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Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



Doc#: 1401022069 Fee: \$92.00
RHSP Fee: \$9.00 RPRF Fee: \$1.00
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 01/10/2014 01:02 PM Pg: 1 of 28

Report Mortgage Fraud
800-532-8785

The property identified as: **PIN:** 18-11-203-013-0000

Address:

Street: 4820 JOLIET ROAD

Street line 2:

City: McCOOK

State: IL

ZIP Code: 6052⁵

Lender: North Shore Community Bank & Trust Company

Borrower: Dillon 4, LLC

Loan / Mortgage Amount: \$4,000,000.00

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

Box 400-CTCC

COOK COUNTY
RECORDER OF DEEDS
INT

Certificate number: AC4025C3-F048-4A7C-A9C0-700353F2148D

Execution date: 11/21/2013

#8936124 AP 2005

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THIS INSTRUMENT PREPARED BY
AND AFTER RECORDING SHOULD BE
RETURNED TO:

Thompson Coburn LLP
55 E. Monroe Street, 37th Floor
Chicago, Illinois 60603
Attn: Victor A. Des Laurier, Esq.

PIN: 18-11-203-013-0000

Common Address: 4820 Joliet Road
McCook, Illinois 60525

MORTGAGE AND SECURITY AGREEMENT (ILLINOIS)

This Mortgage and Security Agreement (Illinois) (this "Mortgage") is executed and delivered as of November 21, 2013, by Dillon 4, LLC Series Illinois, a designated series of Dillon 4, LLC, a Nevada limited liability company ("Mortgagor"), to North Shore Community Bank & Trust Company, an Illinois state chartered bank ("Lender").

WITNESSETH:

WHEREAS, prior hereto, Lender provided certain loans, extensions of credit and other financial accommodations (the "Past Financial Accommodations") to Dillon Transport, Inc., an Illinois corporation ("DTI"), Dillon Leasing Group, Inc., an Illinois corporation ("DLG"), and Dillon Leasing, LLC, an Illinois limited liability company ("Dillon Leasing") (DTI, DLG and Dillon Leasing are each individually an "Original Borrower" and collectively the "Original Borrowers"), pursuant to, among other things, the "Loan Agreement" (as hereinafter defined) and the other documents, agreements and instruments referenced in the foregoing or executed and delivered pursuant thereto. The Past Financial Accommodations are evidenced by, among other things, (i) the Loan Agreement, (ii) that certain Revolving Note dated as of February 22, 2013, executed and delivered by DTI to Lender in a maximum aggregate principal amount not to exceed Twelve Million and no/100 Dollars (\$12,000,000.00) (as amended, extended, renewed or restated from time to time, the "Revolving Note"), and (iii) that certain Term Note A dated as of February 22, 2013, executed and delivered by Original Borrowers to Lender in the original principal amount of Four Million and no/100 Dollars (\$4,000,000.00) (as amended, extended, renewed or restated from time to time, "Term Note A");

WHEREAS, prior hereto, Lender provided certain loans, extensions of credit and other financial accommodations (the "Prior Financial Accommodations") to Dillon 4, LLC, a Nevada limited liability company ("Dillon 4"), and Original Borrowers (Dillon 4 and Original Borrowers are each individually an "Existing Borrower" and collectively the "Existing Borrowers") pursuant to, among other things, the Loan Agreement and the other documents, agreements and instruments referenced in

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the foregoing or executed and delivered pursuant thereto. The Prior Financial Accommodations are evidenced and/or secured by, among other things, (i) the Loan Agreement, and (ii) that certain Term Note B dated as of October 4, 2013, executed and delivered by Dillon 4 to Lender in the principal amount of Seven Hundred Fifty Thousand and no/100 Dollars (\$750,000.00) (as amended, extended, renewed or restated from time to time, "Term Note B");

WHEREAS, contemporaneously herewith, Lender is providing certain loans, extensions of credit and other financial accommodations (the "Financial Accommodations") to (1) Mortgagor, (2) Existing Borrowers, (3) Dillon 4, LLC Series Georgia, a designated series of Dillon 4 ("Series Georgia"), (4) Dillon 4, LLC Series Ohio, a designated series of Dillon 4 ("Series Ohio"), (5) Dillon Elmendorf LLC, a Texas limited liability company ("Dillon Elmendorf"), (6) Dillon Memphis, LLC, a Tennessee limited liability company ("Dillon Memphis"), and (7) Dillon Mulberry 2 LLC, a Nevada limited liability company ("Dillon Mulberry") (Mortgagor, Existing Borrowers, Series Georgia, Series Ohio, Dillon Elmendorf, Dillon Memphis, and Dillon Mulberry are each individually a "Borrower" and collectively the "Borrowers"), pursuant to, among other things, that certain Loan and Security Agreement dated as of February 22, 2013, by and among Original Borrowers and Lender, as amended by that certain First Amendment to Loan and Security Agreement dated as of October 4, 2013, by and among Lender and Existing Borrowers, and that certain Second Amendment to Loan and Security Agreement of even date herewith by and among Lender and Borrowers (as further amended, extended, renewed, restated or replaced from time to time, collectively the "Loan Agreement"), and the other documents, agreements and instruments referenced in the foregoing or executed and delivered pursuant thereto. The Financial Accommodations are evidenced and/or secured by, among other things, (i) that certain Term Note C of even date herewith executed and delivered by Mortgagor, Series Georgia, Series Ohio, Dillon Elmendorf, Dillon Memphis, and Dillon Mulberry to Lender in the principal amount of Two Million Six Hundred Ninety-One Thousand and no/100 Dollars (\$2,691,000.00) (as amended, extended, renewed or restated from time to time, "Term Note C"), and (ii) the other Loan Documents. Capitalized terms used but not otherwise defined in this Mortgage are used in this Mortgage as defined in the Loan Agreement;

WHEREAS, some of the Financial Accommodations may bear interest at a variable rate;

WHEREAS, Mortgagor and Lender intend that the Mortgage will secure, among other things, repayment of the "Liabilities" (hereinafter defined) and the "Jeffrey Dillon Liabilities" (hereinafter defined); and

WHEREAS, pursuant to the Loan Agreement, Mortgagor is required to execute and deliver this Mortgage to Lender.

NOW, THEREFORE, in consideration of the foregoing, the mutual promises and understandings of the parties hereto set forth herein, and other good and valuable consideration, the receipt and sufficiency of such consideration is hereby acknowledged and intending to be legally bound, Mortgagor hereby covenants unto and agrees with Lender as set forth in this Mortgage.

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1. DEFINITIONS AND TERMS

1.1 The recitals set forth above are hereby incorporated herein and made a part of this Mortgage. The following words, terms or phrases shall have the meanings set forth below: The following words, terms or phrases shall have the meanings set forth below:

“Charges”: shall mean all national, federal, state, county, city, municipal or other governmental (including, without limitation, any instrumentality, division, agency, body or department thereof) taxes, levies, assessments, charges, water charges, sewer service charges, liens, claims or encumbrances upon or relating to the Mortgaged Property, the Liabilities or the Covenants.

“Covenants”: shall mean all now existing and hereafter arising covenants, duties, obligations and agreements of Mortgagor, or any of them, to and with Lender, whether pursuant to this Mortgage, the other Loan Documents or otherwise.

“Documents”: shall mean any mortgage, deed of trust or similar instrument, assignment of leases, assignment of rents, promissory note, security agreement, guaranty, financing statement, assignment of insurance, loss payable clause, mortgage title insurance policy, letter of opinion, waiver letter, estoppel letter, consent letter, non-offset letter, insurance certificate, appraisal, survey and any other similar such agreements, instruments or documents.

“Encumbrances”: shall mean all liens, security interests, liabilities, claims, debts, exceptions, easements, restrictions, Charges and any other types of encumbrances.

“Equipment”: shall mean all of Mortgagor's rights title and interest in and to all now existing or owned and hereafter arising or acquired apparatus, machinery, equipment, furniture, fixtures and other articles of personal property of any and every kind and nature whatsoever, required for use in, on, or in connection with the Premises or the management, maintenance, operation or business thereof and all replacements thereof, substitutions therefor and accessions thereto, including, without limitation, any such item now or at any time or times hereafter situated on the Premises and used to supply or otherwise deliver heat, gas, air conditioning, water, light, electricity, power, plumbing, refrigeration, sprinkling, ventilation, mobility, communication, incineration, and all other related or other such services.

“Event of Default”: shall mean the definition ascribed to this term in Section 6.1 below.

“Jeffrey Dillon”: shall mean Jeffrey Dillon, an individual.

“Jeffrey Dillon Loan Documents”: shall mean (1) any agreements, documents or instruments executed and delivered prior hereto, contemporaneously herewith or hereafter by Jeffrey Dillon to Lender in connection with his loan with Lender pursuant to, among other things, that certain Loan Agreement dated as of February 22, 2013, as amended by that certain First Amendment to Loan Agreement dated as of October 18, 2013, or further amended or restated from time to time, including, without limitation, any agreement, device or arrangement providing for payments which are related to fluctuations of interest rates, exchange rates, forward rates, or equity prices by and between Jeffrey Dillon and Lender, and (2) that certain

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Personal Guaranty dated as of February 22, 2013, executed and delivered by Jeffrey Dillon to Lender, as amended or restated from time to time.

