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Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



1223004024

Doc#: 1223004024 Fee: \$78.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 08/17/2012 09:07 AM Pg: 1 of 21

Report Mortgage Fraud
800-532-8785

The property identified as: **PIID:** 14-18-212-037-1001

Address:

Street: 4501 WINCHESTER AVENUE

Street line 2:

City: CHICAGO

State: IL

ZIP Code: 60613

Lender: ROMSPEN INVESTMENT CORPORATION

Borrower: WINCHESTER ACQUISITION, LLC

Loan / Mortgage Amount: \$11,000,000.00

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

Box 400-CTCC

S	Y
P	21
S	N
SC	Y
INT	210

Certificate number: CC71BA9E-FA2A-4B39-8529-CA98B5852118

Execution date: 08/03/2012

Touch 888 509-DI

Property of Cook County Clerk's Office

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MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING

WINCHESTER ACQUISITION, LLC

an Illinois limited liability company

(BORROWER AND MORTGAGOR)

TO

ROMSPEN INVESTMENT CORPORATION

an Ontario corporation

(LENDER AND MORTGAGEE)

Property Address: 4501 Winchester Avenue, Chicago, Illinois
Property County: Cook

This instrument was prepared by and
after recording return to:
Katheryne L. Zelenock
Dickinson Wright PLLC
3600 West Big Beaver Road, Suite 300
Troy, Michigan 48084

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THIS MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING ("*Mortgage*") is made as of August 3, 2012, by WINCHESTER ACQUISITION, LLC, an Illinois limited liability company ("*Borrower*") to and for the benefit of ROMSPEN INVESTMENT CORPORATION, an Ontario corporation, and its successors and assigns ("*Lender*").

RECITALS:

A. Borrower has executed and delivered a Promissory Note in the principal amount of Eleven Million and No/100 Dollars (\$11,000,000.00) to Lender, providing for monthly installments of interest calculated at a rate of 11% as provided in the Note, with the balance thereof, if not sooner due or paid as set forth in the Note, due and payable on the Maturity Date (August 1, 2013) and a Loan Agreement providing other terms and conditions; and

B. Lender wishes to secure (i) the payment of the Indebtedness (which includes for this purpose any additional Indebtedness accruing to Lender on account of any future payments, advances or expenditures by Lender pursuant to the Note, the Loan Agreement, this Mortgage or any other agreement, document, or instrument securing the payment of the indebtedness evidenced by the Note), and (ii) the prompt performance of the Obligations, including without limitation each and every covenant, condition, and agreement of Borrower or any Guarantor now or hereafter arising contained in the Loan Documents.

NOW, THEREFORE, TO SECURE TO LENDER the repayment of the Indebtedness and the performance of the Obligations, Borrower has mortgaged, given, granted, bargained, sold, alienated, enfeoffed, conveyed, confirmed, warranted, pledged, assigned, hypothecated and granted and by these presents does hereby irrevocably mortgage, give, bargain, sell, alien, enfeoff, convey, confirm, warrant, pledge, assign, hypothecate and grant a security interest in and to Lender the following described property and all proceeds thereof (which property is hereinafter sometimes collectively referred to as the "*Property*"):

A. The Land (as further described in Exhibit A);

B. All improvements of every nature whatsoever now or hereafter situated on the Land and owned by Borrower (the "*Improvements*"), and all machinery, furnishings, equipment, fixtures, mechanical systems and other personal property now or hereafter owned by Borrower and used in connection with the operation of the Improvements;

C. All easements, rights-of-way, strips and gores of land, streets, ways, alleys, passages, sewer rights, water, water courses, water rights and powers, air rights, and development rights, and all estates, rights, titles, interests, privileges, liberties, tenements, hereditaments and appurtenances of any nature whatsoever, in any way belonging, relating or pertaining to the Land and the Improvements and the reversion and reversions, remainder and remainders, and all land lying in the bed of any street, road or avenue, opened or proposed, in front of or adjoining the Land, to the center line thereof and all the estates, rights, titles, interests, dower and rights of dower, curtesy and rights of curtesy, property, possession, claim and demand whatsoever, both at law and in equity, of Borrower of, in and to the Land and the Improvements and every part and parcel thereof, with the appurtenances thereto;

D. All agreements affecting the use, enjoyment or occupancy of the Land and/or Improvements now or hereafter entered into (the "*Leases*"), including any and all guaranties of those Leases, and the immediate and continuing right to collect all rents, income, receipts, royalties, profits, issues, service reimbursements, fees, accounts receivables, revenues and prepayments of any of the same from or related to the Land and/or Improvements from time-to-time accruing under the Leases and/or the operation of the Land and/or Improvements (the "*Rents*"), reserving to Borrower, however, so long as no Event of Default has occurred hereunder, a revocable license to receive and apply the Rents in accordance with the terms and conditions of this Mortgage;

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E. The Personal Property;

F. All awards or payments, including interest thereon, which may heretofore and hereafter be made with respect to the Land and the Improvements, whether from the exercise of the right of eminent domain or condemnation (including but not limited to any transfer made in lieu of or in anticipation of the exercise of those rights), or for a change of grade, or for any other injury to or decrease in the value of the Land and Improvements;

G. All proceeds of and any unearned premiums on any insurance policies covering the Property, including, without limitation, the right to receive and apply the proceeds of any insurance, judgments, or settlements made in lieu thereof, for damage to the Property;

H. All proceeds of the conversion, voluntary or involuntary, of any of the foregoing including, without limitation, proceeds of insurance and Condemnation Awards, into cash or liquidation claims; and

I. Any and all proceeds and products of any of the foregoing and any and all other security and collateral of any nature whatsoever, now or hereafter given for the repayment of the Indebtedness and the performance of Borrower's obligations under the Loan Documents, including (without limitation) all escrows established with Lender by Borrower.

AND without limiting any of the other provisions of this Mortgage, to the extent permitted by applicable law, Borrower expressly grants to Lender, as a secured party, a security interest in the portion of the Property that is or may be subject to the provisions of the Uniform Commercial Code that are applicable to secured transactions; it being understood and agreed that the Improvements and fixtures are part and parcel of the Land (the Land, the improvements and the fixtures are collectively referred to as the "**Real Property**") appropriated to the use thereof and, whether affixed or annexed to the Real Property or not, shall for the purposes of this Mortgage be deemed conclusively to be real estate and mortgaged hereby.

TO HAVE AND TO HOLD the Property and all parts thereof, together with the rents, issues, profits and proceeds thereof unto Lender to its own proper use, benefit, and advantage forever, subject, however, to the terms, covenants, and conditions herein.

At no time shall the principal amount of the Indebtedness, not including sums advanced in accordance herewith to protect the security of this Mortgage, exceed **two hundred percent (200%)** of the original amount of the Note.

