgagor and all subsequent owners of the Land or Improvements ("Awards") for any taking by condemnation or eminent domain proceedings, either permanent or temporary, of all or any part of the Land or Improvements or any easement or appurtenance thereof, including severance and consequential damage and change in grade of streets, or any payment made in consideration of the voluntary transfer of any interest of Mortgagor in the Land or Improvements in lieu of condemnation ("Condemnation")

H. All contracts, subcontracts, certificates, instruments, franchises, consents, permits, approvals, authorizations, licenses, surveys, plans, specifications, warranties, guarantees and other agreements now or hereafter entered into, and all amendments, modifications, supplements, general conditions and addenda thereto, respecting or pertaining to the construction, use, occupation, management, maintenance, marketing, servicing or operation of the Land, the Improvements or the Fixtures or any part thereof;

I. All patents, copyrights and trademarks, and all applications for and registrations of the foregoing, along with any and all divisions, renewals or reissues thereof, and variations or modifications and new applications of the technology covered thereby, all contract rights, franchise rights, option rights trade names, art work, purchase contracts, goodwill, beneficial interests, rights to tax refunds, claims, warranties, guarantees, claims against any supplier of any inventory, including claims arising out of purchases of defective goods or overpayments to or underpayments by suppliers, and any claims which Mortgagor may have against any vendor or lessor of equipment or inventory and all other general intangibles of any kind or nature;

J. All rights, if any, of Mortgagor as developer, declarant or similar designation under any condominium document, annexation agreement, homeowners declaration or similar document relating to the Land or the Improvements or any part thereof;

K. All accounts, accounts receivable, chattel paper, contract rights, letters of credit, notes, instruments and documents, which shall include, without limitation, amounts due or to become due in the future, and all principal, interest and payments due on account of goods sold or leased, services rendered, loans made or credit extended, together with title to or interest in all

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agreements, documents and instructions, evidencing, securing or guarantying the same by Mortgagor;

L. All monies, reserves, deposits, security deposits from tenants of the Land, the Improvements or the Fixtures, certificates of deposit, letters of credit, and deposit accounts, escrows, deposits to secure performance of an obligation (including without limitation, funds deposited with any governmental authority to secure Mortgagor's obligation to make required improvements to the Land, the Improvements or the Fixtures, and interest or dividends thereon), securities, cash, cash equivalents and other property now or at any time or times hereafter in the possession or under the control of Mortgagor or its bailee, and all other escrow accounts and cash collateral accounts;

M. All books, records, computer records, ledger cards, programs and other computer materials, customer and supplier lists, invoices, orders and other property and general intangibles at any time evidencing or relating to the Land, the Improvements or the Fixtures;

N. All present and future additions, attachments, substitutions, accessions, accretions and replacements to any of the foregoing; and

O. All proceeds and products of the foregoing.

For convenience, the Land, Improvements and Other Interests are herein collectively referred to as "Mortgaged Premises."

TO HAVE AND TO HOLD the Mortgaged Premises unto Mortgagee, its successors and assigns, forever, for the uses and purposes herein set forth; PROVIDED, HOWEVER, that if and when Mortgagor shall pay Indebtedness and shall perform all of the terms, covenants, conditions and agreements contained herein and in the Note, Loan Agreement and Other Loan Documents, this Mortgage, Note, Loan Agreement and Other Loan Documents shall, except for the obligations, if any, which by the terms of said documents shall survive such payment and performance, be released, at the sole cost and expense of Mortgagor; otherwise, the same shall be and remain in full force and effect.

MORTGAGOR HEREBY FURTHER COVENANTS AND AGREES AS FOLLOWS:

1. DEFINITIONS AND EXHIBITS: For convenience, the following words, terms and phrases used in this Mortgage, including the Recitals hereof, are defined in the following references:

<u>Defined Term</u>	<u>Reference</u>
Act	Section 19
Applicable Laws	Section 11(e)
Awards	NOW, THEREFORE, Paragraph G
Casualty	NOW, THEREFORE, Paragraph F
Condemnation	NOW, THEREFORE, Paragraph G
Contractual Agreements	Section 36(b)
Default Rate	Section 7

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Environmental Laws	Subsection 39(f)
Event of Default	Section 17
Fee	Section 17
Expenses	Section 17
Fixtures	NOW, THEREFORE, Paragraph B
Hazardous Material	Subsection 39(f)
Impositions	Section 6
Improvements	NOW, THEREFORE, Paragraph B
Indebtedness	WHEREAS Paragraph
Insurance Policies	Section 7
Land	NOW, THEREFORE, Paragraph
Leases	NOW, THEREFORE, Paragraph D
Lender's Environmental Liability	Subsection 39(g)
Loan Agreement	Section 6
Maturity Date	WHEREAS Paragraph
Mortgaged Premises	NOW, THEREFORE, following Paragraph O
Mortgagee	Introduction
Mortgagor	Introduction
Note	WHEREAS Paragraph
Other Interests	NOW, THEREFORE, Paragraph
Other Loan Documents	NOW, THEREFORE, Paragraph
Permitted Exceptions	Section 2
Principal Amount	WHEREAS Paragraph
Proceeds	NOW, THEREFORE, Paragraph F
Repair or Restoration	Section 1
Unpermitted Transfers	Section 15
Warranties and Representations	Subection 17(b).

The following exhibit is attached hereto and made a part hereof:

Exhibit "A"

Legal Description of Land

2. PRIORITY OF LIEN AND SUBORDINATE ENCUMBRANCES: This Mortgage is and shall remain a first and valid lien on the Mortgaged Premises until the payment in full of the Indebtedness and the performance of all of the terms, covenants, conditions and agreements specified herein and in the Note, Loan Agreement and Other Loan Documents. Mortgagor shall keep the Mortgaged Premises free and clear of any other superior or subordinate liens, or claims of every nature and kind (other than the Permitted Exceptions which are title exceptions agreed upon by Mortgagee on the date of this Mortgage) and shall not execute, deliver or grant any other mortgage, trust deed or security interest encumbering the Mortgaged Premises, now or at any time hereafter, except as permitted under the Other Loan Documents.

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3. SUBROGATION: To the extent that (a) any part of the Indebtedness is applied in payment of any existing lien against the Mortgaged Premises, or any part thereof, or, (b) following the date hereof, Mortgagee pays any sum due pursuant to any provision of law or any instrument or document establishing any lien prior or superior to the lien of this Mortgage, Mortgagee shall have and be entitled to a lien on the Mortgaged Premises equal in parity to that discharged and Mortgagee shall be subrogated to, receive and enjoy all rights and liens possessed, held or enjoyed by the holder of such lien, which shall remain in existence and benefit Mortgagee to secure the payment of the Indebtedness. Mortgagee shall be subrogated, notwithstanding its release of record, to mortgages, trust deeds, superior titles, vendors' liens, and other liens, charges, encumbrances, rights and equities on the Mortgaged Premises to the extent that any obligation thereunder is paid or discharged from the Indebtedness or other payments by Mortgagee.

4. PROMPT PAYMENT AND PERFORMANCE OF COVENANTS: Mortgagor shall promptly pay the Indebtedness as the same becomes due and shall duly and punctually perform and observe all of the terms, covenants, conditions and agreements to be performed and observed by Mortgagor as provided herein and in the Note, Loan Agreement and Other Loan Documents.

5. MAXIMUM LIEN: At no time shall the principal amount of Indebtedness secured by the Mortgage, not including sums advanced to protect the security of the Mortgage, exceed \$2,400,000.00.

6. PAYMENT OF TAXES AND OTHER IMPOSITIONS: Subject to any right to contest in the Loan Agreement of even date herewith between Mortgagor and others and Mortgagee ("Loan Agreement"), Mortgagor shall promptly pay, when due and payable, all taxes and assessments (general and special), water and sewer charges, public impositions, levies, dues and other charges, of whatsoever nature, which are now or shall hereafter be levied or assessed or which may otherwise be or become a lien upon or against the Mortgaged Premises, or any part thereof (collectively "Impositions"). Notwithstanding the foregoing, Mortgagee has elected to require Mortgagor to pay into escrow with Mortgagee, on a monthly basis, an amount reasonably calculated to provide sufficient funds to timely pay estimated annual Impositions against the Mortgaged Premises and premiums for those Insurance Policies required under Section 7 hereof as they become due, including a reserve of at least two months for these payments. Such funds shall be held without interest and may be commingled with other funds of the Mortgagee. If the escrowed funds shall be insufficient to timely pay the actual amount of Impositions and premiums for the Insurance Policies as the same become due, Mortgagor shall promptly cure such deficiency to enable timely full payment. The Mortgagee shall have the right, but not the obligation, to utilize the escrowed funds, as aforesaid, to pay Impositions and premiums for Insurance Policies with respect to the Mortgaged Premises, but Mortgagor shall at all times remain primarily responsible for making all such payments.