“Jeffrey Dillon Liabilities”: shall mean any and all debts, claims, obligations, demands, monies, liabilities, covenants or indebtedness of any and every kind or nature heretofore, now or hereafter owing, arising, due or payable from Jeffrey Dillon to Lender pursuant to the terms and provisions of the Jeffrey Dillon Loan Documents.

“Leases”: shall mean all of Mortgagor’s right title and interest, as lessor, in and to present and future leases, agreements, tenancies, licenses and franchises of or relating to the Premises, the Mortgaged Property or the Equipment, or in any way, manner or respect required, existing, used or useable in connection with the Premises, the Mortgaged Property or the Equipment, or the management, maintenance, operation or business thereof, and all of Mortgagor’s right title and interest in and to all deposits of money as advance rent or for security under any or all of the Leases and all guaranties of any lessee’s performances thereunder.

“Lender’s Lien”: shall mean the definition set forth in Section 2.3 of this Mortgage.

“Liabilities”: shall mean any and all debts, claims, obligations, demands, monies, liabilities, Rate Management Obligations or indebtedness of any and every kind or nature heretofore, now or hereafter owing, arising, due or payable from Borrowers, or any Borrower, to Lender, however evidenced, created, incurred, acquired or owing, whether primary, secondary, direct, indirect, absolute, contingent, fixed, determinable, undeterminable, insured and uninsured, whether pursuant to the terms and provisions of the Mortgages, the Loan Agreement, the Revolving Note, Term Note A, Term Note B, Term Note C, the Assignments of Rents, any of the other Loan Documents or otherwise, including, without limitation, all advances made to protect and preserve the value of the Mortgaged Property and the priority of Lender’s lien thereon.

“Mortgaged Property”: shall mean (1) the Premises; (2) the Rents; (3) the Leases; (4) the Equipment; (5) all of Mortgagor’s right title and interest in and to all present and future judgments, awards of damages and settlements made as a result or in lieu of any taking of the Premises, the Equipment or the Leases, or any part thereof, whether under the power of eminent domain or otherwise, or for any damage, whether caused by such taking or otherwise thereto; (6) all present and future insurance policies in force or effect insuring the Premises, the Rents, the Leases or the Equipment; and (7) all proceeds of each and every of the foregoing.

“Permitted Encumbrances” shall mean only those matters and exceptions to title approved by Lender shown in the preliminary report of title and all supplements thereto of the Title Company, as further described on Exhibit “B” to this Mortgage.

“Person”: shall mean any individual, sole proprietorship, partnership, joint venture, trust, unincorporated organization, association, corporation, limited liability company, institution, entity, party or government, whether national, federal, state, county, city, municipal or otherwise, including, without limitation, any instrumentality, division, agency, body or department thereof.

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“Premises”: shall mean all of the real property, and all of Mortgagor’s estate, right, title and interest therein, situated, lying and being in the County of Cook, State of Illinois, legally described on Exhibit “A” attached hereto with an address of 4820 Joliet Road, McCook, Illinois 60525, together with all buildings, improvements, tenements, easements, hereditaments and appurtenances now or at any time or times hereafter upon, belonging or otherwise appertaining to or situated on said real estate and all heretofore or hereafter acquired roads, alleys, streets and other public ways abutting said real estate.

“Rents”: shall mean all present and future rents, issues, deposits, income, profits and proceeds of, from or relating to the Premises, the Leases or the Equipment.

“Unmatured Event of Default”: shall mean the occurrence or existence of any event or condition which with notice, lapse of time or both would constitute an Event of Default.

2. **MORTGAGE AND SECURITY AGREEMENT**

2.1 To secure the full and timely payment of the Liabilities and the Jeffrey Dillon Liabilities and the full and timely performance of the Covenants, Mortgagor hereby does warrant, grant, give, bargain, confirm, assign, pledge, set over, transfer, sell, convey, remise, release and otherwise mortgage to Lender, its successors and assigns, the Mortgaged Property, whether real, personal or mixed. Notwithstanding anything contained herein to the contrary, the Liabilities secured hereunder shall in no event exceed Twenty Million and no/100 Dollars (\$20,000,000.00).

2.2 This Mortgage shall operate as and constitute a security agreement with respect to that portion of the Mortgaged Property constituting property or interests in property, whether real or personal, tangible or intangible, which are subject to the Illinois Uniform Commercial Code with respect to the priority and perfection of security interests or any similar law, statute, code or other governing body of law. Therefore, to secure the full and timely payment and performance by Borrowers of the Liabilities and the Covenants, including, without limitation, the Liabilities evidenced by this Mortgage and the other Loan Documents, Mortgagor hereby grants to Lender a security interest and lien in and to the Mortgaged Property.

2.3 Upon request by Lender, at Mortgagor’s sole cost and expense, Mortgagor will promptly make, execute and deliver or will cause to be made, executed and delivered to or for the benefit of Lender, in form and substance acceptable to Lender, all Documents necessary or appropriate to evidence, document or conclude the transactions described in or contemplated by this Mortgage and the other Loan Documents, or required to perfect or continue perfected the first position priority mortgage, lien and security interest granted herein or in the other Loan Documents by Mortgagor to Lender upon the Mortgaged Property (collectively the “Lender’s Lien”).

2.4 Interest on the Liabilities shall be computed for the actual number of days elapsed on the basis of a three hundred sixty (360) day year.

2.5 Notwithstanding the foregoing, the Mortgaged Property shall not be deemed to secure any Rate Management Obligations of any Borrower owing to any Lender if Mortgagor is not an “Eligible Contract Participant” as defined in §1(a)(18) of the Commodity Exchange Act and the applicable rules issued by the Commodity Futures Trading Commission and/or the Securities and Exchange Commission (collectively, and as now or hereafter in effect, “the ECP Rules”) to the extent

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that the providing of such security in the Mortgaged Property would violate the ECP Rules or any other applicable law or regulation.

3. REPRESENTATIONS, WARRANTIES AND COVENANTS

3.1 Mortgagor represents, warrants and covenants unto Lender as follows:

(A) Mortgagor will fully and timely pay, or cause to be paid, when due or declared due (in accordance with the Loan Documents), the Liabilities, and will fully and timely perform, discharge, observe and comply with each and every of the Covenants.

(B) Mortgagor now has and hereafter shall maintain its standing, right, power and lawful authority to own the Mortgaged Property, to carry on the business of and operate the Mortgaged Property, to enter into, execute and deliver this Mortgage and the other Loan Documents, and to encumber the Mortgaged Property to Lender.

(C) Mortgagor now and at all times hereafter shall perform or cause to be performed all of its duties described in or contemplated by this Mortgage and the other Loan Documents.

(D) The execution, delivery and performance by Mortgagor of and under this Mortgage and the other Loan Documents (i) does not and will not constitute a violation of any applicable law, and (ii) does not and will not conflict with or result in a default or breach of or under any obligation arising, existing or created by or under any agreement, instrument, document, mortgage, deed, trust deed, note, judgment, order, award, decree or other restriction to which Mortgagor, or any of them, now is or hereafter shall become a party or by which any of them or any of the Mortgaged Property is or hereafter shall become bound.

(E) Mortgagor has duly filed and shall continue to timely file all federal, state and other governmental tax and similar returns which Mortgagor is required by law to file with respect to the Mortgaged Property and the operation and business thereof. All taxes and other sums which are shown to be payable under such returns have been and shall be fully and timely paid and Mortgagor shall maintain adequate reserves in an amount to pay fully all such liabilities which hereafter may accrue.

(F) All of the Leases are and shall remain genuine, in all respects what they purport to be, and free of set-offs, counterclaims or disputes and are valid and enforceable in accordance with their terms. All parties to the Leases have and shall have the capacity to contract thereunder. Except for security deposits provided for under the Leases as indicated by Mortgagor to Lender in writing, no advance payments have been or shall be made thereunder.

(G) There is no litigation, action, claim or proceeding pending or threatened which might, in any way, manner or respect, affect the Mortgaged Property, the operation or the business thereof, Lender's Lien, the collectibility from or the ability of Mortgagor to repay the Liabilities or the financial condition of Mortgagor or the operations or businesses thereof.

(H) Mortgagor possesses and holds and shall maintain adequate properties, interests in properties, leases, licenses, franchises, rights and other permits, certificates, consents and approvals to conduct and operate the business of the Mortgaged Property. None of the foregoing contain or shall contain any term or condition that is more burdensome to said

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business or different than those customarily possessed or held by other Persons conducting or operating a similar business.

(I) The location, existence and use of the Premises and the Equipment are and shall remain in compliance with all applicable laws, rules, ordinances and regulations, including, without limitation, building and zoning laws, and all covenants and restrictions of record.

(J) Mortgagor is and shall remain in peaceful possession of and will forever warrant and defend the Mortgaged Property from and against any and all claims and Encumbrances thereon or thereto, excluding Permitted Encumbrances.

(K) Mortgagor is not and shall not hereafter use the Mortgaged Property for any purpose in violation of any applicable environmental, hazardous waste and substances, health or safety laws, rules or regulations, including, but not limited to, the Resource Conservation and Recovery Act, as amended ("RCRA"), the Toxic Substances Control Act, as amended ("TSCA"), the Comprehensive Environmental Response, Compensation and Liability Act, as amended ("CERCLA"), the Clean Air Act, as amended ("CAA"), and the Clean Water Act, as amended ("CWA"), regulations thereunder and corresponding state statutes and regulations. Mortgagor has all required permits, certificates, consents and approvals required under any applicable environmental, health or safety laws, rules or regulations. Mortgagor is in compliance with all applicable environmental, health and safety laws, rules or regulations in connection with the use of the Mortgaged Property.

