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## Illinois Anti-Predatory Lending Database Program

Certificate of Exemption

Report Mortgage Fraud  
800-532-8785



Doc# 1633422141 Fee \$94.00

RHSP FEE:\$9.00 RPRF FEE: \$1.00

KAREN A. YARBROUGH

COOK COUNTY RECORDER OF DEEDS

DATE: 11/29/2016 03:08 PM PG: 1 OF 29

The property identified as: **PIN:** 17-16-101-022-0000

**Address:**

**Street:** 555 W Madison Street

**Street line 2:**

**City:** Chicago

**State:** IL

**ZIP Code:** 60661

**Lender:** Massachusetts Mutual Life Insurance Company

**Borrower:** PT Chicago, L.L.C.

**Loan / Mortgage Amount:** \$250,000,000.00

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.

**Certificate number:** 6780E5BA-D729-4004-BB17-887915176EE5

**Execution date:** 11/16/2016

8979681 Kansas DI 1072

Property of Cook County Clerk's Office

BN  
29

**UNOFFICIAL COPY****PREPARED BY AND AFTER  
RECORDING RETURN TO:**

Alison M. Mitchell, Esq.  
DLA Piper LLP (US)  
203 North LaSalle Street  
Suite 1900  
Chicago, Illinois 60601

Mortgage Loan No.: 164011

*This space reserved for Recorder's use only.*

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

Cover Sheet

Date: As of November 29, 2016

Borrower: **PT CHICAGO, L.L.C.**, a Delaware limited liability company

Borrower's State of Organization: Delaware

Borrower's Organizational ID Number: 4323766

Lender: **MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY**, a Massachusetts corporation

Note Amount: \$250,000,000.00

Maturity Date: December 1, 2026

State: Illinois

ATTENTION: COUNTY CLERK - THIS MORTGAGE COVERS GOODS THAT ARE OR ARE TO BECOME FIXTURES ON THE REAL PROPERTY DESCRIBED HEREIN AND IS TO BE FILED FOR RECORD IN THE RECORDS WHERE MORTGAGES ON REAL ESTATE ARE RECORDED. ADDITIONALLY, THIS MORTGAGE SHOULD BE APPROPRIATELY INDEXED, NOT ONLY AS A MORTGAGE, BUT ALSO AS A FIXTURE FILING COVERING GOODS THAT ARE OR ARE TO BECOME FIXTURES ON THE REAL PROPERTY DESCRIBED HEREIN. THE MAILING ADDRESSES OF THE MORTGAGOR (DEBTOR) AND MORTGAGEE (SECURED PARTY) ARE SET FORTH IN THIS MORTGAGE.

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## MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING

THIS MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING (this "**Mortgage**") is made as of November 29, 2016, by **PT CHICAGO, L.L.C.**, a Delaware limited liability company having an address in care of Waterton, 30 South Wacker Drive, 36<sup>th</sup> Floor, Chicago, Illinois 60606, Attention: David Schwartz and Erin Ankin ("**Borrower**"), for the benefit of **MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY**, a Massachusetts corporation having an address in care of Barings, One Financial Plaza, Hartford, Connecticut 06103, Attention: Real Estate Loan Servicing, Loan No. 164011 ("**Lender**") and **BARINGS REAL ESTATE ADVISERS LLC**, a Delaware limited liability company, as "**Administrative Agent**" pursuant to Article 13 of the Loan Agreement (defined below).

### GRANTING CLAUSES

For good and valuable consideration and to secure the payment of an indebtedness in the principal sum of **TWO HUNDRED FIFTY MILLION AND 00/100 DOLLARS (\$250,000,000.00)** in lawful money of the United States, to be paid according to (i) that certain Loan Agreement of even date herewith between Borrower and Lender (as the same may hereafter be amended or modified, the "**Loan Agreement**"), and (ii) that certain Promissory Note of even date herewith from Borrower to Lender in said principal sum with a maturity date of December 1, 2026 (the "**Maturity Date**"), and any replacement(s) or substitution(s) of said Promissory Note held by Lender or by any successor or assignee of Lender (as the same may hereafter be amended, modified, split, consolidated or extended, the "**Note**"), which Loan Agreement and Note are hereby incorporated herein by this reference and made a part hereof, together with all other obligations and liabilities due or to become due to Lender, all amounts, sums and expenses paid hereunder by or payable to Lender according to the terms hereof (including, without limitation, all Advances (as hereinafter defined) and interest thereon as provided herein and in the Loan Agreement), and all other covenants, obligations and liabilities of Borrower under the Note, the Loan Agreement, this Mortgage, the Assignment (as hereinafter defined) and any other instrument executed by Borrower evidencing, securing or delivered in connection with the loan evidenced by the Note (all of the foregoing instruments, as the same may be amended or modified from time to time, collectively, the "**Loan Documents**"), and together with all interest on said indebtedness, obligations, liabilities, amounts, sums, Advances and expenses (all of the foregoing, collectively, the "**Indebtedness**"), Borrower does by these presents MORTGAGE, WARRANT, GRANT, BARGAIN, SELL, CONVEY, ASSIGN, PLEDGE, TRANSFER AND SET OVER unto Lender, its successors and assigns forever, WITH MORTGAGE COVENANTS and with all POWERS OF SALE and other STATUTORY RIGHTS AND COVENANTS in the State (as hereinafter defined), the following property, together with all interest and estate which Borrower may hereafter acquire in the following property:

The parcel or parcels of land described in Exhibit A attached hereto and by this reference made a part hereof (the "**Land**");

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TOGETHER with the buildings, foundations, structures and improvements (including fixtures) now or hereafter located on or in the Land (collectively, the "**Improvements**");