In addition, Borrower covenants and agrees with Lender as follows:

1. **Assignment of Leases and Rents; Appointment of Receiver; Lender in Possession.**

(a) As part of the consideration for the Indebtedness, Borrower absolutely and unconditionally assigns and transfers to Lender all present and future leases, subleases, licenses, concessions or grants or other possessory interests now or hereafter in force, whether oral or written, covering or affecting the Property, or any portion of the Property, and all modifications, extensions or renewals thereof (the "**Leases**") and all rents or other income (whether from residential or non-residential space), revenues and other income from the Land or the Improvements, including parking fees, laundry and vending machine income and fees and charges for food, health care and other services provided at the Property, whether now due, past due, or to become due, and tenant security deposits ("**Rents**"). It is the intention of Borrower to establish present, absolute and irrevocable transfers and assignments to Lender of all Leases and Rents and to authorize and empower Lender to collect and receive all Rents without the necessity of further action on the part of Borrower. Borrower and Lender intend the assignments of Leases and Rents to be effective immediately and to constitute absolute present assignments, and not assignments for additional security only. Only for purposes of giving effect to these absolute assignments of Leases and Rents, and for no other purpose, the Leases and Rents shall not be deemed to be a part of the Mortgaged Property. However, if these present, absolute and unconditional

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assignments of Leases and Rents are not enforceable by their terms under the laws of the Property Jurisdiction, then each of the Leases and Rents shall be included as part of the Mortgaged Property, and it is the intention of Borrower, in such circumstance, that this Mortgage create and perfect a lien on each of the Leases and Rents in favor of Lender, which liens shall be effective as of the date of this Mortgage.

(b) Until the occurrence of an Event of Default, but subject to the limitations set forth in the Loan Documents, Borrower shall have a revocable license to exercise all rights, power and authority granted to Borrower under the Leases (including the right, power and authority to modify the terms of any Lease or extend or terminate any Lease subject to the limitations set forth in the Loan Documents), and to collect and receive all Rents, to hold all Rents in trust for the benefit of Lender, and to apply all Rents to amounts then due and payable under the other Loan Documents, and to pay the current costs and expenses of managing, operating and maintaining the Property, including utilities, taxes, insurance, tenant improvements and other capital expenditures. So long as no Event of Default has occurred, the Rents remaining after application pursuant to the preceding sentence may be retained by Borrower free and clear of, and released from, Lender's rights with respect to Rents under this Mortgage.

(c) From and after the occurrence of an Event of Default, without the necessity of Lender entering upon and taking and maintaining control of the Property directly, by a receiver, or by any other manner or proceeding permitted by the laws of the Property Jurisdiction, the revocable license granted to Borrower pursuant to Section 1(b) shall automatically terminate, and Lender shall immediately have all rights, powers and authority granted to Borrower under any Lease (including the right, power and authority to modify the terms of any such Lease, or extend or terminate any such Lease) and, without notice, Lender shall be entitled to all Rents as they become due and payable, including Rents then due and unpaid. From and after the occurrence of an Event of Default, Borrower authorizes Lender to collect, sue for and compromise Rents and directs each tenant of the Property to pay all Rents to, or as directed by, Lender, and Borrower shall, upon Borrower's receipt of any Rents from any sources, pay the total amount of such receipts to Lender. Although the foregoing rights of Lender are self-effecting, at any time from and after the occurrence of an Event of Default, Lender may make demand for all Rents, and Lender may give, and Borrower hereby irrevocably authorizes Lender to give, notice to all tenants of the Property instructing them to pay all Rents to Lender. No tenant shall be obligated to inquire further as to the occurrence or continuance of an Event of Default, and no tenant shall be obligated to pay to Borrower any amounts that are actually paid to Lender in response to such a notice. Any such notice by Lender shall be delivered to each tenant personally, by mail or by delivering such demand to each rental unit.

(d) From and after the occurrence of an Event of Default, Lender may, regardless of the adequacy of Lender's security or the solvency of Borrower, and even in the absence of waste, enter upon, take and maintain full control of the Property, and may exclude Borrower and its agents and employees therefrom, in order to perform all acts that Lender, in its discretion, determines to be necessary or desirable for the operation and maintenance of the Property, including the execution, cancellation or modification of Leases, the collection of all Rents (including through use of a lockbox, at Lender's election), the making of repairs to the Property and the execution or termination of contracts providing for the management, operation or maintenance of the Property, for the purposes of enforcing this assignment of Rents, protecting the Property or the security of this Mortgage and the Loan, or for such other purposes as Lender in its discretion may deem necessary or desirable.

(e) Notwithstanding any other right provided Lender under this Mortgage or any other Loan Document, if an Event of Default has occurred, and regardless of the adequacy of Lender's security or Borrower's solvency, and without the necessity of giving prior notice (oral or written) to Borrower, Lender may apply to any court having jurisdiction for the appointment of a receiver for the Property to take any or all of the actions set forth in this Section. If Lender elects to seek the appointment of a receiver for the Property at any time after an Event of Default has occurred, Borrower, by its execution of this Mortgage, expressly consents to the appointment of such receiver, including the appointment of a receiver *ex parte*, if permitted by applicable law. Borrower consents to shortened time consideration of a motion to appoint a receiver. Lender or the receiver, as applicable, shall be entitled to receive a reasonable fee for managing the Property and such fee shall become an additional part of the Indebtedness. Immediately upon appointment of a receiver or Lender's entry upon and taking possession and control of the Property,

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possession of the Property and all documents, records (including records on electronic or magnetic media), accounts, surveys, plans, and specifications relating to the Property, and all security deposits and prepaid Rents, shall be surrendered to Lender or the receiver, as applicable. If Lender takes possession and control of the Property, Lender may exclude Borrower and its representatives from the Property.

(f) The acceptance by Lender of the assignments of the Leases and Rents shall not at any time or in any event obligate Lender to take any action under any Loan Document or to expend any money or to incur any expense. Lender shall not be liable in any way for any injury or damage to person or property sustained by any Person in, on or about the Property. Prior to Lender's actual entry upon and taking possession and control of the Land and Improvements, Lender shall not be:

- (1) obligated to perform any of the terms, covenants and conditions contained in any Lease (or otherwise have any obligation with respect to any Lease);
- (2) obligated to appear in or defend any action or proceeding relating to any Lease or the Property or
- (3) responsible for the operation, control, care, management or repair of the Property or any portion of the Property.

The execution of this Mortgage shall constitute conclusive evidence that all responsibility for the operation, control, care, management and repair of the Property is and shall be that of Borrower, prior to such actual entry and taking possession and control by Lender of the Land and Improvements.