7. INSURANCE POLICIES, PAYMENT AND APPLICATION OF PROCEEDS AND SETTLEMENT OF CLAIMS: Until such time as the Indebtedness shall have been paid in full, Mortgagor shall keep the Mortgaged Premises continuously insured against Casualty and claim for personal injury and property damage by policies of insurance reasonably required by Lender, in such

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amounts and for such periods as may, from time to time, be required by Mortgagee ("Insurance Policy" or "Insurance Policies"), which Insurance Policies and all renewals thereof shall:

- (a) be written with companies licensed to do business in the State of Illinois, having a Best's "General Policy Holder Rating" of A- or better and a financial rating class reasonably satisfactory to the Lender:
 - (i) if written by a mutual company, the insurance policy holder or its mortgagee must not be assessable;
 - (ii) the risk of any one (1) company shall not exceed ten percent (10%) of the issuer's policyholders' surplus (including capital); and
 - (iii) contain co-insurance not exceeding ninety percent (90%);
- (b) be written with companies and in amounts acceptable to Mortgagee as the insurance certificates delivered to Mortgagee are accepted by Mortgagee, provide replacement coverage and otherwise be in form satisfactory to Mortgagee;
- (c) cite Mortgagee's interest in standard mortgage clauses effective as of the Closing Date;
- (d) be maintained to and including the Maturity Date without cost to Mortgagee;
- (e) be delivered to Mortgagee as issued (or certificates evidencing such insurance), together with evidence of payment of premiums therefor in full, not less than thirty (30) days prior to the expiration of the previous Insurance Policies;

Such insurance may be included in a blanket policy, which includes other properties owned by affiliates of Mortgagor.

In the event of a sale of the Mortgaged Premises pursuant to foreclosure hereof or other transfer of title thereto and the extinguishment of the Indebtedness, complete title to Insurance Policies and renewals thereof as they relate to the Mortgaged Premises, together with all prepaid or unearned premiums thereon, in the possession of Mortgagee shall pass to and vest in the purchaser or grantee of the Mortgaged Premises. If any renewal Insurance Policy (or certificates evidencing such insurance) is not delivered to Mortgagee within thirty (30) days prior to the expiration of any existing Insurance Policy, with evidence of premium paid, Mortgagee may obtain the required insurance on behalf of Mortgagor (or in favor of Mortgagee only) and pay the premiums therefor, in which event any monies so advanced shall be so much additional Indebtedness secured hereby and shall become immediately due and payable, with interest thereon at the "Default Rate" (as such term is defined in the Note). Mortgagee shall not, by reason of acceptance, rejection, approval or obtaining Insurance Policies, incur any liability for payment of losses.

Proceeds are hereby assigned to Mortgagee. Mortgagor hereby appoints Mortgagee as its

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attorney-in-fact, coupled with an interest, and authorizes, directs and empowers such attorney-in-fact, on behalf of Mortgagor, its personal representatives, successors and assigns, to adjust or compromise any claim for Proceeds and to collect and receive the amounts thereof, to give proper receipts and acquittances therefor and, in Mortgagee's sole discretion after deducting expenses of collection, either to apply the net Proceeds to prepayment of any portion of the Indebtedness (notwithstanding that the amount owing thereon may not then be due and payable or that the same is otherwise adequately secured) or to make the net Proceeds available to Mortgagor for Repair or Restoration (as hereafter defined) as described below.

If Mortgagee elects to make the net Proceeds available for the repair or restoration of that part of the Mortgaged Premises damaged or destroyed ("Repair or Restoration"), the same shall be paid to Mortgagor, from time to time, upon the delivery to Mortgagee of satisfactory evidence of the estimated cost of completing the Repair or Restoration, together with such architect's certificates, contractor's sworn statements, waivers of lien, title insurance policies or certifications and other evidences of cost and payments as Mortgagee may require and approve. No payment made prior to final completion of the Repair or Restoration shall exceed ninety-five percent (95%) of the value thereof and, at all times, the undisbursed balance of Proceeds shall not be less than the amount required to pay for the cost of completion thereof, free and clear of liens or encumbrances. In the event that, in the opinion of Mortgagee, Proceeds are insufficient to pay for all costs of Repair or Restoration, Mortgagor shall deposit with Mortgagee an amount equal to such excess costs of such Repair or Restoration as necessary for the payment of such Repair or Restoration. Any surplus Proceeds, following the payment of all costs of Repair or Restoration, shall, at the option of Mortgagee, be applied on account of the Indebtedness or paid to Mortgagor.

8. CONDEMNATION: If all or any part of the Mortgaged Premises (other than a portion which Mortgagee reasonably deems insignificant) shall be damaged or taken through condemnation (which term, when used in this Mortgage, shall include any damage or taking by any governmental authority and any transfer by private sale in lieu thereof), either temporarily or permanently, the Indebtedness shall, at the option of Lender, become immediately due and payable. Mortgagee shall be entitled to all Awards to the extent of the Indebtedness and is hereby authorized, at its option, to commence, appear in and prosecute, in its own or Mortgagor's name, any action or proceeding relating to any condemnation, and, in a commercially reasonable manner, to settle or compromise any claim in connection therewith. All such Awards, claims, rights, actions and proceedings, and the right thereto, are hereby assigned by Mortgagor to Mortgagee. After deducting from said Awards all of its expenses incurred in the collection and administration of such sums, including reasonable attorneys' fees, Mortgagee shall, in Mortgagee's sole discretion, either apply the net Award to prepayment of any portion of the Indebtedness (notwithstanding that the amount owing thereon may not then be due and payable or that the same is otherwise adequately secured) or make the net Award available to Mortgagor to restore the Mortgaged Premises. Mortgagor agrees to execute such further assignments of any Awards, damages, claims, rights, actions and proceedings as Mortgagee may require. If any proceeding in condemnation is filed, Mortgagor shall promptly notify Mortgagee in writing, and Mortgagor shall promptly take such steps as may be necessary to defend the action and obtain the award. Mortgagor may be the nominal party in such proceedings, but Mortgagee shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Mortgagor will deliver or cause to be delivered to Mortgagee such

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instruments and documentation as may be requested by Mortgagee from time to time to permit such participation. Mortgagee shall not be held responsible for any failure other than its own negligence to collect any amount in connection with any such proceeding regardless of the cause of such failure.

9. CASUALTY OR CONDEMNATION AFTER FORECLOSURE: In the event of Casualty or Condemnation following the institution of foreclosure proceedings, Proceeds or Awards, if not applied as specified in Sections 7 and 8, shall be used to pay the amounts due in accordance with any decree of foreclosure which may be entered in any such proceedings and the balance, if any, shall be paid as the court may direct. In the case of foreclosure of this Mortgage, the court, in its decree, may provide that the mortgagee's clause attached to each of the casualty Insurance Policies may be canceled and that the decree creditor may cause a new loss clause to be attached to each of said casualty Insurance Policies making the loss thereunder payable to said decree creditor. In the event of foreclosure sale, Mortgagee is hereby authorized, without the consent of Mortgagor, to assign any and all Insurance Policies to the purchaser at the sale, or to take such other steps as Mortgagee may deem advisable to cause the interest of such purchaser to be protected by any of the Insurance Policies without credit or allowance to Mortgagor for prepaid premiums thereon.

10. MORTGAGEE'S LIABILITY FOR COLLECTION OF PROCEEDS OR AWARDS: Mortgagee shall not be held responsible for any failure to collect Proceeds or Awards, regardless of the cause of such failure. The power and authority granted to Mortgagee to collect Proceeds or Awards is irrevocable and coupled with an interest and shall, in no way, affect the security of this Mortgage or the liability of Mortgagor for payment of the Indebtedness, and the entry of a decree of foreclosure of the lien hereof shall not affect or impair said power and authority.