TOGETHER with all right, power, privilege, option, title and interest, if any, of Borrower in and to the streets and roads, opened or proposed, abutting the Land, all strips and gores within or adjoining the Land, the air space and right to use the air space above the Land, all rights of ingress and egress to and from the Land, all easements, rights of way, reversions, remainders, estates, rights, titles, interests, privileges, servitudes, tenements, hereditaments, and appurtenances now or hereafter affecting the Land or the Improvements, all royalties and rights and privileges appertaining to the use and enjoyment of the Land or the Improvements, including all air, lateral support, streets, alleys, passages, vaults, drainage, water, oil, gas and mineral rights, development rights, all leases and licenses and options to purchase or lease, and all other interests, estates or claims, in law or in equity, which Borrower now has or hereafter may acquire in or with respect to the Land or the Improvements (collectively, the "**Appurtenances**");

The Land, the Improvements and the Appurtenances are hereinafter collectively referred to as the "**Premises**";

TOGETHER with all equipment, fittings, furniture, furnishings, appliances, apparatus, and machinery in which Borrower now or hereafter has a possessory or title interest and now or hereafter installed in or located upon the Premises and all building materials, supplies and equipment now or hereafter delivered to the Premises and intended to be installed therein or located thereon; all fixtures, inventory, other goods and personal property of whatever kind and nature now contained on or in or hereafter placed on or in the Premises and used or to be used in connection with the letting or operation thereof, in which Borrower now has or hereafter may acquire a possessory or title interest and all renewals or replacements of any of the foregoing property or articles in substitution thereof, including chairs, desks, lamps, mirrors, bookcases, tables, rugs, carpeting, drapes, draperies, curtains, shades, venetian blinds, screens, paintings, hangings, pictures, keys or other entry systems, intercom and paging equipment, electric and electronic equipment, dictating equipment, private telephone systems, potted plants, heating, lighting and plumbing fixtures, fire prevention and extinguishing apparatus, cooling and air-conditioning systems, elevators, escalators, fittings, plants, apparatus, stoves, ranges, refrigerators, tools, machinery, engines, dynamos, motors, boilers, incinerators, switchboards, conduits, compressors, vacuum cleaning systems, floor cleaning, waxing and polishing equipment, call systems, brackets, electrical signs, bulbs, bells, ash and fuel, conveyors, cabinets, lockers, shelving, spotlighting equipment, dishwashers, garbage disposals, washers and dryers, and other equipment used in the operation of the Premises (collectively, the "**Equipment**");

TOGETHER with all right, power, privilege, option, title and interest of Borrower in and under all present or future accounts, deposit accounts, documents, instruments, chattel paper, and general intangibles (including "payment intangibles"), as the foregoing terms are defined in the Code (as hereinafter defined), all deposits, monies or escrows held by Lender or Lender's agent or any accounts established pursuant hereto or pursuant to any other Loan Documents, and all contract rights, equipment leases, operating leases and licenses, Operating Agreements (as defined in the Loan Agreement), derivative investments, letters of credit, and rate cap agreements, including casualty insurance policies and liability insurance policies (irrespective of whether such policies are required to be obtained or maintained in force pursuant to this

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Mortgage or other Loan Documents), trade names, trademarks, servicemarks, logos, copyrights, goodwill, franchises, books, records, plans, specifications, permits, licenses, approvals, actions, claims under the Federal Bankruptcy Code (as hereinafter defined) and causes of action which now or hereafter relate to, are derived from or are used in connection with the Premises or the use, operation, maintenance, occupancy or enjoyment thereof or the conduct of any business or activities thereon (collectively, the "Intangibles");

TOGETHER with all right, power, privilege, option, title and interest of Borrower in and under all existing and future leases, lettings, tenancies, occupancy agreements, licenses to occupy and other similar arrangements affecting the Premises or any part thereof now or hereafter entered into and all amendments, extensions, renewals and guaranties thereof, all security therefor, including letter of credit rights, guaranties and other supporting obligations, and all moneys payable thereunder, whether entered into before or after the filing by or against Borrower of any petition for relief under the Federal Bankruptcy Code (collectively, the "Leases");

TOGETHER with all right, title and interest of Borrower in and to all rents, income, accounts, receivables, issues, profits, security deposits, including the proceeds from letters of credit, guarantees and other supporting obligations, all other payments and profits from the Leases and the use and occupation of the Premises, including fixed and additional rents, cancellation payments, option payments, all revenues collected from meeting rooms, banquet rooms and recreational facilities and otherwise, all receivables, customer obligations, installment payment obligations and other obligations now existing or hereafter arising or created out of sale, lease, sublease, license, concession or other grant of the right of the possession, use or occupancy of all or any portion of the Premises, or personalty located thereon, or rendering of services by Borrower or any operator or manager of any commercial space located in the Premises or acquired from others including from the rental of any office space, retail space, commercial space, or other space, halls, stores or offices, including any deposits securing reservations of such space, exhibit or sales space of every kind, license, lease, sublease and concession fees and rentals, health club membership fees, vending machine sales, and any other items of revenue, receipts or other income, and other payments and benefits to which Borrower may now or hereafter be entitled from the Premises, the Equipment or the Intangibles or under or in connection with the Leases (collectively, the "Property Income"), including the immediate and continuing right to make claim for, receive, collect and receipt for Property Income, including the right to make claim in a proceeding under the Federal Bankruptcy Code and to apply the same to the payment of the Indebtedness, all whether before or after the filing by or against Borrower of any petition for relief under the Federal Bankruptcy Code; and

TOGETHER with all right, title and interest of Borrower in and to all proceeds, judgments, claims, compensation, awards of damages and settlements pertaining to or resulting from or in lieu of any condemnation or taking of the Premises by eminent domain or any casualty loss or damage to any of the Premises, the Equipment, the Intangibles, the Leases or the Property Income, and including also, the right to assert, prosecute and settle claims arising out of or pertaining to such condemnation or taking or such casualty loss under insurance policies constituting an Intangible and to apply for and receive payments of proceeds under such insurance policies and in any condemnation or taking, the right to apply for and receive all refunds with respect to the payment of property taxes and assessments and all other proceeds

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from the conversion, voluntary or involuntary, of the Premises, the Equipment, the Intangibles, the Leases or the Property Income, or any part thereof, into cash or liquidated claims. Collectively, all of the foregoing are herein referred to as the "**Proceeds**".