(g) Lender shall be liable to account only to Borrower and only for Rents actually received by Lender. Lender shall not be liable to Borrower, anyone claiming under or through Borrower or anyone having an interest in the Property by reason of any act or omission of Lender, and Borrower hereby releases and discharges Lender from any such liability to the fullest extent permitted by law. If the Rents are not sufficient to meet the costs of taking control of and managing the Property and collecting the Rents, any funds expended by Lender for such purposes shall be added to, and become a part of, the principal balance of the Indebtedness, be immediately due and payable, and bear interest at the Default Rate from the date of disbursement until fully paid. Any entering upon and taking control of the Property by Lender or the receiver, and any application of Rents as provided in this Mortgage, shall not cure or waive any Event of Default or invalidate any other right or remedy of Lender under applicable law or provided for in this Mortgage or any Loan Document.

2. **Protection of Lender's Security.** If Borrower fails to pay the Indebtedness or perform the Obligations, or if any action or proceeding is commenced which affects the Property or Lender, at Lender's option, Lender may make such appearances, disburse such sums and take such action as Lender deems necessary, in its sole discretion, to protect the Property or Lender's interest herein, including entry upon the Property to make repairs and perform environmental tests and studies. Any amounts disbursed by Lender pursuant to this Paragraph 2 (including reasonable attorneys' costs and expenses), taxes, assessments and insurance premiums), with interest thereon at the "**Default Rate**" (defined in the Note) from the date of disbursement, shall become additional Indebtedness of Borrower secured by the Loan Documents and shall be due and payable on demand. Nothing contained in this paragraph shall require Lender to incur any expense or take any action hereunder.

3. **Limitations on Transfers; No Assumption; Due on Sale/Encumbrance.**

(a) **No Transfer.** Without Lender's prior written consent, Borrower shall not cause, suffer or permit any direct or indirect, voluntary or involuntary, sale, installment sale, lease, conveyance, partition, exchange, mortgage, pledge, hypothecation, assignment or other encumbrance, conveyance or disposition, including by operation of law, or the entry into any agreement to do so, of the Property or any interest therein, or in any part thereof or any Lease or Rents with respect thereto, or of any direct or indirect (including beneficial) ownership interest in

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Borrower (including the interest of any general partner, manager or managing member of Borrower), or in its general partner, manager or managing member, as applicable, or the dissolution of Borrower or its general partner, manager or managing member, as applicable (all of the foregoing hereafter collectively referred to as a "**Transfer**"), except for the following (and provided that none of the following has an effect on the continuing status of Borrower or any change of control or management right of or with respect to Borrower):

- (1) Individual Leases of space in the Property to tenants for actual occupancy in accordance with the provisions of the Loan Agreement.
- (2) A transfer that occurs by reason of a Taking.
- (3) The disposal of personalty that is obsolete or no longer used or useful, so long as that personalty is replaced with similar items of equivalent value, function and design, and in which Lender has a first lien and mortgage.
- (4) Transfers by operation of law or upon death by devise or descent.
- (5) A sale, encumbrance, pledge, hypothecation, or transfer of ownership interests in Borrower or in its manager or managing member, as applicable, which individually or collectively in the aggregate total no more than 49% of the total ownership and/or controlling interests (including beneficial interests) of Borrower manager or managing member, as applicable. At all times that the Loan remains outstanding, Scott C. Moran shall manage and control the Borrower.

With respect to any such permitted transfer, Borrower shall (i) give Lender at least 30 days prior written notice thereof (except those occurring by reason of death, of which Borrower shall give Lender written notice promptly after gaining knowledge thereof), (ii) furnish Lender with copies of any documentation executed in connection therewith promptly after execution thereof, and (iii) shall reimburse Lender for all costs and expenses, including reasonable attorney fees, incurred by Lender in connection therewith.

(b) No Assumption. Assumption of the Loan is not permitted (i.e., Borrower may not assign or transfer its interest in the Loan).

(c) Due on Sale/Encumbrance. Lender shall not be required to demonstrate any actual impairment of its security or any increased risk of default hereunder in order to declare the Note immediately due and payable upon a prohibited Transfer without Lender's consent. This provision shall apply to every Transfer whether or not Lender has consented to any previous Transfer.

4. No Additional Liens; No Mezzanine Financing. Borrower covenants not to execute any mortgage, deed of trust, security agreement, assignment of leases and rents or other agreement granting a lien (except the liens granted to Lender by the Loan Documents) or take or fail to take any other action which would result in a lien against the interest of Borrower in the Property without Lender's prior written consent; provided, however that Lender acknowledges and consents to a subordinate mortgage in the face amount of \$2,000,000.00 but paid down to \$1,500,000.00, dated April 4, 2012 and recorded April 5, 2012 as Document No. 1209631063, made by Winchester Acquisition to TLM, LLC, with respect to the Property. Neither Borrower nor any owner of Borrower shall incur any "mezzanine debt" secured or unsecured, or issue any preferred equity that is secured by a pledge of the ownership interests in Borrower or a pledge of the cash flows of Borrower or incur any similar indebtedness with respect to the Property or an ownership interest in Borrower or any owner of Borrower.

5. Borrower and Lien Not Released. Without affecting the liability of Borrower or any other person liable for the payment of the Indebtedness, and without affecting the lien or charge of this

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Mortgage as security for the payment of the Indebtedness, Lender may, from time-to-time and without notice to any junior lien holder or holder of any right or other interest in and to the Property: (a) release any person so liable, (b) waive or modify any provision of this Mortgage or the other Loan Documents or grant other indulgences, (c) release all or any part of the Property, (d) take additional security for any obligation herein mentioned, (e) subordinate the lien or charge of this Mortgage, (f) consent to the granting of any easement, or (g) consent to any map or plan of the Property.