11. USE, CARE OR WASTE: Mortgagor shall constantly maintain, substantially in their current condition, and neither diminish, in any respect, nor materially alter the Improvements (including landscaped areas) comprising a part of the Mortgaged Premises except for construction previously approved in writing by Mortgagee so long as the Indebtedness, or any part thereof, remains unpaid. Except as provided herein or approved by Mortgagee, no buildings, structures, improvements, or Fixtures constituting a part of the Mortgaged Premises shall be removed, added to, demolished, or altered without the prior written consent of Mortgagee. Without in any way limiting the generality of the foregoing, Mortgagor shall:

- (a) not abandon the Mortgaged Premises or do or suffer anything to be done which would depreciate or impair the value thereof or the security of this Mortgage;
- (b) not remove or demolish any part of the Improvements of a structural nature which would adversely affect the value of the Mortgaged Premises;
- (c) maintain, preserve and keep the Mortgaged Premises substantially in its current insurable condition and repair and promptly make any needful and proper repairs, replacements, renewals, additions or substitutions required to maintain the mortgaged premises in its current condition;
- (d) not make any changes, additions or alterations to the Mortgaged Premises of a

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structural nature or which would adversely affect the value thereof, except as required by all laws and regulations of governmental authorities having jurisdiction thereon ("Applicable Laws") or as otherwise approved in writing by Mortgagee;

- (e) promptly commence and diligently pursue any Repair or Restoration or rebuilding or restoration, as the case may be, in order to maintain the Mortgaged Premises in its current condition and pay promptly all services, labor and material necessary and required to complete the same whether or not Proceeds or Awards are made available therefor;
- (f) not commit or permit to exist any waste of the Mortgaged Premises; and
- (g) maintain the Improvements substantially in their current condition.

Mortgagor shall comply with and cause the Mortgaged Premises and the use and condition thereof to comply with Applicable Laws and with all conditions and requirements necessary to preserve and extend any and all rights, licenses, permits, privileges, franchises and concessions (including, without limitation, such rights, licenses, permits, privileges, franchises and concessions relating to land use and development, construction, access, water rights, noise and pollution) which are applicable to Mortgagor or have been granted for the Mortgaged Premises or the use thereof.

12. MORTGAGEE'S PERFORMANCE OF MORTGAGOR'S OBLIGATIONS: Upon the occurrence of an Event of Default by Mortgagor in:

- (a) the prompt discharge of any lien or encumbrance;
- (b) defending the title to the Mortgaged Premises;
- (c) the payment of any Imposition;
- (d) the proper maintenance and preservation of the Mortgaged Premises; or
- (e) the performance by Mortgagor of any act herein required to be performed by the Mortgagor, including the obligations specified in Section 11 above;

and said default is not cured to the reasonable satisfaction of Mortgagee within the time specified to cure such default, or if Mortgagor shall fail to procure and maintain Insurance Policies, Mortgagee may, at its election and without further demand or notice, pay and discharge such lien or encumbrance, defend the title to the Mortgaged Premises, pay such Impositions (plus any interest and penalties thereon), perform rebuilding or restoration or repair or restoration or any obligation of Mortgagor specified in Section 11 hereof, procure Insurance Policies and maintain and preserve the Mortgaged Premises. All expenditures therefor, including reasonable attorneys' fees incurred by Mortgagee, shall forthwith become due and payable to Mortgagee, together with interest thereon at the Default Rate, which shall be added to and become a part of the Indebtedness and shall be secured by the lien of this Mortgage, all without prejudice to the right of Mortgagee to declare the

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Indebtedness immediately due and payable by reason of Mortgagor's Event of Default. Mortgagee shall have the sole right of determination as to the validity of any lien, encumbrance or Imposition attributable to or assessed against the Mortgaged Premises and payment thereof by Mortgagee shall establish its right to recover the amount so paid, with interest at the Default Rate, subject to the provisions of Section 13 following.

13. CONTEST OF LIENS OR ENCUMBRANCES: In the event Mortgagor desires to contest the validity of any lien, encumbrance or Imposition attributable to or assessed against the Mortgaged Premises, it shall:

- (a) on or before fifteen (15) days following Mortgagee's receipt, of a claim for lien which was recorded with the Cook County Recorder of Deeds, notify Mortgagee, in writing, that it intends to so contest the same;
- (b) on or before the due date thereof, deposit with Mortgagee security (in form and content and amounts satisfactory to Mortgagee) for the payment of the full amount of such lien, encumbrance or Imposition, or any balance thereof then remaining unpaid (or provide to Mortgagee such other indemnity which may be in the form of an endorsement, in form and substance and issued by a title company reasonably satisfactory to Mortgagee); and
- (c) from time to time, deposit additional security or indemnity, so that, at all times, adequate security or indemnity will be available for the payment of the full amount of the lien, encumbrance or Imposition remaining unpaid, together with all interest, penalties, costs and charges accrued or accumulated thereon.

If the foregoing deposits are made and Mortgagor continues, in good faith, to contest the validity of such lien, encumbrance or Imposition, by appropriate legal proceedings which shall operate to prevent the collection thereof and the sale of the Mortgaged Premises, or any part thereof, to satisfy the same, Mortgagor shall be under no obligation to pay such lien, encumbrance or Imposition until such time as the same has been decreed, by court order, to be a valid lien on the Mortgaged Premises. Except in the event that Mortgagor provides affirmative title insurance coverage over any such liens, encumbrance or imposition, Mortgagee shall have full power and authority to reduce any such security or indemnity to cash and apply the amount so received to the payment of any unpaid lien, encumbrance or Imposition to prevent the sale or forfeiture of the Mortgaged Premises or non-payment of such lien, encumbrance or imposition, without liability on Mortgagee for any failure to apply the security or indemnity so deposited, unless Mortgagor, in writing, requests the application thereof to the payment of the particular lien, encumbrance or Imposition for which such deposit was made. Any surplus deposit retained by Mortgagee, after the payment of the lien, encumbrance or Imposition for which the same was made, shall be repaid to Mortgagor, unless an Event of Default exists, in which event, such surplus shall be applied by Mortgagee to cure such Event of Default.

14. WAIVERS: To the full extent permitted by law, Mortgagor:

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- (a) shall not, at any time, insist upon or plead or, in any manner whatsoever, claim, or take advantage of any and all rights to reinstatement, stay, exemption or extension law or any so-called "Moratorium Law" (now or at any time hereafter in force) nor claim, take or insist upon any benefit or advantage of or from any law (now or hereafter in force) providing for the valuation or appraisal of the Mortgaged Premises, or any part thereof, prior to any sale or sales thereof to be made pursuant to any provision herein contained or to any decree, judgment or order of any court of competent jurisdiction or after such sale or sales, claim or exercise any rights pursuant to any statute now or hereafter in force to redeem the Mortgaged Premises so sold, or any part thereof, or relating to the marshaling thereof, upon foreclosure, sale or other enforcement hereof;
- (b) hereby expressly waives any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage, on its own behalf, on behalf of all persons claiming or having an interest (direct or indirect) by, through or under Mortgagor and on behalf of each and every person acquiring any interest in or title to the Mortgaged Premises subsequent to the date hereof, it being the intent of Mortgagor hereby that any and all such rights of redemption of Mortgagor and of all other persons are and shall be deemed to be hereby waived to the full extent permitted by Applicable Law; and
- (c) agrees that it will not, by invoking or utilizing any Applicable Law or Laws or otherwise hinder, delay or impede the exercise of any right, power or remedy herein or otherwise granted or delegated to Mortgagee but will suffer and permit the exercise of every such right, power and remedy as though no such law or laws has, have been or will have been made or enacted.

Mortgagor represents that the provisions of this Section 14 (including the waiver of reinstatement and redemption rights) are made on its own behalf and on behalf of all other persons named herein or in any Other Loan Document. The Mortgagor acknowledges that the transaction of which this Mortgage is a part is a transaction which does not include either agricultural real estate (as defined in Section 15-1201 of the Act) or residential real estate (as defined in Section 15-1219 of the Act); provided, however, that the parties acknowledge and agree that the Note will be partially secured by a separate mortgage on residential real estate.

15. **UNPERMITTED TRANSFERS:** Mortgagor agrees that for the purpose of protecting Mortgagee's security, keeping the Mortgaged Premises free from subordinate financing liens (except for the Permitted Exceptions) and/or permitting Mortgagee to raise the rate of interest due on the Note and to collect assumption fees, any sale, installment sale, conveyance, assignment or other transfer of or grant of a security interest in and to all or any part of the:

- (a) legal and/or equitable title to the Mortgaged Premises; and
- (b) ownership interest in Mortgagor except for the transfer of ownership interests between the members of Mortgagor existing on the date of this Mortgage which is

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the legal title holder of the Mortgaged Premises;

shall be deemed to be an unpermitted transfer except as permitted by the Loan Agreement (collectively, "Unpermitted Transfers").