The Equipment, the Intangibles, the Leases, the Property Income and the Proceeds are hereinafter collectively referred to as the "**Collateral**". The Premises and the Collateral are hereinafter collectively referred to as the "**Mortgaged Property**".

TO HAVE AND TO HOLD the Mortgaged Property, with all the privileges and appurtenances to the same belonging, and with the possession and right of possession thereof, unto Lender and its successors and assigns forever.

## ARTICLE I

### Definition of Terms

As used in this Mortgage, the terms set forth below shall have the following meanings:

"**Advances**" means all sums, amounts or expenses advanced or paid and all costs incurred by Lender, as provided in this Mortgage or in any other Loan Document, upon failure of Borrower to pay or perform any obligation or covenant contained herein or in such other Loan Document after the expiration of any applicable notice and cure periods.

"**Appurtenances**" has the meaning assigned in the Granting Clauses.

"**Assignment**" means the Assignment of Leases and Rents from Borrower to Lender of even date herewith.

"**Borrower**" means the party or parties identified and defined as Borrower on the Cover Sheet and in the preamble of this Mortgage, any subsequent owner of the Mortgaged Property, and its or their respective heirs, executors, legal representatives, successors and assigns.

"**Code**" means the Uniform Commercial Code of the State, as the same may be amended from time to time or any successor statute thereto.

"**Collateral**" has the meaning assigned in the Granting Clauses.

"**Default Rate**" has the meaning assigned in the Loan Agreement.

"**Environmental Indemnification Agreement**" has the meaning assigned in the Loan Agreement.

"**Equipment**" has the meaning assigned in the Granting Clauses.

"**Event of Default**" means any one or more of the events described in Section 9.1 of the Loan Agreement.

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"Federal Bankruptcy Code" means Title 11 of the United States Code, as the same may be amended from time to time or any successor statute thereto.

"Impositions" has the meaning assigned in the Loan Agreement.

"Indebtedness" has the meaning assigned in the Granting Clauses.

"Intangibles" has the meaning assigned in the Granting Clauses.

"Land" has the meaning assigned in the Granting Clauses.

"Leases" has the meaning assigned in the Granting Clauses.

"Lender" means Massachusetts Mutual Life Insurance Company, the lender identified as such on the Cover Sheet and in the preamble of this Mortgage, and its successors and assigns (including any other holders from time to time of the Note).

"Loan" means the loan made by Lender to Borrower evidenced by the Note and governed by the Loan Agreement.

"Loan Agreement" has the meaning assigned in the Granting Clauses.

"Loan Documents" has the meaning assigned in the Granting Clauses.

"Maturity Date" has the meaning assigned in the Granting Clauses.

"Mortgaged Property" has the meaning assigned in the Granting Clauses.

"Note" has the meaning assigned in the Granting Clauses.

"Permitted Encumbrances" means the liens and security interests created by this Mortgage and the other Loan Documents and those exceptions to title set forth in Exhibit B, and any other matters approved by Lender in writing or deemed approved pursuant to the terms of the Loan Agreement.

"Person" means and includes any individual, corporation, partnership, joint venture, limited liability company, association, bank, joint-stock company, trust, unincorporated organization or government, or an agency or political subdivision thereof.

"Premises" has the meaning assigned in the Granting Clauses.

"Proceeds" has the meaning assigned in the Granting Clauses.

"Property Income" has the meaning assigned in the Granting Clauses.

"State" means the State or Commonwealth in which the Land is situated.

"Upstream Owner" has the meaning assigned in the Loan Agreement.

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## ARTICLE II

### Covenants, Warranties and Representations of Borrower

Borrower covenants, warrants, represents and agrees as follows:

Section 2.01 Interest on Advances and Expenses. All Advances made and any reasonable expenses incurred at any time by Lender pursuant to the provisions of this Mortgage or the other Loan Documents or under applicable law shall be secured by this Mortgage as part of the Indebtedness, with equal rank and priority. All such Advances and expenses shall bear interest at the Default Rate from the date that each such Advance or expenses is made or incurred to the date of repayment and all such Advances and expenses with interest thereon shall be due and payable by Borrower to Lender within five (5) Business Days after written demand therefor by Lender.

Section 2.02 Prohibition Against Conveyances, Encumbrances and Borrowing. Except as expressly permitted under Article 8 of the Loan Agreement, neither Borrower nor any Person shall convey, assign, sell, mortgage, encumber, pledge, hypothecate, grant a security interest in, grant options with respect to, or otherwise dispose of (directly or indirectly, voluntarily or involuntarily, by operation of law or otherwise, and whether or not for consideration or of record) all or any portion of any legal or beneficial interest in: (a) all or any portion of the Mortgaged Property including the Leases, or (b) all or any ownership interest in Borrower or in any Upstream Owner.

Section 2.03 Assignment of Leases and Property Income.

(a) Borrower hereby absolutely, presently, unconditionally and irrevocably assigns, transfers and sets over to Lender all of the right, title and interest of Borrower in and to the Leases and the Property Income. Borrower shall not otherwise assign, transfer or encumber in any manner the Leases or the Property Income or any portion thereof. Notwithstanding anything to the contrary set forth in this Mortgage or the other Loan Documents, Borrower shall have a license, revocable by Lender after an Event of Default, to collect and use the Property Income and enforce all of the landlord's rights under the Leases subject to the terms of the Loan Agreement, but may not collect any Property Income more than thirty (30) days in advance of the date the same becomes due. The assignment in this Section 2.03 shall constitute an absolute, irrevocable and present assignment of the Leases and the Property Income, and not an additional assignment for security, and the existence or exercise of Borrower's revocable license to collect Property Income shall not operate to subordinate this assignment to any subsequent assignment. The exercise by Lender of any of its rights or remedies under this Section 2.03 shall not be deemed or construed to make Lender: (i) a mortgagee-in-possession; (ii) responsible for the payment of any taxes or assessments with respect to the Premises, (iii) liable to perform any obligation of the lessor under any Lease(s) or under applicable law, (iv) liable to any person for any dangerous or defective condition in the Premises or for any negligence in the management, upkeep, repair, or control of the Premises resulting in loss or injury or death to any Person, or (v) be liable in any manner for the remediation of any environmental impairment.