6. **Uniform Commercial Code Security Agreement and Fixture Filing.** This Mortgage shall constitute a security agreement and fixture filing pursuant to the Uniform Commercial Code in effect from time-to-time for any of the items specified herein as part of the Property which, under applicable law, may be subject to a security interest pursuant to the Uniform Commercial Code (collectively, the "**Collateral**"). and Borrower, pursuant to the terms of this Mortgage, hereby grants Lender a security interest in the Collateral to secure the Indebtedness and the Obligations. Any reproduction of this Mortgage or of any other security agreement or financing statement shall be sufficient as a financing statement. In addition, Borrower agrees to execute and deliver to Lender any financing statements, as well as extensions, renewals and amendments thereof, and reproductions of this Mortgage in such form as Lender may require to perfect a security interest with respect to those items. Borrower shall pay all costs of filing those financing statements and any extensions, renewals, amendments and releases thereof, and shall pay all reasonable costs and expenses of any record searches for financing statements Lender may reasonably require. Borrower shall, at Lender's request, at any time and from time-to-time, execute and deliver to Lender those financing statements, amendments and other documents and do other actions that Lender deems necessary in order to establish and maintain valid, attached and perfected first security interests in the Collateral in favor of Lender, free and clear of all liens, claims and rights of third parties whatsoever. Borrower hereby irrevocably authorizes Lender at any time, and from time-to-time, to execute and file in any jurisdiction any initial financing statements and amendments thereto that (a) indicate the Collateral (i) as all assets of the Borrower or words of similar effect, regardless of whether any particular asset comprised in the Collateral falls within the scope of Article 9 of the Uniform Commercial Code of the jurisdiction wherein that financing statement or amendment is filed, or (ii) as being of an equal or lesser scope or within greater detail, and (b) contain any other information required by Section 5 of Article 9 of the Uniform Commercial Code of the jurisdiction wherein that financing statement or amendment is filed regarding the sufficiency or filing office acceptance of any financing statement or amendment, including (i) whether the Borrower is an organization, the type of organization and any organization identification number issued to the Borrower, and (ii) in the case of a financing statement filed as a fixture filing or indicating Collateral as as-extracted collateral or timber to be cut, a sufficient description of real property to which the Collateral relates. Borrower agrees to furnish any such information to Lender promptly upon request. Borrower further ratifies and affirms its authorization for any financing statements and/or amendments thereto, executed and filed by Lender in any jurisdiction prior to the date of this Mortgage. In addition, Borrower covenants to: (W) obtain acknowledgments from any bailee holding Collateral; (X) obtain consents from any letter of credit issuers; (Y) notify and take steps to perfect Lender's security interest in any Commercial Tort Claims; and (Z) take any action necessary to vest control in Lender of any of Borrower's electronic chattel paper. If an Event of Default shall occur, Lender, in addition to any other rights and remedies which it may have, shall have and may exercise or pursue, or cause to be exercised or pursued, immediately and without demand, any and all rights and remedies granted to a secured party upon default under the Uniform Commercial Code, including without limitation, the right to take possession of the Collateral or any part thereof, and to take those other measures as Lender may deem necessary for the care, protection and preservation of the Collateral. Upon request or demand of Lender, Borrower shall, at its expense, assemble the Collateral and make it available to Lender at a convenient place acceptable to Lender. Borrower shall pay to Lender on demand any and all reasonable expenses, including legal expenses and attorneys' fees, incurred or paid by Lender in protecting the interest in the Collateral and in enforcing the rights hereunder with respect to the Collateral. Any notice of sale, disposition or other intended action by Lender, with respect to the Collateral, sent to Borrower in accordance with the provisions hereof at least five (5) days prior to that action, shall constitute commercially reasonable notice to Borrower. Capitalized words and phrases used herein in this **Paragraph 6** and not otherwise defined herein shall have the respective meanings assigned to those terms in either: (i) Article 9 of the Uniform Commercial Code as in force in Illinois at the time the financing statement was filed by Lender, or (ii) Article 9 as in force at any relevant

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time in Illinois, the meaning to be ascribed thereto with respect to any particular item of property shall be that under the more encompassing of the two definitions.

Consistent with the foregoing, this Mortgage is intended as an assignment of all material contracts and agreements related to the Property, whether now existing or existing in the future, including but not limited to, those related to construction and/or redevelopment of the Property, provision of services or materials to the Property, and similar agreements (the "**Material Agreements**"), and all Material Agreement shall be part of the Collateral.

7. **Acceleration.** Upon the occurrence of an Event of Default (as defined in the Loan Agreement), the Indebtedness, at the option of the Lender, shall become immediately due and payable without notice to Borrower.

8. **Rights and Remedies; Receiver.** Upon the occurrence of an Event of Default, and at any time thereafter without notice to or the consent of Borrower, Lender shall have the following rights and remedies:

(a) **Immediate Rights.** Lender shall be entitled to immediately exercise and pursue or cause to be exercised or pursued any or all of the rights and remedies provided in this Mortgage or any other Loan Document or otherwise available at law or in equity. Each remedy provided in the Loan Documents is distinct and cumulative to all other rights or remedies under the Loan Documents or afforded by law or equity, and may be exercised concurrently, independently, or successively, in any order whatsoever, including without limitation the right to do any one or more of the following:

- (1) To the extent permitted by law, enter upon, take possession of and manage the Property for the purpose of collecting the Rents;
- (2) Require Borrower to hold all Rents collected in trust for the benefit of Lender;
- (3) Dispossess by the usual summary proceedings any Tenant defaulting in the payment of Rent to Borrower;
- (4) Lease the Property or any part thereof;
- (5) Repair, restore, and improve the Property;
- (6) Apply the Rent after payment of Property expenses as determined by Lender to Borrower's indebtedness under the Loan Documents;
- (7) Enforce the power of sale in this Mortgage
- (8) Institute a proceeding or proceedings, judicial or nonjudicial, by advertisement or otherwise as permitted by law, for the complete foreclosure of this Mortgage, in which case the Property or any interest therein may be sold for cash or upon credit in one or more parcels or in several interests or portions and in any order or manner, including selling the Property, and all of Borrower's estate, right, title, interest, claim and demand therein, and all rights of redemption thereof, at one or more sales, as an entirety or in parcels, with such elements of real or personal property, or both, at public venue at the courthouse for the county in which the Property is located (or such other place as may be proper for the conduct of that sale in the jurisdiction in which the Property is located) to the highest bidder for cash at that time and place and upon those terms as Lender may deem expedient, or as may be required by applicable law, after first giving notice as required by applicable law, and

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in the event of a sale, by foreclosure, power of sale or otherwise, of less than all of the Property, this Mortgage shall continue as a lien and security interest on the remaining portion of the Property; and

- (9) Commence and maintain an action or actions in any court of competent jurisdiction to foreclose this Mortgage or to obtain specific enforcement of any covenant, condition or agreement in this Mortgage or the other Loan Documents and/or an injunction against the violation thereof. Borrower agrees that each of those covenants, conditions and agreements shall be specifically enforceable by injunction or any other appropriate equitable remedy and that for the purposes of any suit brought under this subparagraph, Borrower waives the defense of laches and any applicable statute of limitations. Lender may recover judgment on the Note either before, during or after any proceeding for enforcement of this Mortgage.

(b) Surrender of Possession. (i) Borrower, upon demand of Lender, shall forthwith surrender to Lender the actual possession, or to the extent permitted by law, Lender itself, or by officers, receivers or agents appointed by it, may enter and take possession of all or any part of the Property, and may exclude Borrower and its agents and employees wholly therefrom, and may have joint access with Borrower to the books, papers and accounts of Borrower; and (ii) if Borrower shall for any reason fail to surrender or deliver the Property or any part thereof after that demand by Lender, Lender may obtain a judgment or decree conferring on Lender the right to immediate possession or requiring the delivery to Lender of the Property, and Borrower specifically consents to the entry of that judgment or decree. Upon every such entering upon or taking of possession, Lender may hold, store, use, operate, manage and control the Property and conduct the business thereof. Lender shall have no liability for any loss, damage, injury, cost or expense resulting from any action or omission by it or its representatives which was taken or omitted in good faith.