Notwithstanding the foregoing, prior to any transfer permitted by the Mortgagee the proposed documents of transfer are submitted to Mortgagee for its approval and, within ten (10) business days following such transfer, copies of the executed documents of transfer are delivered to Mortgagee. A consent by Mortgagee to an Unpermitted Transfer or a waiver of a default by reason thereof shall not constitute a consent to or waiver of any right, remedy or power accruing to Mortgagee by reason of any subsequent Unpermitted Transfer.

16. CROSS-COLLATERALIZATION. In addition to the Note, this Mortgage secures all obligations, debts and liabilities, plus interest thereon, of Mortgagor, as well as all claims by Mortgagee against Mortgagor, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, liquidated or unliquidated whether Mortgagor may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

17. DEFAULT: The following shall constitute an "Event of Default" hereunder:

(a) if Mortgagor fails to pay or expend promptly when due or required any sum of money required to be paid or expended under this Mortgage, the Note, the Loan Agreement, or any Other Loan Documents;

(b) if Mortgagor fails for thirty (30) days after the giving to it by the Mortgagee of written notice to comply with any covenants or agreements made by it in the Loan Agreement, the Note, this Mortgage or any Other Loan Documents, other than a covenant to pay or expend any sum of money; provided, however, that if: (i) compliance with such non-monetary term or condition cannot reasonably be effected within such thirty (30) day period and the condition giving rise to Mortgagor's non-compliance is reasonably capable of being cured within the time periods set forth herein, (ii) Mortgagor shall have in good faith promptly and diligently commenced to cure such default within such thirty (30) day period and (iii) Mortgagor diligently and continuously proceeds to cure such non-compliance to Mortgagee's satisfaction, then the period to cure shall be deemed extended for up to an additional thirty (30) days; provided, however, that with respect to any default enumerated below in this Section 17, the cure periods contained in this Subsection 17(b) shall not apply;

(c) if Mortgagor or any entity related in whole or in part to Mortgagor shall default in any respect under any other agreement with or obligation to Mortgagee;

(d) if any of the following events occur: (i) if by order of a court of competent jurisdiction, a receiver, liquidator or trustee of Mortgagor or any of its, his or their properties, shall be appointed and shall not have been discharged within forty-five (45) days, or (ii) if any of the

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creditors of Mortgagor shall commence against Mortgagor an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect and if such case shall not be discharged or dismissed within ninety (90) days after the date on which such case was commenced, or (iii) if Mortgagor is adjudicated bankrupt or insolvent or a petition for reorganization is granted (without regard for any grace period provided for herein), or (iv) if there is an attachment or sequestration of any of the property of Mortgagor and same is not discharged or bonded within forty-five (45) days, or (v) if Mortgagor shall commence a voluntary case under any such law, now or hereafter in effect, relating to the reorganization of Mortgagor or the arrangement or readjustment of the debts of Mortgagor, or (vi) if Mortgagor shall make any assignment for the benefit of its or his creditors or shall admit in writing its inability to pay its or his debts generally as they become due or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or other similar official) of Mortgagor or of any part of its or his property, or if Mortgagor shall fail generally to pay its or his debts as such debts become due, or if Mortgagor shall take any action in furtherance of any of the foregoing;

(e) if the Land, the Improvements, or any part thereof or any interest therein is sold, conveyed, assigned or transferred by Mortgagor without the prior written consent of Mortgagee;

(f) if Mortgagor ceases to do business or terminates its or his business for any reason whatsoever or shall cause or institute any proceeding for the dissolution or termination of Mortgagor;

(g) if Mortgagor fails to pay or cause to be paid, before any fine, penalty, interest or cost that may be added thereto, all franchise taxes of Mortgagor, or real estate taxes, assessments, water rates and charges, and other governmental charges, general and special, ordinary and extraordinary, foreseen as well as unforeseen, of any kind and nature whatsoever, including, but not limited to, assessments for public improvements or benefits which are assessed, levied, confirmed, imposed or become a lien upon the Land or Improvements or become payable while any portion of the Loan remains outstanding or Mortgagor enters into any agreement, whether written or oral, which has the effect of deferring the payment of any tax or other charges which are or can be assessed, levied, confirmed, imposed or become a lien on the Land or Improvements or become payable;

(h) if Mortgagor encumbers, alienates, hypothecates, grants a security interest in or grants any other interest whatsoever in the Mortgaged Premises, or any part thereof or any right, title or interest in the Loan Agreement or any proceeds of the Loan without the prior written consent of Mortgagee;

(i) if Ronald Hansen dies and Borrower fails to obtain a replacement guarantor that is satisfactory to the Mortgagee in its sole discretion within thirty (30) days after the death of such individual; and

(j) if there is a material adverse change in the identity or control of the Mortgagor.

At any time thereafter during the continuance of an Event of Default, Mortgagee may declare the Indebtedness immediately due and payable in full, without further notice thereof and without demand or presentment, anything contained herein or in the Note, Loan Agreement or Other Loan Documents to the contrary notwithstanding, and the Indebtedness so accelerated and declared due as aforesaid

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shall bear interest at the Default Rate.

18. REMEDIES NOT EXCLUSIVE: No remedy or right of Mortgagee hereunder or pursuant to the Note, Loan Agreement or Other Loan Documents or otherwise available under applicable law, shall be exclusive of any other remedy or right but each such remedy or right shall be in addition to every other remedy or right now or hereafter existing at law or in equity pursuant thereto. No delay in the exercise of or omission to exercise any remedy or right accruing by reason of an Event of Default shall impair any such remedy or right or be construed to be a waiver of any such default or an acquiescence therein nor shall the same affect any subsequent Event of Default of the same or a different nature. Every such remedy or right may be exercised concurrently or independently when and as often as may be deemed expedient by Mortgagee. All obligations of Mortgagor and all rights, powers and remedies of Mortgagee expressed herein shall be in addition to and not in limitation of those provided by law, this Mortgage and the Other Loan Documents. If any provision in this Mortgage shall be inconsistent with any provision of the Act, the provisions of the Act shall take precedence over the provisions of this Mortgage, but shall not invalidate or render unenforceable any other provision of this Mortgage that can be construed in a manner consistent with the Act. If any provision of this Mortgage shall grant to Mortgagee any rights or remedies upon an Event of Default of the Mortgagor which are more limited than the rights that would otherwise be vested in Mortgagee under the Act in the absence of said provisions, Mortgagee shall be vested with the rights granted in the Act to the full extent permitted by law.

19. COMPLIANCE WITH ILLINOIS MORTGAGE FORECLOSURE LAW: In the event that any provision in this Mortgage shall be inconsistent with any provision of the Illinois Mortgage Foreclosure Law (generally, 735 ILCS 5.15-1101 et seq.) (herein called the "Act") the provisions of the Act shall take precedence over the provisions of this Mortgage, but shall not invalidate or render unenforceable any other provision of this Mortgage that can be construed in a manner consistent with the Act.

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

Without limiting the generality of the foregoing, all expenses incurred by Mortgagee to the extent reimbursable under the Act, whether incurred before or after any decree or judgment of foreclosure, and whether or not enumerated in Section 29 of this Mortgage, shall be added to the indebtedness secured by this Mortgage or by the judgment of foreclosure.