(L) All hazardous waste accumulations at the Mortgaged Property shall be in tanks or containers, as defined in 40 C.F.R. 260.10, and shall be in compliance with applicable United States Environmental Protection Agency and State of Illinois small quantity generator limitations under RCRA, regulations thereunder and corresponding Illinois statutes and regulations.

(M) All underground or aboveground storage tanks on the Premises will be maintained and/or replaced in accordance with all applicable "Environmental Laws" (as defined in that certain Environmental Indemnity Agreement dated of even date herewith by and between the Borrowers, Jeffrey Dillon, an individual, and Lender).

(N) No burial, disposal or landfilling of hazardous waste or hazardous substances, regulated substances or other pollutants (as such are defined in RCRA, TSCA, CERCLA, CAA or CWA) will be carried on at the Mortgaged Property. Further, Mortgagor shall not operate a surface impoundment, lagoon, or other earthen device for the purposes of treatment, storage or disposal of hazardous wastes and hazardous substances.

(O) Mortgagor shall not use, release or cause to be used or released asbestos as defined by 29 C.F.R. 1910.1001(a). Any repairs, maintenance or modifications to the Mortgaged Property which may result in release of asbestos shall be performed by or under the supervision of personnel appropriately accredited by the State of Illinois or the United States Environmental Protection Agency.

(P) Mortgagor shall immediately provide Lender a copy of any administrative, civil or criminal complaint received by Mortgagor alleging (i) violations of environmental, health

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and safety statutes, ordinances or regulations, or (ii) bodily injury or property damage arising from Mortgagor's operations or Mortgagor's ownership of the Mortgaged Property.

(Q) There are no unpaid assessments in connection with the Mortgaged Property nor any assessment liens arising from the non-payment of any such assessments.

3.2 Mortgagor further represents, warrants and covenants unto Lender as follows:

(A) Mortgagor is lawfully seized, possessed and the owner of and has good and indefeasible, marketable fee-simple title to the Mortgaged Property, free and clear of all Encumbrances, except for Lender's Lien and those Encumbrances described on Exhibit "B" to this Mortgage.

(B) Mortgagor will (i) not materially change or permit to be materially changed the use or character of or abandon the Mortgaged Property, (ii) keep or cause to be kept the Mortgaged Property in good condition and repair, and (iii) not commit or suffer waste and will make or cause to be made all necessary repairs, replacements and renewals, including, but not limited to, the replacement of any items of the Equipment to the Mortgaged Property so that the value and operating efficiency thereof shall at all times hereafter be maintained and preserved. Mortgagor shall not remove any trade fixture or demolish any building or improvement located in or on the Premises without Lender's prior written consent. Mortgagor shall (iv) pay for and promptly complete any building or improvement at any time in the process of erection upon the Premises, (v) refrain from impairing or diminishing the value of the Mortgaged Property, and (vi) make no material alterations to the Mortgaged Property which in the reasonable opinion of Lender diminishes its value. Subject to the provisions of Sections 4.3 and 4.5(B) of this Mortgage, if Lender elects to make all or a portion of any insurance, eminent domain or condemnation proceeds available to Mortgagor, Mortgagor shall promptly repair, restore or rebuild any building or improvement now or hereafter on the Premises which may become damaged or destroyed. Mortgagor shall comply with all laws and municipal ordinances governing the Mortgaged Property and the use thereof. At all times during the term of this Mortgage and the other Loan Documents, Mortgagor shall permit Lender, and its agents, access to inspect the Mortgaged Property.

(C) Mortgagor shall fully and timely pay and discharge, or cause to be paid and discharged as and when due and payable, all Charges that may be at any time levied, assessed or imposed upon or against the Mortgaged Property, or any part thereof. Mortgagor shall, immediately upon Lender's request, deliver to Lender receipts evidencing payment thereof or partial payment thereof, if payable in installments, at least thirty (30) days before delinquency; provided, however, that Mortgagor shall have the right to contest in good faith, by an appropriate proceeding properly initiated and diligently conducted, the validity, amount or imposition of any Charges, and upon such good faith contest, to delay or refuse payment thereof, if (i) Mortgagor establishes with Lender, adequate reserves to cover such contested Charges, and (ii) either such contest will not affect the priority or value of Lender's Lien on the Mortgaged Property or Mortgagor otherwise take steps reasonably acceptable to Lender to protect the priority and value of Lender's Lien on the Mortgaged Property. If at any time the United States of America shall require internal revenue stamps to be affixed to this Mortgage, Mortgagor will pay or cause to be paid for the same, together with any interest or penalties imposed in connection therewith.

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(D) Except for Lender's Lien and the Permitted Encumbrances, Mortgagor shall keep the Mortgaged Property free and clear of all Encumbrances of any and every kind and nature including, without limitation, mechanics' liens and other similar liens or claims for liens. Mortgagor shall promptly pay or cause to be paid, as and when due and payable or when declared due and payable, any indebtedness which may become, or be secured by, an Encumbrance and, immediately upon request by Lender, shall deliver to Lender evidence satisfactory to Lender of the payment and discharge thereof. If, in accordance with the terms of this Mortgage, Lender makes payment of any such Encumbrance, Lender shall be subrogated to the rights of such claimant, notwithstanding that the Encumbrance may be released of record.

(E) Except for Lender's Lien and the Permitted Encumbrances, Mortgagor shall not, at any time or times hereafter, pledge, hypothecate, encumber, mortgage, sell, permit or otherwise transfer all or any portion of the Mortgaged Property or Mortgagor's interest therein.

(F) All of Mortgagor's present and future items of fixtures, equipment, furnishings or other tangible personal property, whether or not constituting a part of the Mortgaged Property, related, necessary to or used or useable in connection with any present or future building or improvement on the Premises, or the operation or business thereof, are and will be owned free and clear of all Encumbrances, except for Lender's Lien and the Permitted Encumbrances, and Mortgagor will not acquire any such property subject to any Encumbrance, except for Lender's Lien and the Permitted Encumbrances.

3.3 If Mortgagor fails to (A) keep the Mortgaged Property in good operating condition and repair or replace or maintain the same as herein agreed, (B) pay the premiums for the insurance which is required to be maintained hereunder, or (C) pay and discharge all Encumbrances as herein agreed, or upon an Event of Default, Lender, in its sole discretion, may cause such repairs or replacements to be made, obtain such insurance or pay and discharge such Encumbrances. Any amounts paid by Lender in taking such action together with interest thereon at the Default Rate, shall be due and payable by Mortgagor to Lender upon demand, and, until paid, shall constitute a part of the Liabilities secured by this Mortgage and the other Loan Documents. Notwithstanding the foregoing, such advances by Lender shall not be deemed to relieve Mortgagor from any Event of Default hereunder or impair any of Lender's rights or remedies. The exercise of the right to take such action shall be optional with Lender and not obligatory upon Lender, and in no event whatsoever, shall Lender be liable to Mortgagor for failure or refusal to exercise any such right. In making any payments pursuant to the exercise of any such right, Lender may rely upon any bills delivered to it by Mortgagor or any such payee and shall not be liable for any failure to make payments in any amounts other than as set forth in any such bills.

4. TAXES, INSURANCE AND CONDEMNATION

4.1 Mortgagor represents, warrants and covenants unto Lender as follows:

(A) Mortgagor shall keep the Mortgaged Property insured against direct loss or damage occasioned by fire, extended coverage perils and such other hazards as Lender reasonably requires from time to time by written notice to Mortgagor. Such insurance shall be issued in an amount without co-insurance at least equal to the full value of the Mortgaged Property.

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(B) Mortgagor shall maintain general public liability insurance and worker's compensation insurance with coverages and in amounts Lender reasonably requires from time to time by written notice to Mortgagor.

(C) Mortgagor shall purchase federal flood insurance in amounts and coverages satisfactory to Lender if, at any time during the term of the Loan, FEMA Form 91-93 (or any replacement form) shows that any portion of the Premises or other collateral that secures the Loan is located within a special flood hazard area.

(D) Mortgagor shall maintain the foregoing insurance with insurers approved by Lender; pay all insurance premiums when due; ensure that all policies contain a mortgagee loss payable clause (or other clause(s) required by Lender) in favor of Lender, in form and content reasonably acceptable to Lender; deposit copies of all insurance policies covering the property with Lender, and promptly give written notice of loss to all insurers and Lender.

(E) Mortgage shall pay to Lender, subject to Section 4.3, any property insurance proceeds received, directly or indirectly, by Mortgagor.

(F) Without limiting any of the provisions contained herein and/or Lender's rights hereunder, in the event that Mortgagor does not fulfill its requirements to carry the required insurance hereunder and/or to provide the Lender with proof of such insurance, Lender may, but is not obligated to, purchase such insurance at Mortgagor's expense to protect Lender's interests in and to the Mortgaged Property. This insurance may, but need not, protect Mortgagor's interests. The coverage obtained by Lender may not pay any claim that is made by or against Mortgagor in connection with the Mortgaged Property. If Mortgagor complies with the requirements hereunder and subsequently provides evidence of the required insurance hereunder, Mortgagor may cancel any of such insurance purchased by Lender. Mortgagor shall be responsible for any and all costs of any insurance purchased by Lender hereunder, including interest (at the Default Rate) thereon, and any other charges that Lender may impose in connection with the placement of such insurance, until the effective date of the cancellation of the insurance or payment of such amounts due. These costs, including interest and other charges, may be added to the outstanding principal balance of the Note, at Lender's option. The cost of such insurance may be more than the cost of insurance Mortgagor may be able to obtain on its own.