(c) Bidding and Proceeds of Foreclosure Sale. Upon any foreclosure sale, Lender may bid for and purchase the Property and shall be entitled to apply all or part of the Indebtedness as a credit to the purchase price. The proceeds of any foreclosure sale of the Property shall be distributed and applied in the order of priority set forth in the Note with the excess, if any, being applied to any parties entitled thereto as their rights may appear.

(d) Appointment of Receiver or Mortgagee in Possession. If an Event of Default is continuing or if Lender shall have accelerated the Indebtedness, Borrower covenants and consents that Lender, upon application to a court of competent jurisdiction, shall be entitled as a matter of strict right, without notice, and without regard to the occupancy or value of any security for the Indebtedness, without any showing of fraud or mismanagement on the part of Borrower or the insolvency of any party bound for its payment, without regard to the existence of a declaration that the Indebtedness, or any portion thereof, is immediately due and payable, and without regard to the filing of a notice of default, to the appointment of a receiver or the immediate appointment of Lender to take possession of and to operate the Property, and to collect and apply the rents, issues, profits and revenues thereof, the appointment of which receiver is hereby consented to.

The foregoing remedies shall be cumulative of any other judicial remedies available to Lender under this Mortgage or the other Loan Documents, at law or in equity. Proceeding with a request or receiving a judgment for legal relief shall not be or be deemed to be an election of remedies or bar any available nonjudicial remedy of Lender.

9. Expenditures and Expenses. Borrower acknowledges and confirms that Lender shall impose certain administrative processing and/or commitment fees in connection with (a) the extension, renewal, modification, amendment and termination of the Loan, (b) the release or substitution of collateral therefor, (c) obtaining certain consents, waivers and approvals with respect to the Property, or (d) the review of any Lease or proposed Lease or the preparation or review of any subordination, non-

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disturbance and attornment agreement. In addition, in any civil action to foreclose the lien hereof or otherwise enforce Lender's rights, there shall be allowed and included as additional Indebtedness and Obligations in the order or judgment for foreclosure and sale or other order all expenditures and expenses which may be paid or incurred by or on behalf of Lender including the reasonable fees, costs and expenses of attorneys, receiver's fees, costs and expenses, appraiser's fees, engineers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimates as to items to be expended after entry of that order or judgment) of procuring all abstracts of title, title searches and examination, title insurance policies, Torrens' Certificates and similar data and assurances with respect to the title that Lender deems reasonably necessary either to prosecute that civil action, or to evidence to bidders at any sale pursuant to that order or judgment, the true condition of the title to, or the value of, the Property (collectively the "**Reimbursable Expenses**"). All Reimbursable Expenses, and those other costs, expenses and fees incurred by Lender from time-to-time hereafter in the protection of the Property, in enforcing the Obligations, and/or the maintenance of the lien established by any of the Loan Documents, including accountants' and attorneys' fees, costs and expenses in any advice, litigation, or proceeding affecting the Loan Documents or the Property, whether instituted by Lender, Borrower or any other party, or in preparation for the commencement or defense of any action or proceeding or threatened action or proceeding, shall be immediately due and payable to Lender by Borrower, and, to the extent those services relate to the Hazardous Substances Indemnification Agreement of even date herewith from Borrower and Guarantors in favor of Lender, by Borrower and Guarantors, with interest thereon at the Default Rate set forth in the Note, and shall be secured by the Loan Documents. In addition, Borrower shall be liable for the payment of all commissions and brokerage fees relating to the Loan.

10. **Forbearance by Lender Not a Waiver.** Any forbearance by Lender in exercising any right or remedy under any of the Loan Documents, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any right or remedy. Lender's acceptance of less than full compliance with insurance or other requirements at Closing of the Loan does not constitute a waiver of Lender's right to require full compliance thereafter. Lender's acceptance of payment of any sum secured by any of the Loan Documents after the due date of that payment shall not be a waiver of Lender's right to either require prompt payment when due of all other sums so secured or to declare a default for failure to make prompt payment. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the Indebtedness, nor shall Lender's receipt of any awards, proceeds or damages for condemnation or insurance loss related to the Property operate to cure or waive Borrower's default in payment or sums secured by any of the Loan Documents. With respect to all Loan Documents, only waivers made in writing by Lender shall be effective against Lender.

11. **Waiver of Statute of Limitations.** Borrower hereby waives the right to assert any statute of limitations as a bar to the enforcement of the lien created by any of the Loan Documents or to any action brought to enforce the Note or any other obligation secured by any of the Loan Documents.

12. **Waiver of Homestead and Redemption.** Borrower hereby waives all rights of homestead exemption in the Property. To the extent permitted by applicable law, Borrower hereby waives all right of redemption on behalf of Borrower and on behalf of all other persons acquiring any interest or title in the Property subsequent to the date of this Mortgage, except decree or judgment creditors of Borrower.

13. **Jury Trial Waiver.** TO THE FULLEST EXTENT NOW OR HEREAFTER PERMITTED BY LAW, EACH OF BORROWER AND LENDER, BY ITS ACCEPTANCE OF THIS MORTGAGE, EACH HEREBY WAIVES ITS RESPECTIVE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, OR RELATED TO, THE SUBJECT MATTER OF THE LOAN DOCUMENTS AND THE BUSINESS RELATIONSHIP THAT IS BEING ESTABLISHED. THIS WAIVER IS KNOWINGLY, INTENTIONALLY AND VOLUNTARILY MADE BY BORROWER AND BY LENDER, AND BORROWER ACKNOWLEDGES ON BEHALF OF ITSELF AND ITS PARTNERS, MEMBERS, SHAREHOLDERS, AS THE CASE MAY BE, THAT NEITHER LENDER NOR ANY PERSON ACTING ON BEHALF OF LENDER HAS MADE ANY REPRESENTATIONS OF FACT TO INDUCE THIS

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WAIVER OF TRIAL BY JURY OR HAS TAKEN ANY ACTIONS WHICH IN ANY WAY MODIFY OR NULLIFY ITS EFFECT. BORROWER AND LENDER ACKNOWLEDGE THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT BORROWER AND LENDER HAVE ALREADY RELIED ON THIS WAIVER IN ENTERING INTO THE LOAN DOCUMENTS AND THAT EACH OF THEM WILL CONTINUE TO RELY ON THIS WAIVER IN THEIR RELATED FUTURE DEALINGS. BORROWER AND LENDER FURTHER ACKNOWLEDGE THAT THEY HAVE BEEN REPRESENTED (OR HAVE HAD THE OPPORTUNITY TO BE REPRESENTED) IN THE SIGNING OF THE LOAN DOCUMENTS AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, SELECTED OF THEIR OWN FREE WILL, AND THAT THEY HAVE HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL.