20. POSSESSORY RIGHTS OF MORTGAGEE: In addition to or concurrent with, and not in limitation of, the rights set forth in Section 20(a), upon the occurrence of an Event of Default, whether before or after the institution of proceedings to foreclose the lien of this Mortgage, Mortgagor shall, forthwith upon demand of Mortgagee, surrender to Mortgagee, and Mortgagee shall be entitled to take actual possession of, the Mortgaged Premises or any part thereof, personally, or by its agent or attorneys or be placed in possession pursuant to court order as mortgagee in possession or receiver as provided in Section 15-1701 of the Act, and Mortgagee, in its discretion, personally, by

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its agents or attorneys or pursuant to court order as mortgagee in possession or receiver as provided in Section 15-1701 of the Act may enter upon and take and maintain possession of all or any part of the Mortgaged Premises, together with all documents, books and records, papers, and accounts of Mortgagor relating thereto, and may exclude Mortgagor, such owner, and any agents and servants thereof wholly therefrom and:

- (a) may, on behalf of Mortgagor or such owner, or in its own name as Mortgagee and under the powers herein granted:
 - (i) hold, operate, manage, and control all or any part of the Mortgaged Premises and conduct the business, if any, thereof, either personally or by its agents, with full power to use such measures, legal or equitable, as in its discretion may be deemed proper or necessary to enforce the payment or security of the rents, issues, deposits, profits, and avails of the Mortgaged Premises, including without limitation actions for recovery of rent, actions in forcible detainer, and actions in distress for rent, all without notice to Mortgagor;
 - (ii) cancel or terminate any Lease or sublease of all or any part of the Mortgaged Premises on any ground that would entitle Mortgagor to cancel the same;
 - (iii) elect to disaffirm any Lease or sublease of all or any part of the Mortgaged Premises made subsequent to this Mortgage with or without Mortgagor's prior written consent;
 - (iv) extend or modify any of the then existing Leases and make new Leases of all or any part of the Mortgaged Premises, 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 Note and 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 such provisions to be contained therein, shall be binding upon Mortgagor, all persons whose interests in the Mortgaged Premises are subject to the lien hereof, and the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption, reinstatement, discharge of the indebtedness satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any such purchaser;
 - (v) complete Repair or Restoration or rebuilding or restoration and make all necessary or proper repairs, decoration, renewals, replacements, alterations, additions, betterments and improvements to the Mortgaged Premises which, in Mortgagee's sole discretion, may seem appropriate in connection with the maintenance of the Mortgaged Premises in its current condition;
 - (vi) insure and re-insure the Mortgaged Premises against all risks incidental to Mortgagee's possession, operation and management thereof;

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- (vii) perform such other acts in connection with the management and operation of the Mortgaged Premises as Mortgagee, in its sole discretion, may deem proper; and
- (viii) apply the net income, after allowing a reasonable fee for the collection thereof and for the management of the Mortgaged Premises, to the payment of Taxes, Premiums and other expenses applicable to the Mortgaged Premises, or in reduction of the Indebtedness in such order and manner as Mortgagee shall select.

Without limiting the generality of the foregoing provisions of this Section 20, Mortgagee shall also have all power, authority and duties as provided in Section 15-1703 of 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 Premises.

- (b) 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 Premises pursuant to Section 15-1702 of 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 Premises; 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 Section 15-1704 of the Act, including the 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 Premises after entry of a judgment of foreclosure, all as provided in Subsection (g) of Section 15-1701 of 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 of 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 Premises 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 Premises 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

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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 Premises during the whole of said period. The court may, from time to time, authorize the receiver to apply the net income from the Mortgaged Premises in payment in whole or in part of: (i) 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 (ii) the deficiency in case of a sale and deficiency.

21. OTHER REMEDIES: In the event of an Event of Default, Mortgagee may exercise, from time to time, any rights and remedies available to it pursuant to Applicable Law. Any notification required by law of intended disposition by Mortgagee of any part of the Mortgaged Premises shall be deemed reasonably and properly given if served as herein provided at least ten (10) days prior to such disposition.

Mortgagee may exercise, from time to time, any rights and remedies available to it pursuant to the Uniform Commercial Code, other applicable laws in effect from time to time or otherwise available to it by reason of any applicable law. Mortgagor hereby expressly waives presentment, demand, notice of dishonor and protest in connection with the Indebtedness and, to the fullest extent permitted by applicable law, any and all other notices, advertisements, hearings or process of law in connection with the exercise by Mortgagee of any of its rights and remedies hereunder.

22. NON-LIABILITY OF MORTGAGEE: Notwithstanding anything contained herein, Mortgagee shall not be obligated to perform or discharge, and does not hereby undertake to perform or discharge, any obligation, duty or liability of Mortgagor pursuant to the Leases or otherwise and, except for any and all liability, claims or damage caused by or resulting from the gross negligence of the Mortgagee or the Mortgagee's willful or wanton act, Mortgagor shall and does hereby agree to indemnify and hold Mortgagee harmless of and from any and all liability, loss or damage which it may or might incur pursuant thereto or by reason of its exercise of its rights hereunder and of and from any and all claims and demands whatsoever which may be asserted against it by reason of any alleged obligations or undertakings, on its part, to perform or discharge any of the terms, covenants or agreements with respect to the Mortgaged Premises. Mortgagee shall neither have responsibility for the control, care, management or repair of the Mortgaged Premises nor shall Mortgagee be responsible or liable for any negligence (other than its own gross negligence) in the management, operation, upkeep, repair or control of the Mortgaged Premises resulting in loss, injury or death to any Occupancy Tenant, licensee, employee or stranger upon the Mortgaged Premises. No liability shall be enforced or asserted against Mortgagee in the exercise of the powers herein granted to it and Mortgagor expressly waives and releases any such liability. In the event Mortgagee incurs any such liability, loss or damage pursuant hereto and to any Lease or in the defense of any claim or demand, Mortgagor agrees to reimburse Mortgagee, immediately upon demand, for the amount thereof, including costs, expenses and reasonable attorneys' fees.

23. USURY: Mortgagor represents and agrees that the Loan will be used for business purposes and this Mortgage is exempt from limitations upon lawful interest, pursuant to the terms of

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815 ILCS 205/4.

24. CHANGE OF LAW: In the event of the enactment, following the date hereof, of any law in the State of Illinois deducting from the value of Mortgaged Premises, for the purpose of taxation, the amount of any lien, encumbrance or Imposition or imposing upon Mortgagee the payment of the whole or any part thereof or changing, in any way, the laws relating to the taxation of mortgages or debts secured by mortgages or the manner of collection of liens, encumbrances or Impositions, so as to affect this Mortgage, Indebtedness or Mortgagee, Mortgagor shall, in any such event, upon demand by Mortgagee, pay such liens, encumbrances or Impositions or reimburse Mortgagee therefor; PROVIDED, HOWEVER, that if, in the opinion of counsel for Mortgagee, it may be unlawful to require Mortgagor to make such payment or the making of such payment may result in the payment of interest beyond the maximum amount permitted by law, then, and in such event, Mortgagee may elect, by notice in writing given to Mortgagor, to declare the Indebtedness and all interest due and owing thereon to be and become due and payable within one (1) year from the giving of such notice. Notwithstanding the foregoing, it is understood and agreed that Mortgagor is not obligated to pay any part of Mortgagee's federal, state or local income tax.

25. COMPLIANCE WITH AGREEMENTS: Mortgagor shall pay promptly and keep, observe, perform and comply with all material covenants, terms and provisions of operating agreements, Leases, instruments and documents relating to the Mortgaged Premises or evidencing or securing any indebtedness secured thereby and shall observe all covenants, conditions and restrictions affecting the same.

26. LEASES AND RENTS: No rents, issues, profits, Leases or other contracts relative to the Mortgaged Premises shall be assigned to any person, firm or corporation other than Mortgagee, without the prior written consent of Mortgagee. Mortgagor shall not and will not permit the leasing (within the meaning thereof in the law of landlord and tenant) of all or any part of the Mortgaged Premises, except as otherwise permitted pursuant to the Loan Agreement.

27. EXECUTION OF SEPARATE SECURITY AGREEMENT, FINANCING STATEMENTS AND ASSIGNMENT OF LEASES AND RENTS: Mortgagor shall, as additional security for the payment of the Indebtedness and the performance of all of the terms, covenants, conditions and agreements set forth herein and in the Note, Loan Agreement and Other Loan Documents, execute and deliver to Mortgagee a separate security agreement, granting to Mortgagee a first security interest in and to the Other Interests, all right, title and interest of Mortgagor, as landlord, in and to the Leases and all rents, issues and profits due or which may hereafter become due and payable pursuant to the terms and provisions thereof subject to the Permitted Exceptions; and, further, execute and deliver (i) UCC-1 Financing Statements ("Financing Statements") pursuant to the Uniform Commercial Code of the State of Illinois perfecting its security interest in and the Other Interests and (ii) an assignment of leases and rents. Mortgagor agrees, from time to time, to execute such additional security agreements, Financing Statements and assignment of leases and rents as may be necessary to vest in Mortgagee a security interest in and to the Other Interests and Leases until the Indebtedness is paid in full.

28. FINANCIAL STATEMENTS: Concurrent with the execution of the Mortgage and

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within ninety (90) days following the close of each annual fiscal or calendar year period of Mortgagor, Mortgagor shall deliver or cause to be delivered to Mortgagee copies of their financial statements. The financial statements of Borrower shall be prepared in accordance with accounting principles, consistently applied, in such detail as Mortgagee may require and certified to be true and correct by Mortgagor.