(G) Each insurer that provides policies pursuant to the terms of this Mortgage is authorized and directed to make payments for loss directly to Lender unless Lender otherwise agrees in writing. All proceeds from such insurance shall be applied as described in the following Section 4.3. In the event of foreclosure of this Mortgage or other transfer of title to the Mortgaged Property, all right, title and interest of Mortgagor in and to any insurance then in force shall pass to the purchaser or grantee or, at the option of Lender, may be surrendered for a refund; however, Lender's interest shall not be affected by any such transfer.

(H) Upon demand by Lender, Mortgagor shall, on the first (1st) day of each month until the Liabilities are fully paid, deposit with Lender for payment of current or the immediately succeeding year's insurance premiums, a sum equal to one-twelfth (1/12th) of one hundred fifteen percent (115%) of the immediately preceding year's insurance premiums for all insurance policies required to be obtained and maintained by Mortgagor arising with respect to the Mortgaged Property. Provided that no Event of Default or Unmatured Event of Default then exists, Lender shall, pay when and to whom due and payable, all of the aforesaid insurance

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premiums. Notwithstanding the foregoing, Lender does not assume any of Mortgagor's obligations to make such payments and nothing contained in this Mortgage or the other Loan Documents shall require Lender to perform any such obligations of Mortgagor. Upon the occurrence of an Event of Default under this Mortgage, Lender shall not be obligated to make such payments, but, at its sole election and in its discretion, may make any or all such payments or apply such deposits to the Liabilities.

4.2 Mortgagor further represents, warrants and covenants unto Lender that Mortgagor shall pay to Lender, subject to Section 4.3, all compensation received for any taking by condemnation proceedings of (including payments in compromise) and damages for any injury to all or part of the Mortgaged Property.

4.3 Mortgagor further represents, warrants and covenants unto Lender as follows:

(A) Mortgagor shall give immediate notice to Lender of any material damage to or destruction of all or any part of the Improvements. Additionally, Mortgagor shall give Lender immediate written notice of the actual or threatened commencement of any proceedings by any governmental body for the purpose of taking or otherwise affecting by condemnation, eminent domain or otherwise all or any part of the Mortgaged Property, including any easement or any appurtenances to the Premises or the severance of any part of the Premises and consequential damage and change in grade of streets (in any such event, a "condemnation"). Mortgagor shall, with its notice of a condemnation and upon receipt after such notice, deliver to Lender copies of any and all papers served in connection with any such proceedings. Any damage or condemnation notice shall describe the nature and extent of such damage, destruction or taking.

(B) Except as otherwise provided in this Section 4.3, condemnation and insurance proceeds (in either case, the "Proceeds") shall, at Lender's election, either be applied to the outstanding principal balance of the Liabilities or used to "Repair" (hereinafter defined) damage to the Mortgaged Property. Mortgagor shall pay any applicable prepayment premium or yield maintenance premium if the proceeds are applied to the Liabilities as a prepayment. However, if the cost of restoring, replacing, rebuilding or repairing (in any such instance a "Repair") any damage to the Mortgaged Property is less than 10% of the cost of replacement of all of the Mortgaged Property, or if less than 10% of the leasable or rentable area of the improvements on the Premises is condemned or taken by eminent domain, Mortgagor may elect to use the Proceeds to Repair the Mortgaged Property provided all of the following are true:

(i) The Mortgaged Property can be rebuilt to be substantially similar to those financed to date and can, with the Repair and any further construction that will be or were originally anticipated to be paid for out of the proceeds of the Loan, be operated for the purpose utilized or contemplated prior to such damage, destruction or taking.

(ii) No Event of Default or Unmatured Event of Default then exists.

(iii) The appraised value of the Mortgaged Property after the Repair will not have been reduced from its appraised value as of the date of this Mortgage or the loan-to-value ratio for the Loan after completion will be no more than the loan-to-value ratio for the Loan as of the date of this Mortgage.

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(iv) Any damage or destruction was not the intentional act of Mortgagor.

(v) Upon Lender's demand, Mortgagor deposits with Lender any sums necessary to make up any deficiency between the actual costs of the work and the amount of the Proceeds.

(C) Mortgagor shall make its election concerning the Proceeds in a written notice to Lender no later than 30 days after Mortgagor receives notice of such damage or condemnation.

(D) All Proceeds now or hereafter made by any public or quasi-public authority to or for the benefit of Mortgagor in any way, manner or respect affecting, arising from or relating to the Mortgaged Property, or any portion thereof, by virtue of an exercise of the right of eminent domain by such authority, including, without limitation, any award for taking of title, possession, right of access to a public way or for any change of grade of streets affecting the Mortgaged Property, and any award from the United States government or any other governmental body at any time after the allowance of any claim, the ascertainment of the amount of such claim and the issuance of the award for payment of such claim, hereby are assigned to Lender as additional security for the full and timely payment of the Liabilities and the full and timely performance of the Covenants, and for such purpose, Mortgagor hereby grants to Lender a security interest therein. Mortgagor irrevocably constitutes and appoints Lender as Mortgagor's true and lawful attorney-in-fact with full power of substitution for Mortgagor and in Mortgagor's name, place and stead to collect and receive the Proceeds, which power shall be deemed coupled with an interest and shall be irrevocable and unconditional. Notwithstanding the foregoing, Lender shall allow Mortgagor to negotiate settlement of, or make claim for, such claims and Proceeds (subject to Lender's reasonable approval of the manner of making and prosecuting such claim and the amount of any settlement), provided no Event of Default or Unmatured Event of Default then exists and Mortgagor uses all reasonable efforts to collect the fair value of such claims; however, all of the Proceeds shall be paid to Lender to be disbursed pursuant to this Section 4.3.

(E) Mortgagor, promptly after request by Lender, shall make, execute and deliver or cause to be made, executed and delivered to or for the benefit of Lender any and all assignments and other instruments sufficient to assign, and cause the payment directly to Lender of, all such Proceeds, free and clear of all Encumbrances, except for Lender's Lien and the Permitted Encumbrances. Notwithstanding any taking by eminent domain, alteration of the grade of any street or other injury to or decrease in value of the Mortgaged Property by any public or quasi-public authority or corporation, Mortgagor shall continue to pay all of the Liabilities as and when due and payable. If, prior to the receipt by Lender of such Proceeds, the Mortgaged Property shall have been transferred by a deed in lieu of foreclosure or otherwise sold or transferred by foreclosure of this Mortgage, Lender shall have the right to receive such Proceeds to the extent of any deficiency with interest thereon at the Default Rate, whether or not a deficiency judgment on this Mortgage shall have been sought or recovered or denied, and the attorneys' fees, costs, expenses and disbursements incurred by Lender in connection with the collection of such Proceeds.

(F) If Mortgagor properly and timely elects to Repair the Mortgaged Property, or if the right to elect belongs to Lender pursuant to this Section 4.3 and Lender elects to have Mortgagor Repair the Mortgaged Property, Mortgagor shall cause the Mortgaged Property to

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be repaired as nearly as possible to its value, condition and character immediately prior to such damage, destruction or condemnation. Such Repair shall be effected promptly. If this is a construction loan and the damage or condemnation occurs during any construction term of the Loan, Mortgagor shall notify Lender if it appears that such Repair may delay completion of construction beyond the completion date specified in the Loan Documents. Neither damage to nor destruction of the improvements nor condemnation shall excuse a failure to complete the improvements on or before any required completion date unless a delay in completion shall specifically be approved at the time in writing by Lender.

(G) Any Repair shall be done under the supervision of an architect acceptable to Lender and pursuant to specifications approved by Lender. The Proceeds shall be held by Lender for such purposes and shall from time to time be disbursed to defray the costs of such Repair under such safeguards and controls as Lender reasonably requires to assure completion in accordance with the approved plans and specifications and free of liens or claims. Mortgagor shall, upon demand, deposit with Lender any sums necessary to make up any deficiency between the actual costs of the work and the amount of the Proceeds and shall provide such lien waivers and completion bonds as Lender reasonably requires. If the Proceeds are to be used pursuant to this Section 4.3 to Repair the Mortgaged Property, Lender may, upon five days' prior written notice to Mortgagor, do all acts which Mortgagor fails or refuses to do and which Lender determines in its reasonable discretion are necessary to accomplish that purpose, including using funds deposited by Mortgagor with Lender for any purpose and advancing additional funds. All such additional funds shall constitute Liabilities.

(H) If the Proceeds are not to be used to Repair the Mortgaged Property: (i) Lender's obligation, if any, to make further advances shall cease; (ii) at Lender's option, the Loan shall mature and become immediately due and payable; (iii) Lender shall apply the Proceeds against the Liabilities as described in the Note; and (iv) Lender shall return to Mortgagor any excess of the Proceeds above the amount necessary to satisfy the Liabilities. Mortgagor shall pay any applicable prepayment premium or yield maintenance premium at the time of any such application against the Liabilities.