14. **No Oral Change.** This Mortgage may not be modified, amended, waived, extended, changed, discharged or terminated orally or by any act or failure to act on the part of Borrower or Lender, but only by an agreement in writing signed by the party against whom enforcement of any modification, amendment, waiver, extension, change, discharge or termination is sought.

15. **Notice.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in the Loan Documents shall be given by mailing that notice by Federal Express, or any other nationally recognized overnight carrier, addressed to Borrower at Borrower's Address or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by Federal Express or any other nationally recognized overnight carrier to Lender's address stated above, or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in the Loan Documents shall be deemed to have been given to Borrower or Lender on the first Business Day following that mailing in the manner designated herein. In addition, notice may also be given by first class certified mail, return receipt requested, postage prepaid, addressed to the address set forth above for the party to whom that notice is to be given and when notice is given in this manner it shall be deemed received on the third day after that notice was deposited with the United States Postal Service.

16. **Successors and Assigns; Joint and Several Liability; Agents; Captions.** The covenants, agreements, representations and warranties contained in the Loan Documents shall bind, and the rights thereunder shall inure to, the respective successors and assigns of Lender and Borrower. All representations, warranties, covenants and agreements of Borrower contained in the Loan Documents shall be joint and several. In exercising any rights under the Loan Documents or taking any actions provided for therein, Lender may act through its employees, agents, or independent contractors as authorized by Lender. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

17. **Governing Law; Jurisdiction; Severability.** **THIS MORTGAGE SHALL BE GOVERNED BY, CONSTRUED, APPLIED AND ENFORCED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF ILLINOIS, WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES, AND BORROWER AGREES THAT THE PROPER VENUE FOR ANY MATTERS IN CONNECTION HERewith SHALL BE IN THE STATE OR FEDERAL COURTS LOCATED IN CHICAGO, ILLINOIS, AS LENDER MAY ELECT AND BORROWER HEREBY SUBMITS ITSELF TO THE JURISDICTION OF THOSE COURTS FOR THE PURPOSE OF ADJUDICATING ANY MATTERS RELATED TO THE LOAN. THE INVALIDITY, ILLEGALITY OR UNENFORCEABILITY OF ANY PROVISION OF THIS MORTGAGE OR THE LOAN DOCUMENTS SHALL NOT AFFECT OR IMPAIR THE VALIDITY, LEGALITY OR ENFORCEABILITY OF THE REMAINDER OF THIS MORTGAGE AND THE OTHER LOAN DOCUMENTS, AND TO THIS END, THE PROVISIONS OF THIS MORTGAGE AND THE OTHER LOAN DOCUMENTS ARE DECLARED TO BE SEVERABLE.**

18. **Release Upon Payment in Full.** Upon payment of all sums secured by this Mortgage, Lender shall release this Mortgage. Borrower shall pay Lender's reasonable costs incurred in releasing this Mortgage and any financing statements related hereto.

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19. **Covenants Running with the Land.** All covenants, conditions, warranties, representations and other obligations contained in this Mortgage and the other Loan Documents are intended by Borrower and Lender to be, and shall be construed as, covenants running with the Property until the lien of this Mortgage has been fully released by Lender.

20. **Actions and Proceedings.** Lender has the right to appear in and defend any action or proceeding brought with respect to the Property and to bring any action or proceeding, in the name and on behalf of Borrower, which Lender, in its sole discretion, decides should be brought to protect their respective interests in the Property. Lender shall, at its option, be subrogated to the lien of any mortgage or other security instrument discharged in whole or in part by the Indebtedness, and any such subrogation rights shall constitute additional security for the payment of the Indebtedness.

21. **No Third Party Beneficiaries.** The provisions of this Mortgage and the other Loan Documents are for the benefit of Borrower and Lender and shall not inure to the benefit of any third party (other than any successor or assignee of Lender). This Mortgage and the other Loan Documents shall not be construed as creating any rights, claims or causes of action against Lender or any of its officers, directors, agents or employees in favor of any party other than Borrower including but not limited to any claims to any sums held in any escrow account established by Lender.

22. **Exhibits and Riders.** The following Exhibits and Riders (which may contain additional representations, warranties, and covenants) are attached to this Mortgage and hereby made a part of this Mortgage: Exhibit A (legal description for Land) and Exhibit B (definition of Personal Property).

23. **Counterparts.** This Mortgage may be executed in any number of counterparts each of which shall be deemed to be an original but all of which when taken together shall constitute one agreement.

STATE-SPECIFIC PROVISIONS. [Illinois]

24. **Inconsistencies.** In the event of any inconsistencies between the terms and conditions of the foregoing provisions of this Mortgage and these State Specific Provisions, these State Specific Provisions shall control and be binding.

25. **Compliance with Illinois Mortgage Foreclosure Law.**

(a) **Illinois Mortgage Foreclosure Law Controls.** In the event that any provision in this Mortgage shall be inconsistent with any provision of the Illinois Mortgage Foreclosure Law (Chapter 735, Sections 5/15-1101 et seq., Illinois Compiled Statutes) (the "Act"), including the waiver in Paragraph 13 of this Mortgage of redemption rights under 735 ILCS 5/15-1601, 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.

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

(c) **Expenses Added to Indebtedness.** Without limiting the generality of the foregoing, all expenses incurred by Lender which are of the type referred to in Section 5/15-1510 or 5/15-1512 of the Act, whether incurred before or after a decree or judgment of foreclosure,

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and whether or not enumerated in this Mortgage, shall be added to the indebtedness secured by this Mortgage and/or by the judgment of foreclosure.

26. **Disclaimers.** The relationship of Borrower and Lender under this Mortgage and the other Loan Documents is, and shall at all times remain, solely that of borrower and lender; and Lender neither undertakes nor assumes any responsibility or duty to Borrower or to any third party with respect to the Property. Notwithstanding any other provisions of this Mortgage and the other Loan Documents: (i) Lender is not, and shall not be construed to be, a partner, joint venturer, member, alter ego, manager, controlling person or other business associate or participant of any kind of Borrower and Lender, and Lender does not intend to ever assume such status; (ii) Lender does not intend to ever assume any responsibility to any person for the quality, suitability, safety or condition of the Property; and (iii) Lender shall not be deemed responsible for or a participant in any acts, omissions or decisions of Borrower.