29. PAYMENT AND PERFORMANCE BY MORTGAGEE: In the event that Mortgagor shall fail to pay or perform any of its obligations contained herein and in the Note, Loan Agreement and Other Loan Documents (including the payment of expenses of foreclosure and court costs), Mortgagee may, but need not, following the expiration of any applicable grace period provided herein or therein, pay or perform (or cause to be paid or performed) any obligation of Mortgagor pursuant thereto, in any form and manner deemed reasonably expedient by Mortgagee, as agent or attorney-in-fact of Mortgagor, and any amount so paid or expended (plus reasonable compensation to Mortgagee for its out-of-pocket and other expenses for each matter for which it acts hereunder), with interest thereon at the Default Rate, shall be and become a part of the Indebtedness and shall be paid to Mortgagee upon demand. By way of illustration and not in limitation of the foregoing, Mortgagee may, but need not:

- (a) purchase, discharge, compromise or settle any Imposition, lien or any other lien, encumbrance, suit, proceeding, title or claim thereof;
- (b) redeem from any tax sale or forfeiture affecting the Mortgaged Premises or contest any Imposition; and
- (c) perform any act or deed reasonably necessary and required to protect the value of the Mortgaged Premises and the security given for the Indebtedness.

In making any payment or securing any performance relating to any obligation of Mortgagor hereunder, Mortgagee, so long as it acts in good faith, shall have the sole discretion as to the legality, validity and amount of any lien, encumbrance or Imposition and of all other matters necessary to be determined in satisfaction thereof. No such action of Mortgagee shall be considered a waiver of any right accruing to it on account of the occurrence of any default by Mortgagor pursuant hereto or to the Note, Loan Agreement or Other Loan Documents.

30. RELEASE: Upon payment in full of the Indebtedness, this Mortgage shall be null and void, and an appropriate instrument of reconveyance or release shall, in due course, be made by Mortgagee and delivered to Mortgagor, at Mortgagor's expense.

31. CONSENT OF MORTGAGEE: The consent by Mortgagee in any single instance shall not be deemed or construed to be Mortgagee's consent in any like matter arising at a subsequent date and the failure of Mortgagee to promptly exercise any right, power, remedy or consent provided herein or at law or at equity shall neither constitute or be construed as a waiver of the same nor shall Mortgagee be stopped from exercising such right, power, remedy or consent at a later date.

Any consent or approval requested of and granted by Mortgagee pursuant hereto shall be

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narrowly construed to be applicable only to Mortgagor and the matter identified in such consent or approval and no third party shall claim any benefit by reason thereof, and any such consent or approval shall neither be deemed to constitute Mortgagee a venturer or partner with Mortgagor nor shall privity of contract be presumed to have been established with any such third party.

32. CARE: Mortgagee shall be deemed to have exercised reasonable care in the custody and preservation of any part of the Mortgaged Premises in its possession if it takes such action for that purpose, as Mortgagor requests in writing, but failure of Mortgagee to comply with any such request shall not, of itself, be deemed a failure to exercise reasonable care and no failure of Mortgagee to preserve or protect any rights with respect to the Mortgaged Premises against prior parties or do any act with respect to the preservation thereof not so requested by Mortgagor shall be deemed a failure to exercise reasonable care in the custody or preservation of the Mortgaged Premises.

33. MORTGAGOR'S CONTINUING LIABILITY: This Mortgage is intended only as security for the Indebtedness and the performance of the terms, covenants, conditions and agreements contained herein and in the Note, Loan Agreement and Other Loan Documents. Mortgagor shall be and remain liable to perform all of the obligations assumed by it pursuant hereto and Mortgagee shall have no obligation or liability by reason of or arising out of this Mortgage and shall not be required or obligated, in any manner, to perform or fulfill any of the obligations of Mortgagor pursuant hereto, anything contained herein or in the Note, Loan Agreement and Other Loan Documents to the contrary notwithstanding.

34. INSPECTIONS: Mortgagee, by any authorized agent or employee and for the protection of its interest in the Mortgaged Premises, is hereby authorized and empowered to enter in and upon the Mortgaged Premises at any and all reasonable time and upon reasonable advance notice to Mortgagor, for the purpose of inspecting the same and ascertaining the condition thereof subject to the rights of tenants under the Leases.

35. INDEMNIFICATION: Mortgagor shall indemnify Mortgagee from all losses, damages and expenses, including reasonable attorneys' fees, incurred in connection with any suit or proceeding in or to which Mortgagee may be made a party for the purpose of protecting the lien of this Mortgage, except for acts of Mortgagee as limited by the provisions of Section 22 of this Mortgage.

36. MORTGAGEE'S RIGHT TO COMPLETE: In the event of an Event of Default:

- (a) Mortgagor hereby waives all right to possession of the Mortgaged Premises and the income and rents applicable thereto and Mortgagee is hereby expressly authorized and empowered to enter into and upon the Mortgaged Premises, or any part thereof, and take possession of the same; and
- (b) Mortgagee, in addition to the exercise of any and all other rights and remedies provided pursuant to this Mortgage, Note, Loan Agreement and Other Loan Documents, is granted full and complete authority to employ watchmen for the

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purpose of protecting and preserving the same from damage or depreciation, continue any and all outstanding contracts and operating agreements ("Contractual Agreements") and make and enter into any contracts and obligations, wherever necessary, in its own name, and pay and discharge all debts, obligations and liabilities incurred by reason of the foregoing, at the expense of Mortgagor, which expenditures by Mortgagee shall be added to and become a part of the Indebtedness and shall become immediately due and payable with interest at the Default Rate.

37. PERFORMANCE OF CONTRACTUAL AGREEMENTS AND OTHER CONTRACTS: Mortgagor shall perform, for the benefit of Mortgagee, fully and promptly, each obligation and satisfy each condition imposed upon it pursuant to Contractual Agreements, Leases and any other contracts and agreements relative to the construction, maintenance or operation of the Improvements so that no default will occur thereunder and all persons (other than Mortgagor) obligated thereon shall be and remain, at all times, obligated to perform, for the benefit of Mortgagee, their respective covenants, conditions and agreements pursuant thereto and not permit to exist any condition, event or fact which could permit any such person to avoid such performance.

38. CORRECTIVE DOCUMENTS: Mortgagor and Mortgagee shall, at the request of the other, promptly correct any defect, error or omission which may be discovered in the contents of this Mortgage or in the execution or acknowledgment hereof or in any other instrument executed in connection herewith or in the execution or acknowledgment of such instrument and will execute and deliver any and all additional instruments as may be requested by Mortgagee or Mortgagor, as the case may be, to correct such defect, error or omission, and at the sole option of Mortgagee, Mortgagor will execute and deliver, at Mortgagee's expense, a note in substitution of the Note, if lost or destroyed, and Mortgagor will execute and deliver, at Mortgagee's expense any required agreement modifying this Mortgage or Other Loan Documents to reflect the substitution of such replacement note, provided that the terms and provisions of such replacement note shall neither, in the aggregate, require payments in excess of what would be required under such replaced original Note, nor contain terms different from those of such replaced original Note and Mortgagee will hold Mortgagor harmless from any claim made for payment under the original Note in an amount in excess, or duplicative, of that owed under the replacement note.