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(b) Borrower shall comply with the terms and conditions of Section 5.1 of the Loan Agreement with respect to Leases of all or any portion of the Mortgaged Property.

Section 2.04 Environmental Matters. Borrower shall comply with the terms and conditions of the Environmental Indemnification Agreement, expressly including the indemnification provisions contained therein.

Section 2.05 Condemnation Awards. Borrower shall comply with the terms and conditions of Section 3.3 of the Loan Agreement with respect to condemnation proceedings and awards involving all or any portion of the Mortgaged Property.

Section 2.06 Insurance Proceeds. Borrower shall comply with the terms and conditions of Section 3.2 of the Loan Agreement with respect to casualty insurance proceeds involving all or any portion of the Mortgaged Property.

## ARTICLE III

### Security Agreement

Section 3.01 Warranties, Representations and Covenants of Borrower. Borrower covenants, warrants, represents and agrees with and to Lender as follows:

(a) This Mortgage constitutes a security agreement under the Code and serves as a fixture filing in accordance with the Code. This Mortgage creates, and Borrower hereby grants to Lender, a security interest in favor of Lender as secured party under the Code with respect to all of the Mortgaged Property which is covered by the Code. The mention of any portion of the Mortgaged Property in a financing statement filed in the records normally pertaining to personal property shall not derogate from or impair in any manner the intention of Borrower and Lender hereby declared that all items of the Collateral are part of the real property encumbered hereby to the fullest extent permitted by law, regardless of whether any such item is physically attached to the Improvements or whether serial numbers are used for the better identification of certain items. Specifically, the mention in any such financing statement of: (i) the rights in or to the Proceeds of any policy of insurance; (ii) any condemnation Proceeds; (iii) Borrower's interest in any Leases or Property Income; or (iv) any other item included in the Mortgaged Property, shall not be construed to alter, impair or impugn any rights of Lender as determined by this Mortgage or the priority of Lender's lien upon and security interest in the Mortgaged Property. Any such mention shall be for the protection of Lender in the event that notice of Lender's priority of interest as to any portion of the Mortgaged Property is required to be filed in accordance with the Code to be effective against or take priority over the interest of any particular class of Persons, including the federal government or any subdivision or instrumentality thereof.

(b) Except for the Permitted Encumbrances, Leases and the security interest granted by this Mortgage, Borrower is and, as to portions of the Mortgaged Property to be acquired after the date hereof, will be the sole owner of the Mortgaged Property, free from any lien, security interest, encumbrance or adverse claim thereon of any kind

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whatsoever, subject to Borrower's right to contest Liens or as otherwise expressly set forth in the Loan Agreement. Borrower shall notify Lender of, and shall defend the Mortgaged Property against, all claims and demands of all Persons at any time claiming the same or any interest therein.

(c) Except as expressly provided in the Loan Agreement or this Mortgage, Borrower shall not lease, sell, convey or in any manner transfer the Mortgaged Property without the prior consent of Lender.

(d) The Mortgaged Property is not used or bought for Borrower's personal, family or household purposes.

(e) The Collateral shall be kept on the Land or in the Improvements, and Borrower shall not remove the Collateral from the Land or the Improvements without the prior consent of Lender, except such portions or items of the Collateral as are consumed or worn out in ordinary usage, all of which shall be promptly replaced by Borrower with items of equal or greater value.

(f) Borrower shall provide Lender upon Lender's request from time to time with an inventory of the Collateral (with reasonable detail).

(g) Borrower shall not change its place of formation or its entity name without providing Lender with at least thirty (30) days prior written notice. In the event of any change in name, identity or structure of Borrower, Borrower shall notify Lender thereof and promptly after request shall execute, file and record such Code forms as are necessary to maintain the priority of Lender's lien upon and security interest in the Mortgaged Property, and shall pay all reasonable expenses and fees in connection with the filing and recording thereof. If Lender shall require the filing or recording of additional Code forms or continuation statements, Borrower shall, promptly after request, execute, file and record such Code forms or continuation statements as Lender shall deem necessary (subject to Lender's right to file such statements on behalf of Borrower as provided in Section 3.01(h)), and shall pay all expenses and fees in connection with the filing and recording thereof. If Lender shall initially pay such expenses, Borrower shall promptly reimburse Lender for the expenses.

(h) Borrower hereby authorizes Lender to file with the appropriate public office, at Borrower's expense any financing statements, amendments or continuations thereof, identifying Borrower as debtor and Lender as secured party in connection with the Mortgaged Property.

(i) Borrower represents that its exact legal name is as set forth on the Cover Sheet of this Mortgage.

(j) Borrower's Federal Tax Identification Number is 20-8715096 and Borrower's Organizational Number is 4323766.

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(k) Borrower shall not file any termination statements concerning the Mortgaged Property without Lender's prior consent unless the Indebtedness has been repaid and this Mortgage has been released.

(l) Where Collateral is in possession of a third party, Borrower will join with Lender in notifying the third party of Lender's interest and obtaining an acknowledgment from the third party that it is holding the Collateral for the benefit of Lender.

(m) Borrower will cooperate with Lender, upon Lender's written request, in obtaining control with respect to Collateral consisting of deposit accounts, investment property, letter of credit rights and electronic chattel paper.

Section 3.02 Financing Statements. A CARBON, PHOTOGRAPHIC OR OTHER REPRODUCTION OF THIS MORTGAGE OR ANY FINANCING STATEMENT RELATING TO THIS MORTGAGE SHALL BE SUFFICIENT AS A FINANCING STATEMENT.

Section 3.03 Addresses. The state of organization, organizational ID number and mailing address of Borrower and the address of Lender from which information concerning the security interest granted hereby may be obtained are set forth on the Cover Sheet and in the preamble of this Mortgage. Borrower maintains its chief executive office at the address shown in said preamble, and Borrower shall immediately notify Lender in writing of any change in said chief executive office.