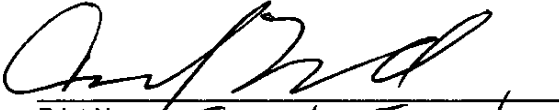
Lender shall not be directly or indirectly liable or responsible for any loss, claim, cause of action, liability, indebtedness, damage or injury of any kind or character to any person or property arising from any construction on, or occupancy or use of, the Property, whether caused by or arising from: (i) any defect in any building, structure, grading, fill, landscaping, or other improvements thereon or in any on-site or off-site improvement or other facility therein or thereon; (ii) any act or omission of Borrower or any of Borrower's agents, employees, independent contractors, licensees or invitees; (iii) any accident in or on the Property or any fire, flood, or other casualty or hazard thereon; (iv) the failure of Borrower or any of Borrower's licensees, employees, invitees, agents, independent contractors, or other representatives to maintain the Property in a safe condition; or (v) any nuisance made or suffered on any part of the Property

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IN WITNESS WHEREOF, Borrower has executed and delivered this Mortgage or has caused the same to be executed and delivered by its representatives thereunto duly authorized.

WITNESSED:




Print Name: Timothy French



Print Name: WILLIAM J. RAPP

BORROWER:

WINCHESTER ACQUISITION, LLC, an Illinois limited liability company


By: Scott C. Morgan

Its: **Managing Member**

Property of Cook County Clerk's Office

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ACKNOWLEDGMENT

STATE OF Illinois }
 COUNTY OF Cook } ss.

On this 3 day of August, 2012, the undersigned, a Notary Public in and for the said County and State, hereby certifies that before me personally appeared, Scott C. Morgan, known to me or proved to me on the basis of satisfactory evidence, to be the Managing Member of Winchester Acquisition, LLC, an Illinois limited liability company, who, having been duly authorized, executed the foregoing instrument as Managing Member on behalf of said limited liability company and acknowledged the due execution of the said instrument to be the free and voluntary act and deed of said limited liability company for the uses and purposes therein stated.

Witness my hand and Notarial Seal.

Susan M Finis
 Print Name: Susan M Finis
 County of Cook
 State of Illinois
 My Commission Expires: 9-21-13



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EXHIBIT A

LEGAL DESCRIPTION

**COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____**

**COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____**

Property of Cook County Clerk's Office

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PARCEL 1:

LOTS 1, 2 AND 3 OF SAMUEL BROWN JR.'S SUBDIVISION OF LOTS 13 AND 14 IN BLOCK 14 IN RAVENSWOOD BEING A SUBDIVISION OF PART OF THE NORTHEAST QUARTER AND THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 18, AND PART OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN;

TOGETHER WITH

LOTS 1 AND 2 IN FELIX CANDA'S RESUBDIVISION OF LOT 15 IN BLOCK 14 IN RAVENSWOOD AFORESAID.

TOGETHER WITH

PART OF LOTS 16, 17, 18, 19 AND 20 AND PART OF VACATED NORTH WINCHESTER AVENUE ADJOINING LOTS 17 AND 18 IN BLOCK 14 IN RAVENSWOOD AFORESAID TAKEN AS A TRACT DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF SAID TRACT; THENCE NORTH 00 DEGREES 07 MINUTES 32 SECONDS WEST ALONG THE EAST LINE OF SAID TRACT 351.45 FEET TO EASTERLY EXTENSION OF THE NORTH FACE OF A ONE STORY BRICK BUILDING; THENCE NORTH 89 DEGREES 58 MINUTES 54 SECONDS WEST ALONG SAID EXTENSION AND THE NORTH FACE OF SAID BUILDING 104.35 FEET TO THE WEST FACE OF SAID ONE STORY BRICK; THENCE SOUTH 00 DEGREES 07'01" EAST 107.40 FEET; THENCE SOUTH 89 DEGREES 46'32" WEST 48.08 FEET; THENCE NORTH 00 DEGREES 01'39" EAST 25.42 FEET; THENCE SOUTH 89 DEGREES 44'43" WEST 54.88 FEET; THENCE SOUTH 00 DEGREES 00'17" WEST 76.94 FEET; THENCE SOUTH 89 DEGREES 59'43" EAST 55.03 FEET TO THE EAST LINE OF NORTH WINCHESTER AVENUE; THENCE SOUTH 00 DEGREES 07'32" EAST ALONG SAID EAST LINE 192.13 FEET TO THE SOUTHWEST CORNER OF LOT 1 OF SAMUEL BROWN JR.'S SUBDIVISION AFORESAID; THENCE NORTH 90 DEGREES 00'00" EAST ALONG THE SOUTH LINE OF LOTS 1, 2 AND 3 IN SAMUEL BROWN JR.'S SUBDIVISION AFORESAID 152.39 FEET TO THE POINT OF BEGINNING, (EXCEPT THEREFROM THAT PART THEREOF LYING ABOVE A HORIZONTAL PLANE HAVING AN ELEVATION OF 44.55 CHICAGO CITY DATUM AND LYING WITHIN ITS HORIZONTAL BOUNDARY PROJECTED VERTICALLY AND DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHEAST CORNER OF SAID TRACT; THENCE NORTH 00 DEGREES 07'32" WEST ALONG THE EAST LINE OF SAID TRACT 246.45 FEET TO THE POINT OF BEGINNING; THENCE NORTH 00 DEGREES 07'32" WEST ALONG THE EAST LINE OF SAID TRACT 105.00 FEET TO EASTERLY EXTENSION OF THE NORTH FACE OF A ONE STORY BRICK BUILDING; THENCE NORTH 89 DEGREES 58'54" WEST ALONG SAID EXTENSION AND THE NORTH FACE OF SAID BUILDING 104.35 FEET TO THE WEST FACE OF SAID ONE STORY BRICK; THENCE SOUTH 00 DEGREES 07'01" EAST 105.44 FEET; THENCE SOUTH 89 DEGREES 46'32" EAST 104.36 FEET TO THE POINT OF BEGINNING), IN COOK COUNTY, ILLINOIS.

PARCEL 2:

UNITS 1 THROUGH 150, BOTH INCLUSIVE IN 4501 NORTH DAMEN GARAGE CONDOMINIUM, AS DELINEATED ON A PLAT OF SURVEY OF THE FOLLOWING DESCRIBED TRACT OF LAND:

THAT PART OF LOTS 13 TO 18 IN BLOCK 15 TOGETHER WITH PART OF THE NORTH/SOUTH

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VACATED ALLEY LYING EAST OF AND ADJOINING LOTS 17 AND 18 IN BLOCK 15 ALL IN RAVENSWOOD BEING A SUBDIVISION OF PART OF THE NORTHEAST QUARTER AND THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 18 AND PART OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING BELOW A HORIZONTAL PLANE OF 67.50 CHICAGO CITY DATUM AND FALLING WITHIN THE BOUNDARIES DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF LOT 13 AFORESAID; THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS EAST ALONG THE SOUTH LINE THEREOF 128.07 FEET; THENCE NORTH 00 DEGREES 07 MINUTES 27 SECONDS WEST 240.24 FEET; THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS EAST 19.72 FEET; THENCE NORTH 00 DEGREES 30 MINUTES 20 SECONDS WEST 37.88 FEET; THENCE SOUTH 89 DEGREES 57 MINUTES 31 SECONDS WEST 147.55 FEET TO THE WEST LINE OF LOT 18 AFORESAID; THENCE SOUTH 00 DEGREES 07 MINUTES 32 SECONDS EAST ALONG THE WEST LINE OF LOTS 13 TO 18 AFORESAID 278.01 FEET TO THE POINT OF BEGINNING IN COOK COUNTY, ILLINOIS.