4.4 Mortgagor further represents, warrants and covenants unto Lender as follows:

(A) Upon demand by Lender, Mortgagor shall, on the first (1st) day of each month until the Liabilities are fully paid, deposit with Lender for payment of current or the immediately succeeding years Charges, a sum equal to one-twelfth (1/12th) of one hundred fifteen percent (115%) of that portion of the total annual Charges arising with respect to the Mortgaged Property for the most recent ascertainable tax year. Provided that no Event of Default or Unmatured Event of Default then exists, Lender shall, pay when and to whom due and payable under applicable law, all of the aforesaid Charges. Notwithstanding the foregoing, Lender does not assume any of Mortgagor's obligations under said laws to make such payments and nothing contained in this Mortgage or the other Loan Documents shall require Lender to perform any such obligations of Mortgagor. Upon the occurrence of an Event of Default under this Mortgage, Lender shall not be obligated to make such payments, but, at its sole election and in its discretion, may make any or all such payments or apply such deposits to the Liabilities.

(B) If the deposits required by Section 4.4(A) above are insufficient to pay the Charges for which they are provided, thirty (30) days before such Charges shall become due

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and payable, Mortgagor shall deposit with Lender such additional monies as are necessary to pay, in full, such Charges.

4.5 Mortgagor further represents, warrants and covenants unto Lender as follows:

(A) That (i) neither Mortgagor, nor any persons or entities holding any legal or beneficial interest whatsoever in Mortgagor (whether directly or indirectly), are named on any list of persons, entities, and governments issued by the Office of Foreign Assets Control of the United States Department of the Treasury ("OFAC") pursuant to Executive Order 13224 – Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism ("Executive Order 13224"), as in effect on the date hereof, or any similar list issued by OFAC or any other department or agency of the United States of America (collectively, the "OFAC Lists"), (ii) neither Mortgagor, nor any persons or entities holding any legal or beneficial interest whatsoever in Mortgagor (whether directly or indirectly), are included in, owned by, controlled by, acting for or on behalf of, providing assistance, support, sponsorship, or services of any kind to, or otherwise associated with any of the persons or entities referred to or described in the OFAC Lists; (iii) neither any guarantor, nor any persons or entities holding any legal or beneficial interest whatsoever in any guarantor (whether directly or indirectly), are named on any OFAC Lists; (iv) neither any guarantor, nor any persons or entities holding any legal or beneficial interest whatsoever in any guarantor (whether directly or indirectly), are included in, owned by, controlled by, acting for or on behalf of, providing assistance, support, sponsorship, or services of any kind to, or otherwise associated with any of the persons or entities referred to or described in the OFAC Lists, and (v) neither Mortgagor nor any guarantor, nor any persons or entities holding any legal or beneficial interest whatsoever in Mortgagor or any guarantor (whether directly or indirectly), have conducted business with or engaged in any transaction with any person or entity named on any of the OFAC Lists or any person or entity included in, owned by, controlled by, acting for or on behalf of, providing assistance, support, sponsorship, or services of any kind to, or otherwise associated with any of the persons or entities referred to or described in the OFAC Lists.

(B) Neither Mortgagor nor any of them, nor any persons or entities holding any legal or beneficial interest whatsoever in any Mortgagor (whether directly or indirectly), will conduct business with or engage in any transaction with any person or entity named on any of the OFAC Lists or any person or entity included in, owned by, controlled by, acting for or on behalf of, providing assistance, support, sponsorship, or services of any kind to, or otherwise associated with any of the persons or entities referred to or described in the OFAC Lists. Mortgagor hereby covenants and agrees that it will comply at all times with the requirements of Executive Order 13224; the International Emergency Economic Powers Act, 50 U.S.C. Sections 1701-06; the United and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. L. 107-56; the Iraqi Sanctions Act, Pub. L. 101-513, 104 Stat. 2047-55; the United Nations Participation Act, 22 U.S.C. Section 287c; the Antiterrorism and Effective Death Penalty Act, (enacting 8 U.S.C. Section 219, 18 U.S.C. Section 2332d, and 18 U.S.C. Section 2339b); the International Security and Development Cooperation Act, 22 U.S.C. Section 2349 aa-9; the Terrorism Sanctions Regulations, 31 C.F.R. Part 595; the Terrorism List Governments Sanctions Regulations, 31 C.F.R. Part 596; and the Foreign Terrorist Organizations Sanctions Regulations, 31 C.F.R. Part 597 and any similar laws are regulation currently in force or hereafter enacted (collectively, the "Anti-Terrorism Regulations"). Mortgagor hereby covenants and agrees that if it becomes

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aware or receives any notice that Mortgagor or the Mortgaged Property, or any person or entity holding any legal or beneficial interest whatsoever (whether directly or indirectly) in Mortgagor or in the Mortgaged Property, is named on any of the OFAC Lists (such occurrence, an "OFAC Violation"), Mortgagor will immediately (i) give notice to Lender of such OFAC Violation, and (ii) comply with all laws applicable to such OFAC Violation (regardless of whether the party included on any of the OFAC Lists is located within the jurisdiction of the United States of America), including, without limitation, the Anti-Terrorism Regulations, and Mortgagor hereby authorizes and consents to Lender's taking any and all steps Lender deems necessary, in its sole discretion, to comply with all laws applicable to any such OFAC Violation, including, without limitation, the requirements of the Anti-Terrorism Regulations (including the "freezing" and/or "blocking" of assets). Upon Lender's request from time to time during the term of the Loan, Mortgagor agrees to deliver a certification confirming that the representations and warranties set forth in Section 4.5(A) above remain true and correct as of the date of such certificate and confirming Mortgagor's compliance with this Section 4.5(B).

4.6 Mortgagor hereby acknowledges that the following notice by Lender is required by and given in full compliance with the Illinois Collateral Protection Act, 815 ILCS 180/15:

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

5. LEASES AND RENTS

5.1 Provided an Event of Default does not exist under this Mortgage or the other Loan Documents, Mortgagor shall have the right to collect all of the Rents arising from the Leases, or renewals thereof, and shall hold the same, in trust, to be applied, except as otherwise provided by applicable law, first to the payment of all Charges upon the Mortgaged Property, second to the cost of the maintenance of insurance policies upon the Mortgaged Property required hereby, and third to the maintenance and repairs required hereby, before using any part of the Rents for any other purposes.

5.2 At all times, Lender, or any of Lender's agents, shall have the right to verify the validity, amount or any other matter relating to any or all of the Leases, by mail, telephone, telegraph or otherwise, in the name of Mortgagor, Lender, a nominee of Lender or in any or all of said names.

5.3 Unless Lender agrees otherwise in writing, Mortgagor shall: (a) promptly upon Mortgagor's receipt or learning thereof, inform Lender, in writing, of any assertion of any claims, offsets or counterclaims by any of the obligors of the Leases; (b) not permit or agree to any extension, compromise or settlement or make any change or modification of any kind or nature of or with respect

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to the Leases or the terms thereof, without Lender's prior written consent, not to be unreasonably withheld, conditioned or delayed; and (c) promptly upon Mortgagor's receipt or learning thereof, furnish to and inform Lender of all material adverse information relating to or affecting the financial condition of any obligor of the Leases.

5.4 Mortgagor acknowledges and agrees that:

(A) Mortgagor shall, contemporaneously herewith, deliver to Lender true, accurate and complete copies of the Leases in form and substance acceptable to Lender, with appropriate endorsement or other specific evidence of assignment thereto to Lender, which endorsement or assignment shall be in form and substance acceptable to Lender.

(B) Lender may, at its election, without notice thereof to Mortgagor, notify any or all of the obligors of the Leases that the Leases have been assigned to Lender and, upon an Event of Default, Lender, whether in its name, in the name of Mortgagor or in both names, may direct said obligors thereafter to make all payments due from them under the Leases directly to Lender.

(C) Upon an Event of Default, Mortgagor shall irrevocably direct all obligors of the Leases to make all payments under the Leases directly to Lender.

(D) Upon an Event of Default, Lender shall have the right without notice thereof to Mortgagor, to enforce the terms of the Leases and obtain payment of and collect the Rents, by legal proceedings or otherwise, in the name of Mortgagor, Lender or in both names.

(E) Upon an Event of Default, Lender may (i) demand payment of the Rents and performance of the Leases; (ii) enforce payment of the Rents and performance of the Leases, by legal proceedings or otherwise; (iii) exercise any or all of Mortgagor's rights, interests and remedies in and under the Leases and to collect the Rents; (iv) settle, adjust, compromise, extend or renew the Leases or the Rents; (v) settle, adjust or compromise any legal proceeding brought to collect the Rents or obtain performance of the Leases; (vi) take possession, in any manner, of the Rents; (vii) prepare, file and sign Mortgagor's name on any Proof of Claim in bankruptcy, or similar document in a similar proceeding, against any obligor of the Leases; (viii) endorse the name of Mortgagor upon any payments or proceeds of the Rents and deposit the same to the account of Lender; and (ix) do all acts and things necessary, in Lender's discretion, to carry out any or all of the foregoing.

(F) All of the foregoing payments and proceeds received by Lender shall be utilized by Lender, at its election and in its discretion, for any one or more of the following purposes: (i) to be held by Lender as additional collateral for the payment of the Liabilities; (ii) to be applied against the Liabilities, in such manner as Lender may determine in its sole and absolute discretion; (iii) to be applied against the Covenants, or the operation or business thereof as Lender, at its election, shall determine; or (iv) to be remitted to Mortgagor.