Section 3.04 Fixture Filing. This Mortgage shall constitute a fixture filing under the Code as to any goods and other personal property included in the Mortgaged Property in which Borrower has granted to Lender a security interest as provided in this Article III which are or may become fixtures under applicable law. Borrower is the "debtor" and Lender is the "secured party" as such terms are defined in the Code. This fixture filing is to be recorded in the Cook County, Illinois Recorder of Deeds.

## ARTICLE IV

### Default and Remedies

Section 4.01 Remedies. Upon the occurrence of any Event of Default, Lender may take such actions against Borrower and/or the Mortgaged Property or any portion thereof as it deems advisable to protect and enforce its rights against Borrower and in and to the Mortgaged Property, without notice or demand except as set forth herein. Any such actions taken by Lender shall be cumulative and concurrent and may be pursued independently, singly, successively, together or otherwise, at such time and in such order as Lender may determine in its sole discretion, to the fullest extent permitted by law, without impairing or otherwise affecting the other rights and remedies of Lender permitted by law, equity or contract or as set forth herein or in the other Loan Documents. Such actions may include the following:

(a) Lender may declare the entire principal balance under the Note then unpaid, together with all accrued and unpaid interest thereon, prepayment fees thereunder, and all other unpaid Indebtedness, to be immediately due and payable.

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(b) Lender may enter into or upon the Mortgaged Property, personally or by its agents, nominees or attorneys, and may dispossess Borrower and its agents and servants therefrom, and thereupon Lender at its sole discretion may: (i) use, operate, manage, control, insure, maintain, repair, restore and otherwise deal with all and every portion of the Mortgaged Property and conduct business thereon, in any case either in the name of Lender or in such other name as Lender shall deem best; (ii) complete any construction on the Mortgaged Property in such manner and form as Lender deems advisable; (iii) make alterations, additions, renewals, replacements and improvements to or on the Mortgaged Property; (iv) exercise all rights and powers of Borrower with respect to the Mortgaged Property, whether in the name of Borrower or otherwise, including the right to make, cancel, enforce or modify Leases, obtain and evict tenants, and demand, sue for, collect and receive all Property Income; and (v) apply the receipts of Property Income to the payment of the Indebtedness (including any prepayment fee payable under the Loan Agreement) in such order as Lender shall determine in its sole discretion, after deducting therefrom all expenses (including reasonable attorneys' fees, costs and expenses) incurred in connection with the aforesaid operations and all amounts necessary to pay the Impositions, insurance and other charges in connection with the Mortgaged Property, as well as just and reasonable compensation for the services of Lender, its agents, nominee, and attorneys.

(c) With or without entry, personally or by its agents, nominees or attorneys, Lender may sell all or any portion of the Mortgaged Property and all or any portion of Borrower's estate, right, title, interest, claim and demand therein and right of redemption thereof at one or more private or public sales in the manner and to the extent permitted by law, as an entirety or in parcels or portions, and Lender shall have any statutory power of sale as may be provided by law in the State.

(d) Lender may institute proceedings for the complete foreclosure of this Mortgage, in which case the Mortgaged Property may be sold for cash or upon credit, as an entirety or in parcels or portions.

(e) Lender may institute proceedings for the partial foreclosure of this Mortgage for the portion of the Indebtedness then due and payable, subject to the continuing lien of this Mortgage for the balance of the Indebtedness not then due.

(f) Lender may institute an action, suit or proceeding at law or in equity for the specific performance of any covenant, condition or agreement contained in the Note, this Mortgage or any other Loan Document, or in aid of the execution of any power granted hereunder or for the enforcement of any other appropriate legal or equitable remedy.

(g) Lender shall have the rights and may take such actions as are set forth, described or referred to in Article VI of this Mortgage entitled "State Law Provisions" or as are permitted by the laws of the State.

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(h) Lender may recover judgment on the Loan Agreement and the Note, either before, during or after any proceedings for the foreclosure or enforcement of this Mortgage.

(i) Lender may secure the appointment of a receiver, trustee, liquidator or similar official of the Mortgaged Property or any portion thereof, and Borrower hereby consents and agrees to such appointment, without notice to Borrower and without regard to the adequacy of the security for the Indebtedness and without regard to the solvency of Borrower or any other Person liable for the payment of the Indebtedness, and such receiver or other official shall have all rights and powers permitted by applicable law and such other rights and powers as the court making such appointment may confer, but the appointment of such receiver or other official shall not impair or in any manner prejudice the rights of Lender to receive the Property Income pursuant to this Mortgage or the Assignment.

(j) Lender may exercise any or all of the remedies available to a secured party under the Code.

(k) Lender may pursue any other rights and remedies of Lender permitted by law, equity or contract or as set forth herein or in the other Loan Documents.

(l) Lender may, in its sole discretion, apply any funds then on deposit with Lender, including but not limited to such funds on deposit for the payment of Impositions, ground rent or insurance premiums, to the payment of such items or to the repayment of the Indebtedness.

(m) Lender in its sole discretion may surrender any insurance policies and collect the unearned premiums and apply such sums against the Indebtedness.

(n) To the extent permitted by law, exercise any power of sale.

## Section 4.02 General Provisions Regarding Remedies.

(a) Proceeds of Sale. The proceeds of any sale of the Mortgaged Property or any part thereof received by Lender shall be distributed and applied to the amounts set forth in Section 2.7(c) of the Loan Agreement in such order and priority as Lender deems appropriate in its sole discretion.

(b) Effect of Judgment. No recovery of any judgment by Lender and no levy of an execution under any judgment upon the Mortgaged Property or upon any other property of Borrower shall affect in any manner or to any extent the lien of this Mortgage upon the Mortgaged Property or any portion thereof, or any rights, powers or remedies of Lender hereunder. Such lien, rights, powers and remedies of Lender shall continue unimpaired as before.