WHICH SURVEY IS ATTACHED AS APPENDIX B TO THE DECLARATION OF CONDOMINIUM RECORDED DECEMBER 23, 2002 AS DOCUMENT NUMBER 0021432128, AS AMENDED BY FIRST AMENDMENT RECORDED MARCH 7, 2003 AS DOCUMENT NO. 0030322390; SECOND AMENDMENT RECORDED AUGUST 17, 2004 AS DOCUMENT NO. 0423019143, AND RE-RECORDED AUGUST 30, 2004 AND OCTOBER 20, 2004 AS DOCUMENT NOS. 0424327043 AND 0429419051, RESPECTIVELY, AND THIRD AMENDMENT RECORDED MARCH 21, 2007 AS DOCUMENT NO. 070801572, TOGETHER WITH ITS UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

EASEMENT FOR THE BENEFIT OF PARCEL 1 AND 2, AS PER GRANT AND RESERVATION OF EASEMENTS PERTAINING TO THE PROJECT COMMONLY KNOWN AS RAVENSWOOD TOWN CENTER, LOCATED AT THE SOUTHEAST QUADRANT OF DANIN AND WILSON IN CHICAGO ILLINOIS, DATED DECEMBER 20, 2002, BY CHICAGO TITLE AND TRUST COMPANY, NOT PERSONALLY, BUT AS TRUSTEE UNDER TRUST AGREEMENT DATED MAY 1, 2002 AND KNOWN AS TRUST NO. 1110819, FOR STRUCTURAL SUPPORT, ACCESS, UTILITIES, AND ENCROACHMENTS, RECORDED DECEMBER 23, 2002, AS DOCUMENT NO. 0021432118, AS AMENDED BY FIRST AMENDMENT RECORDED MARCH 7, 2003 AS DOCUMENT NO. 0030322390; SECOND AMENDMENT RECORDED AUGUST 17, 2004 AS DOCUMENT 0423019143, AND RE-RECORDED AUGUST 30, 2004 AS DOCUMENT NOS. 0424327043 AND 0429419051, RESPECTIVELY, AND THIRD AMENDMENT RECORDED MARCH 21, 2007 AS DOCUMENT NO. 070801572.

14-18-212-037-1001

To

14-18-212-037-1075

+

14-18-213-022-0000

14-18-213-023-0000

14-18-212-037-1076

To

14-18-212-037-1150

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EXHIBIT B

PERSONAL PROPERTY DESCRIPTION

As used herein, the following items are referred to as the "**Personal Property**":

Any and all assets of the Borrower, of any kind or description, tangible or intangible, whether now existing or hereafter arising or acquired, including, but not limited to:

(a) all property of, or for the account of, the Borrower now or hereafter coming into the possession, control or custody of, or in transit to, the Lender or any agent or bailee for the Lender or any parent, affiliate or subsidiary of the Lender or any participant with the Lender in the loans to the Borrower (whether for safekeeping, deposit, collection, custody, pledge, transmission or otherwise), including all earnings, dividends, interest, or other rights in connection therewith and the products and proceeds therefrom, including the proceeds of insurance thereon; and

(b) the additional property of the Borrower, whether now existing or hereafter arising or acquired, and wherever now or hereafter located, together with all additions and accessions thereto, substitutions for, and replacements, products and proceeds therefrom, and all of the Borrower's books and records and recorded data relating thereto (regardless of the medium of recording or storage), together with all of the Borrower's right, title and interest in and to all computer software required to utilize, create, maintain and process any such records or data on electronic media, identified and set forth as follows:

- (i) All Accounts and all Goods whose sale, lease or other disposition by the Borrower has given rise to Accounts and have been returned to, or repossessed or stopped in transit by, the Borrower, or rejected or refused by an Account Debtor;
- (ii) All Inventory, including, without limitation, raw materials, work-in-process and finished goods;
- (iii) All Goods (other than Inventory), including, without limitation, embedded software, Equipment, vehicles, furniture and fixtures;
- (iv) All Software and computer programs;
- (v) All Securities and Investment Property;
- (vi) All Chattel Paper, Electronic Chattel Paper, Instruments, Documents, Letter of Credit Rights, all proceeds of letters of credit, Health-Care-Insurance Receivables, Supporting Obligations, notes secured by real estate, Commercial Tort Claims, contracts, licenses, permits and all other General Intangibles, including Payment Intangibles and collateral assignment of beneficial interests in land trusts;
- (vii) All insurance policies and proceeds insuring the foregoing property or any part thereof, including unearned premiums; and
- (viii) All operating accounts, the loan funds, all escrows, reserves and any other monies on deposit with or for the benefit of Lender, including deposits for the payment of real estate taxes and insurance, maintenance and leasing reserves, and any cash collateral accounts, clearing house accounts, operating accounts, bank accounts of Borrower or any other Deposit Accounts of Borrower.

Capitalized words and phrases used herein and not otherwise defined in this Exhibit B (Personal Property) shall have the respective meanings assigned to those terms in either: (i) Article 9 of the Uniform Commercial Code as in force in Illinois at the time the financing statement was filed by Lender, or (ii) Article 9 as in force at any relevant time in Illinois, the meaning to be ascribed thereto with respect to any particular item of property shall be that under the more encompassing of the two definitions.

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**THE FOLLOWING INFORMATION IS FURNISHED
FOR PURPOSES OF THE UNIFORM COMMERCIAL CODE**

1. The name and address of the record owner of the real estate described in this instrument is:

Winchester Acquisition, LLC
4501 N. Winchester
Chicago, Illinois 60613
2. The name and address of the debtor (Borrower) is:

Winchester Acquisition, LLC
4501 N. Winchester
Chicago, Illinois 60613
3. The name and address of the secured party (Lender) is:

Romspen Investment Corporation
162 Cumberland Street, Suite 300
Toronto, Ontario M5R 3N5
Attn: Wesley Roitman
4. Information concerning the security interest evidenced by this instrument may be obtained from the secured party at its address above.
5. This document covers assets and personal property which are or are to become fixtures.