6. **DEFAULT**

6.1 The occurrence of any one or more of the following shall constitute an "Event of Default" under this Mortgage:

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(A) Mortgagor fails to fully and timely pay any of the Liabilities, when due and payable or declared due and payable after the expiration of all applicable notice and cure periods, if any (in accordance with the Loan Documents);

(B) Mortgagor fails or neglects to perform, keep or observe any of the Covenants after the expiration of all applicable notice and cure periods, if any;

(C) any representation, warranty, statement, report or certificate made or delivered by Mortgagor, or any of their respective officers, employees, or agents, to Lender is not true and correct, whether made in this Mortgage, the Loan Agreement, the other Loan Documents or otherwise;

(D) any sale, conveyance or transfer of any right, title or interest in any of the Mortgaged Property or any portion thereof, or any other violation of any provisions of this Mortgage with respect to any transfers of the Mortgaged Property; or

(E) an "Event of Default" (as defined in the Loan Agreement).

6.2 Upon the occurrence of an Event of Default, without notice to or demand of Mortgagor, all of the Liabilities shall become immediately due and payable, and Lender, in its discretion and at its election, may do any one or more of the following:

(A) Without notice to Mortgagor, foreclose upon Lender's Lien and exercise any rights or remedies granted to Lender under this Mortgage, the Other Agreements, or provided by law, in equity or otherwise. Upon an Event of Default, the Liabilities shall thereafter bear interest at the Default Rate.

(B) Subject to applicable law, forcibly or otherwise, enter upon and take immediate possession of the Mortgaged Property, expel and remove any Persons, goods or chattels occupying or upon the Mortgaged Property, receive all Rents, and issue receipts therefor, manage, control and operate the Mortgaged Property as fully as Mortgagor might do if in possession thereof, including, but not limited to, the making of all repairs and replacements deemed necessary by Lender and the leasing of the Mortgaged Property, or any part thereof, from time to time, and after deducting all attorneys' fees, costs, fees and expenses incurred in the protection, care, maintenance, management and operation of the Mortgaged Property, apply the remaining net income, if any, to the Liabilities and any other amounts secured by this Mortgage. At the option of Lender, such entry and taking of possession shall be accomplished either by actual entry and possession or by written notice in accordance with Section 7.1 of this Mortgage. Mortgagor agrees to surrender possession of the Mortgaged Property to Lender immediately upon the occurrence of an Event of Default. If Mortgagor shall remain in physical possession of the Mortgaged Property, or any part thereof, after an Event of Default, such possession shall be as a tenant at sufferance of Lender, and Mortgagor agrees to pay to Lender, or to any receiver appointed as provided below, after an Event of Default, a monthly rental for the Mortgaged Property, or the part thereof so occupied by Mortgagor to be applied as provided above in the first sentence of this subsection (B), and to be paid in advance on the first day of each calendar month, and, upon failure to do so, Mortgagor may be dispossessed by the usual summary proceedings. In the event Mortgagor shall so remain in possession of all, or any part of, the Mortgaged Property, said monthly rental shall be in amounts established by Lender in its discretion. This covenant shall be effective irrespective of (i) whether any

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foreclosure proceeding shall have been instituted, and (ii) any application for, or appointment of, a receiver.

(C) File one or more suits at law or in equity for the foreclosure of all or any portion of this Mortgage or to collect the Liabilities or any other amounts secured by this Mortgage. In the event of the commencement of any such suit by Lender, Lender shall have the right, without notice and without the requirement to post a bond (notice and bond are hereby expressly waived by Mortgagor), and without regard to the solvency or insolvency of Mortgagor at the time of application and without regard to the then value of the Mortgaged Property or whether the same is then occupied, to make application for and obtain the appointment of a receiver for the Mortgaged Property. Mortgagor hereby consents to the foregoing and waives any right to object to such appointment. Lender shall be entitled to the appointment of a receiver without the necessity of proving either the inadequacy of the security or the insolvency of the Mortgagor or any other person who may be legally or equitably liable to pay moneys secured hereby and the Mortgagor and each such person shall be deemed to have waived such proof and to have consented to the appointment of such receiver. Such receiver shall have the power to collect the Rents during the pendency of such suit and, in case of a sale and a deficiency during the full statutory period of redemption as well as during any further times when Mortgagor, except for the intervention of such receiver, would be entitled to collect the Rents, and shall have all other powers which may be necessary or usual in such cases for the protection, possession, control, management and operation of the Mortgaged Property. The court before which such suit is pending may from time to time authorize the receiver to apply the net income in his hands in payment, in whole or in part, of the Liabilities and any other amounts secured by this Mortgage. In case of a sale pursuant to foreclosure, the Premises may, but need not, be sold as one parcel.

(D) If Lender commences any suit to foreclose this Mortgage, Lender shall have the right to apply to the court in which such proceedings are pending for entry of an order placing Lender in possession of the Mortgaged Property. Subject to applicable law, if an order is entered placing Lender in possession of the Mortgaged Property, Lender may thereupon enter upon and take immediate possession of the Mortgaged Property, expel and remove any Persons, goods or chattels occupying or upon the Mortgaged Property, receive all Rents, and issue receipts therefor, manage, control and operate the Mortgaged Property, including, but not limited to, the making of all repairs and replacements deemed necessary by Lender and the leasing of the Mortgaged Property or any part thereof, from time to time, and, after deducting all attorneys' fees, costs, fees and expenses incurred in the protection, care, maintenance, management and operation of the Mortgaged Property, apply the remaining net income, if any, to the Liabilities and any other amounts secured by this Mortgage. At the option of Lender, such entry and taking of possession shall be accomplished either by actual entry and possession or by written notice of entry of the order placing Lender in possession in accordance with Section 7.1 of this Mortgage. If Mortgagor shall remain in physical possession of the Mortgaged Property after entry of an order placing Lender in possession, Mortgagor's possession shall be as a tenant at sufferance of Lender, and Mortgagor agrees to pay to Lender, or to any other Person authorized by Lender, after entry of such order, a monthly rental for the Mortgaged Property, or the part thereof so occupied by Mortgagor to be applied as provided above in the first sentence of Section 6.2(B) and to be paid in advance on the first day of each calendar month, and, upon failure to do so, Mortgagor may be dispossessed by the usual summary proceedings. If Mortgagor shall so remain in possession of all or of any part of the Mortgaged Property, said monthly rental shall be in amounts established by Lender in its

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discretion. Any action by Lender to take possession of the Premises, or any action or inaction by Lender in connection with, or relating to such possession, shall be in the sole discretion of Lender and solely for Lender's benefit and not for the benefit of Mortgagor or any third party.

(E) Lender shall have the right to exercise any and all of the remedies available to a secured party under the Illinois Uniform Commercial Code (Illinois) as now or hereafter adopted.

6.3 Upon the occurrence of an Event of Default under this Mortgage, there will be added to and included as part of the Liabilities, and allowed in any decree for sale, final judgement or foreclosure for the Mortgaged Property or in any judgment rendered in connection with this Mortgage or the other Loan Documents the following: (A) all of the costs, fees and the expenses of taking possession of the Mortgaged Property and of the holding, using, leasing, maintaining, repairing and selling of the Mortgaged Property, including, but not limited to, the costs, fees, charges, expenses and attorneys' fees specified in Section 6.4 below; (B) receivers' fees; (C) any and all expenditures which may be paid or incurred by or on behalf of Lender for appraisers' fees, documentary and expert evidence, stenographers' charges, publication costs, fees and expenses for examination of title, title searches, guaranty policies, and other similar data and assurances with respect to the title to the Mortgaged Property; (D) all prepayment or similar premiums, if any; and (E) all other costs, fees and expenses which Lender deems necessary to prosecute or enforce any right or remedy it has under this Mortgage, the other Loan Documents, at law, in equity or otherwise, or to inform bidders at any sale which may be had pursuant to its rights hereunder, of the true condition of title or of the value of the Mortgaged Property. All such costs, charges, expenses, prepayment or like premiums, fees and other expenditures shall be a part of the Liabilities, secured by this Mortgage and the other Loan Documents, payable on demand and shall bear interest at the Default Rate from the date of Lender's payment thereof until repaid to Lender.

6.4 If foreclosure proceedings are instituted upon this Mortgage, or if Lender shall be a party to, shall intervene, or file any petition, answer, motion or other pleading in any suit or proceeding relating to or in connection with the Liabilities or the Covenants including, but not limited to a bankruptcy proceeding, or if Lender shall incur or pay any expenses, costs, charges, fees or attorneys' fees by reason of the employment of counsel for advice with respect to the Liabilities or the Covenants, and whether in court proceedings or otherwise, such expenses, costs, charges and all of Lender's attorneys' fees shall be part of the Liabilities, secured by this Mortgage and the other Loan Documents, payable on demand and shall bear interest at the Default Rate from the date of Lender's payment thereof until paid.

6.5 The proceeds of any foreclosure sale of the Mortgaged Property shall be applied and distributed, first, on account of the fees, charges, costs and expenses described in Sections 6.3 and 6.4 above, second, to the balance of the Liabilities and any other amounts secured by this Mortgage, and third, the surplus, if any, to Mortgagor.