(c) Continuing Power of Sale. The power of sale conferred upon Lender in this Mortgage shall not be exhausted by any one or more sales as to any portion of the

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Mortgaged Property remaining unsold, but shall continue unimpaired until all of the Mortgaged Property is sold or all of the Indebtedness is paid.

(d) Right to Purchase. At any sale of the Mortgaged Property or any portion thereof pursuant to the provisions of this Mortgage, Lender shall have the right to purchase the Mortgaged Property being sold, and in such case shall have the right to credit against the amount of the bid made therefor (to the extent necessary) all or any portion of the Indebtedness then due.

(e) Right to Terminate Proceedings. Lender may terminate or rescind any proceeding or other action brought in connection with its exercise of the remedies provided in Section 4.01 at any time before the conclusion thereof, as determined in Lender's sole discretion and without prejudice to Lender.

(f) No Waiver or Release. Lender may resort to any remedies and the security given by the Loan Documents, in whole or in part, and in such portions and in such order as determined in Lender's sole discretion. No such action shall in any way be considered a waiver of any rights, benefits or remedies evidenced or provided by the Loan Documents. The failure of Lender to exercise any right, remedy or option provided in the Loan Documents shall not be deemed a waiver of such right, remedy or option or of any covenant or obligation secured by the Loan Documents. No acceptance by Lender of any payment after the occurrence of an Event of Default and no payment by Lender of any Advance or obligation for which Borrower is liable hereunder shall be deemed to waive or cure such Event of Default or Borrower's liability to pay such obligation. No sale of all or any portion of the Mortgaged Property, no forbearance on the part of Lender, and no extension of time for the payment of the whole or any portion of the Indebtedness or any other indulgence given by Lender to Borrower or any other Person, shall operate to release or in any manner affect Lender's interest in the Mortgaged Property or the liability of Borrower to pay the Indebtedness, except to the extent that such liability shall be reduced by proceeds of the sale of all or any portion of the Mortgaged Property received by Lender. No waiver by Lender shall be effective unless it is in a writing executed by Lender and then only to the extent specifically stated therein.

(g) No Impairment; No Release. The interests and rights of Lender under the Loan Documents shall not be impaired by any indulgence, including: (i) any renewal, extension or modification which Lender may grant with respect to any of the Indebtedness; (ii) any surrender, compromise, release, renewal, extension, exchange or substitution which Lender may grant with respect to the Mortgaged Property or any portion thereof; or (iii) any release or indulgence granted to any maker, endorser, guarantor or surety of any of the Indebtedness. If the Mortgaged Property is sold and Lender enters into any agreement with the then owner of the Mortgaged Property extending the time of payment of the Indebtedness, or otherwise modifying the terms hereof or of any other Loan Document, Borrower shall continue to be liable to pay the Indebtedness according to the tenor of any such agreement unless expressly released and discharged in writing by Lender.

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(h) Waivers and Agreements Regarding Remedies. To the fullest extent that Borrower may legally do so, Borrower:

(i) agrees that Borrower will not at any time insist upon, plead, claim or take the benefit or advantage of any laws now or hereafter in force providing for any appraisal or appraisement, valuation, stay, extension or redemption, and waives and releases all rights of redemption, valuation, appraisal or appraisement, stay of execution, extension and notice of election to accelerate or declare due the whole of the Indebtedness;

(ii) waives all rights to a marshalling of the assets of Borrower, Borrower's partners, if any, and others with interests in Borrower, including the Mortgaged Property, or to a sale in inverse order of alienation in the event of foreclosure of the interests hereby created, and agrees not to assert any right under any laws pertaining to the marshalling of assets, the sale in inverse order of alienation, homestead exemption, the administration of estates of decedents, or any other matters whatsoever to defeat, reduce or affect the right of Lender under the Loan Documents to a sale of the Mortgaged Property for the collection of the Indebtedness without any prior or different resort for collection, or the right of Lender to the payment of the Indebtedness out of the proceeds of sale of the Mortgaged Property in preference to every other claimant whatsoever;

(iii) waives any right to bring or utilize any defense, counterclaim or setoff, other than one in good faith, which denies the existence or sufficiency of the facts upon which the foreclosure action is grounded or which is based on Lender's wrongful actions. If any defense, counterclaim or setoff (other than one permitted by the preceding sentence) is raised by Borrower in such foreclosure action, such defense, counterclaim or setoff shall be dismissed. If such defense, counterclaim or setoff is based on a claim which could be tried in an action for money damages, the foregoing waiver shall not bar a separate action for such damage (unless such claim is required by law or applicable rules of procedure to be pleaded in or consolidated with the action initiated by Lender), but such separate action shall not thereafter be consolidated with Lender's foreclosure action. The bringing of such separate action for money damages shall not be deemed to afford any grounds for staying any such foreclosure action;

(iv) waives and relinquishes any and all rights and remedies which Borrower may have or be able to assert by reason of the provisions of any laws pertaining to the rights and remedies of sureties;

(v) waives the defense of laches and any applicable statutes of limitation; and

(vi) waives any right to have any trial, action or proceeding tried by a jury.

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(i) Lender's Discretion. Except as expressly set forth herein or in any other Loan Document to the contrary, Lender may exercise its rights, options and remedies and may make all decisions, judgments and determinations under this Mortgage and the other Loan Documents in its sole and absolute discretion.

(j) Recitals of Facts. In the event of a sale or other disposition of the Mortgaged Property pursuant to Section 4.01 and the execution of a deed or other conveyance pursuant thereto, the recitals therein of facts (such as default, the giving of notice of default and notice of sale, demand that such sale should be made, postponement of sale, terms of sale, purchase, payment of purchase money and other facts affecting the regularity or validity of such sale or disposition) shall be conclusive proof of the truth of such facts. Any such deed or conveyance shall be conclusive against all Persons as to such facts recited therein.