39. REPRESENTATIONS: Mortgagor unconditionally represents to Mortgagee as follows:

- (a) Mortgagor has all requisite power, and has or will obtain and will maintain all governmental certificates of authority, licenses, permits, qualifications and documentation necessary to own, lease and operate its properties and to carry on its business as now being, and as proposed to be, conducted. Mortgagor is duly organized, validly existing and in good standing under applicable law;
- (b) The execution, delivery and performance by Mortgagor under the Loan Agreement, Note, this Mortgage and Other Loan Documents and the incurring of the Indebtedness evidenced by the Note:

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- (i) are within Mortgagor's powers and, where applicable, have been duly authorized by necessary parties, and all other requisite action for such authorization has been taken;
 - (ii) have been performed with any and all requisite prior governmental approval in order to be legally binding and enforceable in accordance with the terms thereof; and
 - (ii) will not violate, be in conflict with, result in a breach of or constitute (with due notice or lapse of time, or both) a default under any legal requirement binding on Mortgagor, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of Mortgagor's property or assets, except as contemplated by the provisions of the Loan Agreement, this Mortgage or any of the Other Loan Documents.
- (c) The Loan Agreement, Note, this Mortgage and Other Loan Documents constitute the legal, valid and binding obligations of Mortgagor and others obligated thereunder in accordance with their respective terms;
- (d) All information, reports, papers and data given to Mortgagee by Mortgagor, or upon Mortgagee's request by others with respect to Mortgagor and the Mortgaged Premises, are true, accurate, complete and correct in all material respects and do not omit any fact which must be included to prevent any other facts contained therein from being materially misleading or false and with respect to information, reports, papers and data from third parties other than Mortgagor are true, accurate, complete and correct in all material respects to the best knowledge of Mortgagor, based upon reasonable investigation;
- (e) Mortgagor has neither received written notice of any litigation or administrative proceeding of any kind pending nor, to the Mortgagor's knowledge is there any litigation or administrative proceeding threatened, in respect to the Mortgaged Premises or any part thereof which, if adversely determined, would result in a material adverse change in the financial conditions, business operations or properties of Mortgagor, including, without limitation, the Mortgaged Premises or Mortgagor's ability to perform its obligations hereunder;
- (f) To the best knowledge of Mortgagor, based upon reasonable investigation, and except as disclosed in Environmental Reports for the Mortgaged Premises, the Mortgaged Premises and the use and operation thereof are currently in compliance and will remain in compliance with all applicable environmental, health and safety laws, rules and regulations; the Mortgaged Premises contain no environmental, health or safety hazards; To the best knowledge of Mortgagor, based upon reasonable investigation, the Mortgaged Premises have never been used for a sanitary land fill, dump or for the disposal, generation or storage of any hazardous substances deposited or located in, under or upon the Mortgaged Premises, or on or affecting any

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part of the Mortgaged Premises, including, without limitation, with respect to the disposal of "Hazardous Material" (as defined in the Loan Agreement); No underground storage tanks have been located on the Mortgaged Premises and no portion of the Mortgaged Premises is presently contaminated by reportable quantities of any Hazardous Material and no storage, treatment or disposal of any hazardous substance has occurred on or in the Mortgaged Premises. The Mortgagor has not received any notice of any Hazardous Material in, under or upon the Mortgaged Premises or of any violation of any "Environmental Laws" (as defined in the Loan Agreement) or have any knowledge which would provide a basis for any such violation with respect to the Mortgaged Premises. Mortgagor has not received written notice of and there are no pending or, to the Mortgagor's knowledge, threatened actions or proceedings, or notices of potential actions or proceedings, from any governmental agency or any other entity regarding the condition or use of the Mortgaged Premises or regarding any Environmental Laws or health or safety laws. Mortgagor will promptly notify Mortgagee of any notices and any pending or threatened action or proceeding in the future, and Mortgagor will promptly cure and have dismissed with prejudice any such actions and proceedings to the satisfaction of Mortgagee;

- (g) That until the Indebtedness is paid in full, no reportable quantities of any Hazardous Material will be used by any person for any purpose upon the Mortgaged Premises or stored thereon without thirty (30) days written notice to and approval of Mortgagee. Mortgagor indemnifies and holds Mortgagee harmless from and against all loss, cost, including, without limitation, reasonable attorney fees, liability and damage whatsoever incurred by Mortgagee by reason of "Lender's Environmental Liability" (as defined in the Loan Agreement) or any violation of any applicable statute or regulation for the protection of the environment which occurs or has occurred upon the Mortgaged Premises, or by reason of the imposition of any governmental lien for the recovery of environmental cleanup costs expended by reason of such violation. Mortgagor's obligation to Mortgagee under the foregoing indemnity shall be without regard to fault on the part of Mortgagor with respect to the violation of law which results in liability to Mortgagee. The release of this Mortgage shall in no event terminate or otherwise affect the indemnity which is given under the Loan Agreement concerning Hazardous Material.

40. MISCELLANEOUS:

- (a) Subject to applicable provisions of the Loan Agreement, Mortgagor shall not, without the consent of Mortgagee, impose any restrictions, agreements or covenants which run with the land upon the Mortgaged Premises, nor plat, replat, subdivide or resubdivide the Land; notwithstanding the foregoing, Mortgagor may amend the Planned Development Ordinance affecting the Mortgaged Premises, without the consent of Mortgagee, provided the amendment does not decrease the floor area permitted on the Mortgaged Premises.

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- (b) Mortgagor shall not use any part of the Indebtedness for the purchase or carrying of registered equity securities within the purview and operation of Regulation G issued by the Board of Governors of the Federal Reserve System.
- (c) If the lien or security interest secured by this Mortgage is invalid or unenforceable as to any part of the Indebtedness, or if such lien or security interest is invalid or unenforceable as to any part of the Mortgaged Premises, any unsecured portion of the Indebtedness shall be completely paid prior to the payment of the remaining unsecured or partially secured portion of the Indebtedness. All payments made on the Indebtedness secured hereby, whether voluntary or under foreclosure or other enforcement action or procedure, shall be considered to have been first paid on and applied to the full payment of that portion of the Indebtedness which is not secured by the lien or security interest of this Mortgage.
- (d) The invalidity or unenforceability in any particular circumstance of any provision of this Mortgage shall not extend beyond such provision or such circumstance, and no other provision of this instrument shall be affected thereby.
- (e) Acceptance by Mortgagee of any payment in an amount less than the amount then due on the Indebtedness shall be deemed an acceptance on account only, and the failure to pay the entire amount then due shall be and continue to be a default. Until the entire amount due on the Indebtedness has been paid, Mortgagee shall be entitled to exercise all rights conferred upon it in this instrument upon the occurrence of an Event of Default.
- (f) All obligations contained herein or in the Other Loan Documents are intended by the parties to be, and shall be construed as, covenants running with the Mortgaged Premises.
- (g) Any foreclosure sale of the Mortgaged Premises under this Mortgage shall, without further notice create the relation of landlord and tenant at sufferance between the purchaser at such sale as landlord, and Mortgagor as tenant, and upon failure to surrender possession after acquisition of title by the Mortgagee and demand, Mortgagor may be removed by a writ of possession upon suit by such purchaser.

41. GOVERNING LAW, TRIAL RIGHTS AND VENUE: THIS MORTGAGE SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF ILLINOIS. WHENEVER POSSIBLE, EACH PROVISION OF THIS MORTGAGE SHALL BE INTERPRETED IN SUCH A MANNER AS TO BE EFFECTIVE AND VALID PURSUANT TO APPLICABLE LAW, HOWEVER, IF ANY PART THEREOF SHALL BE PROHIBITED BY OR INVALID THEREUNDER, SUCH PROVISION SHALL BE INEFFECTIVE TO THE EXTENT OF SUCH PROHIBITION OR INVALIDITY WITHOUT INVALIDATING THE REMAINDER THEREOF OR THE REMAINING PROVISION OF THIS MORTGAGE. MORTGAGOR AND MORTGAGEE EACH HEREBY IRREVOCABLY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING (i) TO ENFORCE OR

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DEFEND ANY RIGHTS UNDER OR IN CONNECTION WITH THIS MORTGAGE, THE OTHER LOAN DOCUMENTS OR ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HERewith OR THEREWITH, OR (ii) ARISING FROM ANY DISPUTE OR CONTROVERSY IN CONNECTION WITH OR RELATED TO THIS MORTGAGE, THE OTHER LOAN DOCUMENTS, OR ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT, AND AGREE THAT ANY SUCH ACTION OR COUNTERCLAIM SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. MORTGAGOR IRREVOCABLY AGREES THAT, SUBJECT TO MORTGAGEE'S SOLE AND ABSOLUTE ELECTION, ANY ACTION OR PROCEEDING IN ANY WAY, MANNER OR RESPECT ARISING OUT OF THIS MORTGAGE, THE OTHER LOAN DOCUMENTS, OR ANY AMENDMENT, INSTRUMENT, DOCUMENTS OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HEREIN OR THEREIN, OR ARISING FROM ANY DISPUTE OR CONTROVERSY ARISING IN CONNECTION WITH OR RELATED TO THIS MORTGAGE, THE OTHER LOAN DOCUMENTS, OR ANY SUCH AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT SHALL BE LITIGATED ONLY IN THE COURTS HAVING SITUS WITHIN THE COUNTY OF COOK, THE STATE OF ILLINOIS, AND MORTGAGOR HEREBY CONSENTS AND SUBMITS TO THE JURISDICTION OF ANY LOCAL, STATE OR FEDERAL COURT LOCATED WITHIN SUCH COUNTY AND STATE. MORTGAGOR HEREBY WAIVES ANY RIGHT IT MAY HAVE TO TRANSFER OR CHANGE THE VENUE OF ANY LITIGATION BROUGHT AGAINST MORTGAGOR BY MORTGAGEE IN ACCORDANCE WITH THIS SECTION.