6.6 If Lender commences judicial proceedings to foreclose this Mortgage, Mortgagor, on behalf of itself, its successors, heirs and permitted assigns, and each and every Person which Mortgagor may legally bind which acquires any interest in or title to the Mortgaged Property subsequent to the date of this Mortgage: (A) does hereby expressly waive, unless otherwise prohibited by law, any and all rights of appraisal, valuation, stay, extension and, to the extent permitted by law, redemption from sale under any order or decree of foreclosure of this Mortgage; and (B) does hereby agree that when sale is had under any decree of foreclosure of this Mortgage, upon

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confirmation of such sale, the master in chancery or other officer making such sale, or his successor in office, shall be and is hereby authorized immediately to execute and deliver to any purchaser at any sale a deed conveying the Mortgaged Property, showing the amount paid therefor, or if purchased by the Person in whose favor the order or decree is entered, the amount of his bid therefor.

6.7 Lender shall have the right to sue for any sums, whether interest, principal or other sums required to be paid by or for the account of Mortgagor under the terms of this Mortgage or the other Loan Documents as the same become due, or for any other of the Liabilities and any other amounts secured by this Mortgage which shall become due, and without prejudice to the right of Lender thereafter to bring an action of foreclosure, or any other action, for a default or defaults by Mortgagor existing at the time such earlier action was commenced.

6.8 No right or remedy of Lender hereunder is exclusive of any other right or remedy hereunder or now or hereafter existing at law, in equity or otherwise, but is cumulative and in addition thereto and Lender may recover judgment thereon, issue execution therefor, and resort to every other right or remedy available at law, in equity or otherwise, without first exhausting or affecting or impairing the security or any right or remedy afforded by this Mortgage. No delay in exercising, or omission to exercise, any right or remedy will impair any such right or remedy or will be construed to be a waiver of any default by Mortgagor hereunder, or acquiescence therein, nor will it affect any subsequent default hereunder by Mortgagor of the same or different nature. Every such right or remedy may be exercised independently or concurrently, and when and so often as may be deemed expedient by Lender. No terms or conditions contained in this Mortgage may be waived, altered or changed except as evidenced in writing signed by Mortgagor and Lender.

6.9 If any rate of interest described in this Mortgage or the other Loan Documents is greater than the rate of interest permitted to be charged or collected by applicable law, as the case may be, such rate of interest shall automatically be reduced to the maximum rate of interest permitted to be charged or collected by applicable law.

6.10 Any failure of Lender to insist upon the strict performance by Mortgagor of any of the terms and provisions of this Mortgage or the other Loan Documents, shall not be deemed to be a waiver of any of the terms and provisions thereof, and Lender, notwithstanding any such failure, shall have the right at any time or times thereafter to insist upon the strict performance by Mortgagor of any and all of the terms and provisions thereof to be performed by such party. Neither Mortgagor nor any other Person now or hereafter obligated for the payment of the whole or any part of the Liabilities shall be relieved of such obligation by reason of (A) the sale, conveyance or other transfer of the Mortgaged Property, (B) the failure of Lender to comply with any request of Mortgagor or of any other Person to take action to foreclose this Mortgage or otherwise enforce any of the provisions of this Mortgage or the other Loan Documents, (C) the release, regardless of consideration, of the whole or any part of the collateral or security held for the Liabilities or the Covenants, or (D) any agreement or stipulation between any subsequent owner or owners of the Mortgaged Property and Lender extending or modifying the time of payment of the Liabilities or the Covenants, without first having obtained the consent of Mortgagor or such other Person, and, in such case, Mortgagor and all such other Persons, shall continue to be liable on account of the Liabilities and to make such payments according to the terms of any such agreement, extension or modification unless expressly released and discharged in writing by Lender. Lender, without notice, may release, regardless of consideration, any part of the security held for the Liabilities without, as to the remainder of the security therefor, in any way impairing or affecting the lien of this Mortgage or the priority of such lien over any subordinate lien.

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Lender may resort for the payment of the Liabilities to any other security therefor held by Lender in such order and manner as Lender may elect.

6.11 The parties hereto, by the execution and delivery hereof, and to the extent permitted by law, hereby covenant and agree that in the event of a foreclosure of this Mortgage, any and all counterclaims filed by Mortgagor against Lender therein shall be severed by the court having jurisdiction over the foreclosure action, for all purposes from the basic foreclosure action, on an ex parte basis and without notice to Mortgagor. Mortgagor, by its execution and delivery hereof, hereby expressly consents and agrees to such severance.

7. MISCELLANEOUS

7.1 Any and all notices, demands, requests, consents, designations, waivers and other communications required or desired hereunder shall be in writing and shall be deemed effective when delivered in accordance with the Notices Section of the Loan Agreement.

7.2 All the covenants contained in this Mortgage will run with the land. Time is of the essence of this Mortgage and all provisions herein relating thereto shall be strictly construed.

7.3 This Mortgage, and all the provisions hereof, will be binding upon and inure to the benefit of the successors and heirs of Mortgagor, and the successors, parents, divisions, affiliates and assigns of Lender. This Mortgage may not be assigned by Mortgagor, but may be assigned by Lender without notice to Mortgagor. This Mortgage may not be modified, altered or amended, except by an agreement in writing signed by Mortgagor and Lender.

7.4 This Mortgage shall be governed as to validity, interpretation, construction, effect and in all other respects by the laws and decisions of the State of Illinois. Wherever possible, each provision of this Mortgage shall be interpreted in such a manner as to be valid and enforceable under applicable law, but if any provision of this Mortgage is held to be invalid or unenforceable by a court of competent jurisdiction, such provision shall be severed herefrom and such invalidity or unenforceability shall not affect any other provision of this Mortgage, the balance of which shall remain in and have its intended full force and effect. Provided, however, if such provision may be modified so as to be valid and enforceable as a matter of law, such provision shall be deemed to be modified so as to be valid and enforceable to the maximum extent permitted by law.

7.5 The terms and provisions of the Loan Agreement and the other Loan Documents are incorporated herein by this reference thereto.

7.6 This Mortgage is given to secure, among other things, the Liabilities and the Jeff Dillon Liabilities. This Mortgage shall secure not only presently existing indebtedness under the other Loan Documents, but also future advances, whether such advances are obligatory, to be made at the option of Lender or otherwise, to the same extent as if such future advances were made on the date of the execution of this Mortgage. The lien of this Mortgage shall be valid as to all indebtedness secured hereby, including future advances, from the time of its filing for record in the County Recorder's Office where this Mortgage is recorded. The total amount of the indebtedness secured hereby, including, but not limited to, any disbursements which Lender may make under this Mortgage or the other Loan Documents, at any one time outstanding shall not exceed the principal amount of Twenty Million and no/100 Dollars (\$20,000,000.00), plus interest thereon, and any disbursements made for payment of taxes, special assessments, or insurance on the Mortgage Property, and any other costs,

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fees, expenses or other indebtedness owed by Mortgagor to Lender pursuant to this Mortgage or the other Loan Documents. This Mortgage shall be valid and have priority to the extent of the maximum amount secured hereby over all subsequent liens and encumbrances, including statutory liens, excepting solely taxes and assessments levied on the Mortgaged Property given priority by law.

7.7 (A) Lender shall not be required or obligated to take any of the following action prior to pursuing any rights or remedies Lender may have under this Mortgage, whether against Mortgagor, the Mortgaged Property or otherwise: (1) take any action to collect from, or to file any claim of any kind against any other Borrower, Jeffrey Dillon, any guarantor, or any other person or entity liable, jointly or severally, for the full and timely performance of the Covenants, the full and timely payment of any of the Liabilities or for the full and timely payment or performance of the Jeffrey Dillon Liabilities; (2) take any steps to protect, enforce, take possession of, perfect any interest in, foreclose or realize on any collateral or security securing the Covenants, the Liabilities or the Jeffrey Dillon Liabilities; or (3) in any other respect, exercise any diligence whatsoever in enforcing, collecting or attempting to collect any of the Liabilities or the Jeffrey Dillon Liabilities by any means.

(B) Mortgagor unconditionally and irrevocably waives, unless otherwise prohibited by law, each and every defense which would otherwise impair, restrict, diminish or affect any of the Liabilities, the Jeffrey Dillon Liabilities, the Lender's Lien or the Lender's rights and remedies hereunder, including, without limitation, any suretyship defenses. Without limiting the foregoing, Lender shall have the exclusive right from time to time without impairing, restricting, diminishing or affecting any of the Liabilities or the Lender's rights and remedies hereunder and without notice of any kind to Mortgagor, to (1) provide additional financial accommodations to any other Borrower or Jeffrey Dillon; (2) accept partial payments on the Liabilities or the Jeffrey Dillon Liabilities; (3) take and hold collateral or security to secure the Covenants, the Liabilities or the Jeffrey Dillon Liabilities, or take any other guaranty to secure the Covenants, the Liabilities, or the Jeffrey Dillon Liabilities; (4) in its sole discretion, apply any such collateral or security, and direct the order or manner of sale thereof, and the application of the proceeds thereof; (5) release any guarantor or co-obligor of the Liabilities or the Jeffrey Dillon Liabilities; and (6) settle, release, compromise, collect or otherwise liquidate the Liabilities, the Jeffrey Dillon Liabilities or exchange, enforce, sell, lease, use, maintain, impair and release any collateral or security therefor in any manner, without affecting or impairing any of the Lender's rights under this Mortgage.

(C) Mortgagor hereby unconditionally waives (1) notice of any default by any other Borrower or Jeffrey Dillon in the full and prompt payment or performance of the Liabilities or the Jeffrey Dillon Liabilities, and (2) presentment, notice of dishonor, protest, demand for payment and any other notices of any kind.