(k) Lender's Right to Waive, Consent or Release. Lender may at any time, in writing: (i) waive compliance by Borrower with any covenant herein made by Borrower to the extent and in the manner specified in such writing; (ii) consent to Borrower's doing any act which Borrower is prohibited hereunder from doing, or consent to Borrower's failing to do any act which Borrower is required hereunder to do, to the extent and in the manner specified in such writing; or (iii) release any portion of the Mortgaged Property, or any interest therein, from this Mortgage and the lien of the other Loan Documents. No such act shall in any way impair the rights of Lender hereunder except to the extent specified by Lender in such writing.

(l) Possession of the Mortgaged Property. Upon the occurrence of any Event of Default hereunder and demand by Lender at its option, Borrower shall immediately surrender or cause the surrender of possession of the Premises to Lender. If Borrower or any other occupant is permitted to remain in possession, such possession shall be as tenant of Lender and such occupant: (i) shall on demand pay to Lender monthly, in advance, reasonable use and occupancy charges for the space so occupied; and (ii) in default thereof, may be dispossessed by the usual summary proceedings. Upon the occurrence of any Event of Default and demand by Lender, Borrower shall assemble the Collateral and make it available at any place Lender may designate to allow Lender to take possession and/or dispose of the Collateral. The covenants herein contained may be enforced by a receiver of the Mortgaged Property or any portion thereof. Nothing in this Section 4.02(l) shall be deemed a waiver of the provisions of this Mortgage prohibiting the sale or other disposition of the Mortgaged Property without the prior consent of Lender.

(m) Limitations on Liability. Notwithstanding anything contained herein to the contrary, Borrower's liability hereunder is subject to the limitation on liability provisions of Article 11 of the Loan Agreement, which Article 11 is incorporated herein by reference, mutatis mutandis, as if such Article 11 was set forth in full herein.

(n) Subrogation. If all or any portion of the proceeds of the Note or any Advance shall be used directly or indirectly to pay off, discharge or satisfy, in whole or in part, any prior lien or encumbrance upon the Mortgaged Property or any portion thereof,



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then Lender shall be subrogated to, and shall have the benefit of the priority of, such other lien or encumbrance and any additional security held by the holder thereof.

## ARTICLE V

### Miscellaneous

Section 5.01 Notices. All notices, consents, approvals and requests required or permitted hereunder or under any other Loan Document shall be given in writing and shall be effective for all purposes if delivered to the Persons and locations and in the manner set forth in Section 12.1 of the Loan Agreement.

Section 5.02 Binding Obligations; Joint and Several. The provisions and covenants of this Mortgage shall run with the land, shall be binding upon Borrower, its successors and assigns, and shall inure to the benefit of Lender, its successors and assigns. If there is more than one Borrower, all their obligations and undertakings hereunder are and shall be joint and several.

Section 5.03 Captions. The captions of the sections and subsections of this Mortgage are for convenience only and are not intended to be a part of this Mortgage and shall not be deemed to modify, explain, enlarge or restrict any of the provisions hereof.

Section 5.04 Severability. If any one or more of the provisions contained in this Mortgage shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Mortgage, but this Mortgage shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

Section 5.05 Amendments; Consents. This Mortgage cannot be altered, amended, modified or discharged orally and no executory agreement shall be effective to modify or discharge it in whole or in part, unless in writing and signed by the party against which enforcement is sought. No consent or approval required hereunder or under any other Loan Document shall be binding unless in writing and signed by the party sought to be bound.

Section 5.06 Other Loan Documents and Exhibits. All of the agreements, conditions, covenants, provisions and stipulations contained in the Loan Agreement, the Note and the other Loan Documents, and each of them, which are to be kept and performed by Borrower are hereby made a part of this Mortgage to the same extent and with the same force and effect as if they were fully set forth in this Mortgage, and Borrower shall keep and perform the same, or cause them to be kept and performed, strictly in accordance with their respective terms. The Cover Sheet and each exhibit, schedule and rider attached to this Mortgage are integral parts of this Mortgage and are incorporated herein by this reference. In the event of any conflict between the provisions of any such exhibit, schedule or rider and the remainder of this Mortgage, the provisions of such exhibit, schedule or rider shall prevail.

Section 5.07 Legal Construction.

(a) In all respects, including, without limitation, matters of construction and performance of this Mortgage and the obligations arising hereunder, this Mortgage shall

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be governed by, and construed in accordance with, the laws of the State in which the Premises are located applicable to contracts and obligations made and performed in the State and any applicable laws of the United States of America. Interpretation and construction of this Mortgage shall be according to the contents hereof and without presumption or standard of construction in favor of or against Borrower or Lender. All terms contained herein shall be construed, whenever the context of this Mortgage so requires, so that the singular number shall include the plural, and the plural the singular, and the use of any gender shall include all genders.

(b) The terms "include" and "including" as used in this Mortgage shall be construed as if followed by the phrase "without limitation". The words "hereof", "herein" and "hereunder" and words of similar import when used in this Mortgage shall refer to this Mortgage as a whole and not to any particular provision of this Mortgage, and Article, Section and Exhibit references contained in this Mortgage are references to Articles, Sections and Exhibits in or to this Mortgage unless otherwise specified.

(c) Any provision of this Mortgage or in the other Loan Documents permitting the recovery of "attorneys' fees", "attorneys' fees and expenses", "attorneys' fees and costs" or "attorneys' fees, costs and expenses" or any similar term shall be deemed: (i) to include only attorneys' fees, costs and expenses which are reasonable and out-of-pocket to Lender; (ii) to include such fees, costs and expenses incurred in all probate, appellate and bankruptcy proceedings, as well as any post-judgment proceedings to collect or enforce any judgment or order relating to the Indebtedness or any of the Loan Documents; and (iii) shall be deemed to be separate and several, and shall survive merger into judgment.

Section 5.08 Merger. So long as any Indebtedness shall remain unpaid, fee title to and any other estate in the Mortgaged Property shall not merge, but shall be kept separate and distinct, notwithstanding the union of such estates in any Person.

Section 5.09 Time of the Essence. Time shall be of the essence in the performance of all obligations of Borrower under this Mortgage.