42. CONSENTS AND APPROVALS: Mere receipt by Mortgagor of any instrument or document shall not be deemed to be approval thereof, and any approvals required hereunder must be in writing only, signed by Mortgagee and delivered to Mortgagor.

43. SEVERABILITY: In the event of any inconsistency among the terms hereof (including incorporated terms) or between such terms and the terms of the Note, Loan Agreement, or Other Loan Documents, the terms of the Loan Agreement shall be applicable, govern and prevail, but no such application shall invalidate the Note or the validity or priority of the Mortgage or the Other Loan Documents. The whole or partial invalidity, illegality or unenforceability of any provision hereof at any time, whether pursuant to the terms of then applicable law or otherwise, shall not affect, in the instance of partial invalidity, illegality or unenforceability, the validity, legality or enforceability of such provision at such time except to the extent of such partial invalidity, illegality or unenforceability of such provision at any other time or of any other provision hereof at that or any other time.

44. TIME OF THE ESSENCE: It is specifically agreed that time is of the essence of this Mortgage and that a waiver of the options or obligations secured hereby shall not, at any time thereafter, be held to be abandonment of such rights. Notice of the exercise of any option granted to Mortgagee pursuant hereto or to the Note, Loan Agreement or Other Loan Documents is not required to be given.

45. NOTICES: Each notice permitted or required pursuant to this Agreement shall be in

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writing and shall be deemed to have been properly given (a) upon delivery, if delivered in person or sent by facsimile with receipt acknowledged; (b) on the third business day following the day such notice is deposited in any United States post office or letter box if mailed by certified mail, return receipt requested, postage prepaid; or (c) on the first business day following the day such notice is delivered to a nationally-recognized overnight courier service and addressed to the party to whom such notice is intended, as set forth below:

If to Mortgagor:	RH 2 W. Rand LLC RHSR 2 W. Rand LLC SH 2 W. Rand LLC LN 2 W. Rand LLC 2711 N. Halsted Street Chicago, IL 60614
With a copy to:	Elka Nelson, Esq. 2711 N. Halsted Street Chicago, IL 60614
If to Mortgagee:	Heartland Bank & Trust Company 4456 Wolf Road Western Springs, IL 60558 Attention: Andrew Conrad
with a copy thereof to:	Daniel Acosta, Esq. Boodell & Domanskis, LLC 353 N. Clark Street, Suite 1800 Chicago, Illinois 60654

46. CAPTIONS: The headings or captions of the sections or subsections hereof are for convenience of reference only, are not to be considered a part hereof and shall not limit or otherwise affect any of the terms of this Mortgage.

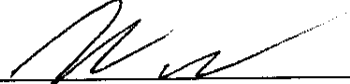
47. BENEFIT: All grants, conditions and provisions hereof shall apply, extend to and be binding upon Mortgagor and all persons claiming any interest in the Mortgaged Premises by, through or under Mortgagor, and shall inure to the benefit of Mortgagee, its successors and assigns.

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IN WITNESS WHEREOF, Mortgagor has caused these presents to be executed as of the day and year first above written.

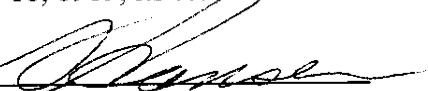
RH 2 W. Rand LLC, an Illinois limited liability company

By: 
Name: Rick Hansen
Title: Sole Member

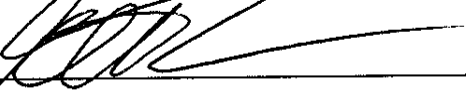
RHSR 2 W. Rand LLC, an Illinois limited liability company

By: Ronald Hansen Revocable Trust dated
October 18, 1989, its sole Member
By: 
Name: Ronald Hansen
Title: Trustee

SH 2 W. Rand LLC, an Illinois limited liability company

By: Shirley Hansen Revocable Trust dated
October 18, 1989, its sole Member
By: 
Name: Shirley Hansen
Title: Trustee

LN 2 W. Rand LLC, an Illinois limited liability company

By: 
Name: Elka Nelson
Title: Sole Member

PROPERTY OF COOK COUNTY CLERK'S OFFICE

UNOFFICIAL COPY

STATE OF ILLINOIS)
)SS
COUNTY OF Cook)

On the 18th day of June in the year 2012 before me, the undersigned, personally appeared Rick Hansen, the sole Member of RH 2 W. Rand LLC, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Charles Zenstark II
Notary Public

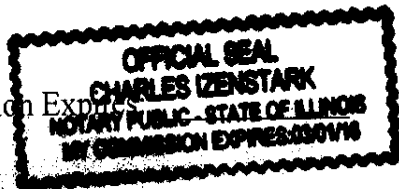


My Commission Expires

STATE OF ILLINOIS)
)SS
COUNTY OF Cook)

On the 18th day of June in the year 2012 before me, the undersigned, personally appeared Ronald Hansen, the Trustee of Ronald Hansen Revocable Trust dated October 18, 1989, the sole Member of RHSR 2 W. Rand LLC, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Charles Zenstark II
Notary Public



My Commission Expires

UNOFFICIAL COPY

STATE OF ILLINOIS)
)SS
COUNTY OF Cook)

On the 18th day of June in the year 2012 before me, the undersigned, personally appeared Shirley Hansen, the Trustee of Shirley Hansen Revocable Trust dated October 18, 1989, the sole Member of SH 2 W. Rand LLC, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Charles Izenstark
Notary Public

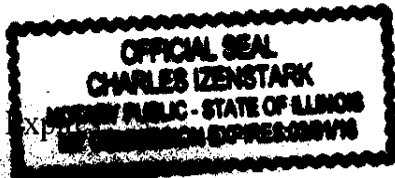


My Commission Expires: _____

STATE OF ILLINOIS)
)SS
COUNTY OF Cook)

On the 18th day of June in the year 2012 before me, the undersigned, personally appeared Elka Nelson, the sole Member of LN 2 W. Rand LLC, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Charles Izenstark
Notary Public



My Commission Expires: _____

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EXHIBIT A

LEGAL DESCRIPTION

Parcel 1

Lot 2 in McDonald's Rand-Elmhurst Subdivision, being a part of the East ½ of the Southwest ¼ of Section 27, Township 42 North, Range 11 East of the Third Principal Meridian, in Cook County, Illinois.

Parcel 2

Easement for ingress and egress for the benefit of Parcel 1, as created by Plat of Subdivision dated May 4, 1982 and recorded April 24, 1985 as Document No. 27523812, over and upon the following described land:

That part of Lot 1 in McDonald's Rand-Elmhurst Subdivision, being a part of the East ½ of the Southwest ¼ of Section 27, Township 42 North, Range 11 East of the Third Principal Meridian, according to the Plat thereof recorded April 24, 1985 as Document 27523812, described as follows: Beginning at the most Southerly corner of said Lot 1, thence Northeasterly along the Southeasterly line of said Lot 1, a distance of 43.37 feet; thence Northwesterly parallel with the Southeasterly line of said Lot 1, a distance of 43.37 feet to a point on the Southwesterly line of said Lot 1; thence Southeasterly along said Southwesterly Lot line, a distance of 16.26 feet to the point of beginning.

Parcel 3

Easement for ingress and egress for the benefit of Parcel 1, as created by Plat of Subdivision dated May 4, 1982 and recorded April 24, 1985 as Document No. 27523812, over and upon the following described land:

That part of Lot 1 in McDonald's Rand-Elmhurst Subdivision, being a part of the East ½ of the Southwest ¼ of Section 27, Township 42 North, Range 11 East of the Third Principal Meridian, according to the Plat thereof recorded April 24, 1985 as Document 27523812, described as follows:

Beginning at the Southeast corner of said Lot 1, thence Southwesterly along the Southeasterly line of said Lot 1, a distance of 43.37 feet; thence Northerly parallel with the Easterly line of said Lot 1, a distance of 16.26 feet; thence Northeasterly parallel with the Southeasterly line of said Lot 1, a distance of 43.37 feet to a point on the Easterly line of said Lot 1; thence Southerly along said Easterly Lot line, a distance of 16.25 feet to the point of beginning, in Cook County, Illinois.

Property Address: 2 W. Rand Road, Mt. Prospect, IL 60056
PIN: 03-27-307-028-0000