(D) Mortgagor assumes full responsibility for keeping informed of (1) the financial condition of the other Borrowers or Jeffrey Dillon; (2) the extent of the Liabilities and the Jeffrey Dillon Liabilities; and (3) all other circumstances bearing upon the other Borrowers or Jeffrey Dillon or the risk of non-payment of the Liabilities or the Jeffrey Dillon Liabilities. Mortgagor agrees that Lender shall have no duty or obligation to advise, furnish or supply Mortgagor of or with any information known to Lender, including, but not limited to, the financial condition of the other Borrowers or Jeffrey Dillon, any other circumstances relating to non-payment of the Liabilities, the Jeffrey Dillon Liabilities or otherwise. If Lender, in its sole discretion, provides any advice or information to Mortgagor, Lender shall be under no obligation to investigate the matters contained in such advice or information, or to correct such advice or information if Lender thereafter knows or

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should have known that such advice or information is misleading or untrue, in whole or in part, or to update or provide any other advice or information in the future.

(E) Mortgagor acknowledges and agrees that Mortgagor may have a right of indemnification, subrogation, contribution and reimbursement from the other Borrowers or Jeffrey Dillon, Lender, or any guarantor of the Liabilities and the Jeffrey Dillon Liabilities. Mortgagor understands the benefits of having such rights, including, but not limited to, (1) Mortgagor's right to reimbursement from the other Borrowers or Jeffrey Dillon of all monies expended for the payment of the Liabilities or the Jeffrey Dillon Liabilities; and (2) Mortgagor's subrogation to the rights of Lender after payment of the Liabilities or the Jeffrey Dillon Liabilities. Mortgagor knowingly and voluntarily waives, releases and relinquishes Mortgagor's rights of indemnification, subrogation, contribution and reimbursement from Lender or any other party.

7.8 The Exhibits referred to herein are attached hereto, made a part hereof and incorporated herein by this reference thereto.

7.9 MORTGAGOR HEREBY WAIVES TO THE FULLEST EXTENT PROVIDED BY APPLICABLE LAW PERSONAL SERVICE OF ANY AND ALL PROCESS AND CONSENTS THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, DIRECTED TO MORTGAGOR AS SET FORTH HEREIN IN THE MANNER PROVIDED BY APPLICABLE STATUTE, LAW, RULE OF COURT OR OTHERWISE.

7.10 MORTGAGOR AND LENDER IRREVOCABLY AGREE, AND HEREBY CONSENT AND SUBMIT TO THE NON-EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF ILLINOIS SITUATED IN THE COUNTY WHERE THE PREMISES ARE LOCATED AND IN THE APPROPRIATE UNITED STATES DISTRICT COURT FOR SUCH JURISDICTION FOR THE PURPOSE OF ANY SUIT, ACTION OR OTHER PROCEEDING ARISING OUT OF ANY OF THE LIABILITIES OR THE TERMS OR PROVISIONS OF THE LOAN DOCUMENTS, AND EXPRESSLY WAIVES ANY AND ALL OBJECTIONS THAT MORTGAGOR OR ANY OBLIGOR MAY HAVE AS TO VENUE IN ANY OF SUCH COURTS.

7.11 MORTGAGOR AND LENDER EACH HEREBY ABSOLUTELY AND UNCONDITIONALLY WAIVE THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY IN CONNECTION WITH ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER OR RELATED TO THIS MORTGAGE, THE LIABILITIES, THE COVENANTS OR THE OTHER LOAN DOCUMENTS, OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED AND DELIVERED IN CONNECTION THEREWITH OR RELATED THERETO.


[signature page follows]

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

DILLON 4, LLC SERIES ILLINOIS,
a designated series of Dillon 4, LLC,
a Nevada limited liability company

By:


Jeffrey P. Dillon, Manager

[signature page to Mortgage (Illinois)]

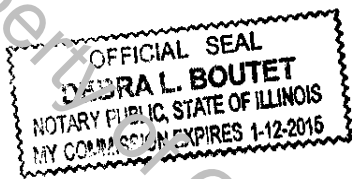
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STATE OF IL)
) S.S.
COUNTY OF DuPage)

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that Jeffrey T. Dillon, who is personally known to me to be the Manager of Dillon 4, LLC Series Illinois, a designated series of Dillon 4, LLC, a Nevada limited liability company, subscribed to the foregoing Mortgage and Security Agreement (Illinois), appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 19 day of November, 2013.



Dedra A. Boutet
Notary Public

My commission expires:

1-12-15

[notary page to Mortgage (Illinois)]

Property
Cook County Clerk's Office

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EXHIBIT "A" TO MORTGAGE LEGAL DESCRIPTION

PARCEL 1:

THAT PART OF THE EAST 5 ACRES OF THAT PART OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 11, TOWNSHIP 38 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTH OF JOLIET ROAD (LAID OUT BY PLAT RECORDED AS DOCUMENT 9648194) AND NORTH OF THE 18 FOOT RIGHT OF WAY OF THE CHICAGO AND ILLINOIS WESTERN RAILROAD, (THE NORTHERLY LINE OF WHICH RIGHT OF WAY IS THE NORTHERLY LINE OF THE LAND CONVEYED TO THE SAID RAILROAD COMPANY BY DEED RECORDED AS DOCUMENT 10718075) WHICH IS DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER THEREOF (BEING A POINT ON THE NORTHERLY SIDE OF SAID 18 FOOT RIGHT OF WAY OF THE CHICAGO AND ILLINOIS WESTERN RAILROAD); THENCE NORTH ALONG THE EASTERLY BOUNDARY OF AFORESAID 5 ACRES A DISTANCE OF 123.5 FEET; THENCE WEST A DISTANCE OF 240 FEET MORE OR LESS TO A POINT ON THE WEST BOUNDARY OF SAID 5 ACRES WHICH IS 218.8 FEET NORTH OF THE SOUTHWEST CORNER OF SAID 5 ACRES (MEASURED ALONG SAID WEST BOUNDARY); THENCE SOUTH ALONG THE SAID WEST BOUNDARY 218.8 FEET TO THE SOUTHWEST CORNER OF SAID 5 ACRES (WHICH POINT IS LOCATED ON THE NORTHERLY SIDE OF 18 FOOT RIGHT OF WAY); THENCE NORTHEASTERLY ALONG THE SAID NORTHERLY RIGHT OF WAY LINE 258.36 FEET MORE OR LESS TO POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

EASEMENT FOR THE BENEFIT OF PARCEL 1 FOR INGRESS AND EGRESS OVER THE EXISTING PRIVATE ROADWAY APPROXIMATELY 16 FEET WIDE, RUNNING THROUGH THE WESTERLY PORTION OF THE FOLLOWING DESCRIBED PARCEL OF REAL ESTATE: THE EAST 5 ACRES OF THAT PART OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 11, TOWNSHIP 38 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTH OF JOLIET ROAD (LAID OUT BY PLAT RECORDED AS DOCUMENT 9648194) AND NORTH OF THE 18 FOOT RIGHT OF WAY OF THE CHICAGO AND ILLINOIS WESTERN RAILROAD (THE NORTHERLY LINE OF WHICH RIGHT OF WAY IS THE NORTHERLY LINE OF THE LAND CONVEYED TO THE SAID RAILROAD COMPANY BY DEED RECORDED AS DOCUMENT 10718075) EXCEPT THAT PART THEREOF DESCRIBED AS FOLLOWS; BEGINNING AT THE SOUTHEAST CORNER THEREOF (BEING A POINT ON THE NORTHERLY SIDE OF THE SAID 18 FOOT RIGHT OF WAY OF THE CHICAGO AND ILLINOIS WESTERN RAILROAD); THENCE NORTH ALONG THE EASTERLY BOUNDARY OF THE AFORESAID 5 ACRES A DISTANCE OF 123.5 FEET; THENCE WEST A DISTANCE OF 240 FEET MORE OR LESS TO A POINT ON THE WEST BOUNDARY OF SAID 5 ACRES WHICH IS 218.8 FEET NORTH OF THE SOUTHWEST CORNER OF SAID 5 ACRES (MEASURED ALONG SAID WEST BOUNDARY); THENCE SOUTH ALONG SAID WEST BOUNDARY 218.8 FEET TO THE SOUTHWEST CORNER OF SAID 5 ACRES (WHICH POINT IS LOCATED ON THE NORTHERLY SIDE OF THE 18 FOOT RIGHT OF WAY); THENCE NORTHEASTERLY ALONG SAID NORTHERLY RIGHT OF WAY LINE 258.36 FEET MORE OR LESS TO THE POINT OF BEGINNING), IN COOK COUNTY, ILLINOIS, AS CREATED BY WARRANTY DEED FROM HAROLD N. SIMPSON AND CARMEN P. SIMPSON, HIS WIFE, TO FETTA GREASE SERVICE, INC., A CORPORATION OF ILLINOIS, RECORDED FEBRUARY 14, 1956 AS DOCUMENT 16494492.

PIN 18-11-203-013-0000

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**EXHIBIT "B" TO MORTGAGE
PERMITTED ENCUMBRANCES**

1. The lien of all taxes or special assessments, which are not yet due or payable
2. Exception lettered A, J, K, L, M, N, V, O, P, AO and AP, as set forth on Schedule B of that certain pro forma title policy issued by the Chicago Title Company (the "Title Company") issued as of November 18, 2013.

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