Section 5.10 Repayment and Release. If all of the Indebtedness is paid in full in accordance with the Loan Agreement, the Note, this Mortgage and the other Loan Documents and all of the covenants, warranties, conditions, undertakings and agreements made in the Loan Agreement, the Note, this Mortgage and the other Loan Documents are fully kept and performed, then in that event only all rights of Lender under this Mortgage and the other Loan Documents shall terminate and the Mortgaged Property shall become wholly clear of the liens, grants, security interests, conveyances and assignments evidenced hereby and thereby, and Lender shall release or cause to be released such liens, grants, assignments, conveyances and security interests in due form at Borrower's cost (to the extent permitted by the law of the State), and this Mortgage shall be void; provided, however, that no provision of this Mortgage or any other Loan Document which, by its own terms, is intended to survive such payment, performance, and release (nor the rights of Lender under any such provision) shall be affected in any manner thereby and such provision shall, in fact, survive. Recitals of any matters or facts in any release instrument executed by Lender under this Section 5.10 shall be conclusive proof of the

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truthfulness thereof. To the extent permitted by law, such an instrument may describe the grantee or releasee as "the person or persons legally entitled thereto" and Lender shall not have any duty to determine the rights of persons claiming to be rightful grantees or releasees of any of the Mortgaged Property. When this Mortgage has been fully released or discharged by Lender, the release or discharge hereof shall operate as a release and discharge of the Assignment and as a reassignment of all Leases and Property Income with respect to the Mortgaged Property to the person or persons legally entitled thereto, unless such release expressly provides to the contrary.

Section 5.11 Conflict. Notwithstanding anything to the contrary herein, this Mortgage shall be subject to the terms and conditions of the Loan Agreement and in the event of any conflict between the terms and conditions of this Mortgage and the terms and conditions of the Loan Agreement, the terms and conditions of the Loan Agreement shall prevail.

## ARTICLE VI

### Illinois State Law Provisions

The following provisions are incorporated by reference into this Mortgage. If any conflict or inconsistency exists between this Article and the remainder of this Mortgage, this Article shall govern.

Section 6.01 Protective Advances. Without limitation on anything contained in this Mortgage, all advances, disbursements and expenditures made by Lender before and during a foreclosure of this Mortgage, and before and after a judgment of foreclosure, and at any time prior to sale of the Mortgaged Property, and, where applicable, after sale of the Mortgaged Property and during the pendency of any related proceedings, for the following purposes, in addition to those otherwise authorized by this Mortgage or by the Illinois Mortgage Foreclosure Act, 735 ILCS 5/15-1101 *et seq.* (the "Act"), shall have the benefit of all applicable provisions of the Act, including those provisions of the Act referred to below (collectively, "Protective Advances"):

(a) all advances by Lender in accordance with the terms of this Mortgage to:

- (A) preserve or maintain, repair, restore or rebuild any improvements upon the Mortgaged Property;
- (B) preserve the lien of this Mortgage or the priority thereof; or
- (C) enforce this Mortgage, as referred to in Subsection (b)(5) of Section 15-1302 of the Act;

(b) payments by Lender of:

- (A) when due installments of principal, interest or other obligations in accordance with the terms of any senior mortgage or other prior lien or encumbrance on the Mortgaged Property;
- (B) when due installments of real estate taxes and assessments, general and special and all other taxes and assessments of any kind or nature whatsoever which are assessed or imposed upon the Mortgaged Property or any part hereof;
- (C) other obligations authorized by this Mortgage; or
- (D) with court approval, any other amounts in connection with other liens, encumbrances or interests reasonably necessary to preserve the status of title, as referred to in Section 15-1505 of the Act;

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(c) advances by Lender in settlement or compromise of any claims asserted by claimants under senior mortgages or any prior liens;

(d) reasonable attorneys' fees and other expenses incurred: (A) in connection with the foreclosure of this Mortgage as referred to in Section 15-1504(d)(2) and 15-1510 of the Act; (B) in connection with any action, suit or proceeding brought by or against Lender for the enforcement of this Mortgage or arising from the interest of Lender hereunder; or (C) in the preparation for the commencement or defense of any such foreclosure or other action;

(e) Lender's fees and costs, including reasonable attorneys' fees, arising between the entry of judgment of foreclosure and confirmation hearing as referred to in Subsection (b)(1) of Section 15-1508 of the Act;

(f) expenses deductible from proceeds of sale as referred to in subsections (a) and (b) of Section 15-1512 of the Act;

(g) expenses incurred and expenditures made by Lender for any one or more of the following: (A) premiums for casualty and liability insurance paid by Lender whether or not Lender or a receiver is in possession, if reasonably required, in reasonable amounts, and all renewals thereof, without regard to the limitation to maintaining existing insurance in effect at the time any receiver or mortgagee takes possession of the Mortgaged Property as imposed by subsection (c)(1) of Section 15-1704 of the Act; (B) repair or restoration of damage or destruction in excess of available insurance proceeds or condemnation awards; (C) payments required or deemed by Lender to be for the benefit of the Mortgaged Property or required to be made by the owner of the Mortgaged Property under any grant or declaration of easement, easement agreement, agreement with any adjoining land owners or instruments creating covenants or restrictions for the benefit of or affecting the Mortgaged Property; (D) shared or common expense assessments payable to any association or corporation in which the owner of the Mortgaged Property is a member if in any way affecting the Mortgaged Property; (E) costs incurred by Lender for demolition, preparation for and completion of construction; and (F) pursuant to any lease or other agreement, for occupancy of the Mortgaged Property.

All Protective Advances shall be so much additional Indebtedness secured by this Mortgage, and shall become due and payable five (5) Business Days after written notice from Lender to Borrower and with interest thereon from the date of the advance until paid at the Default Rate. This Mortgage shall be a lien for all Protective Advances as to subsequent purchasers and judgment creditors from the time this Mortgage is recorded pursuant to subsection (b) of Section 15-1302 of the Act. All Protective Advances shall, except to the extent, if any, that any of the same are clearly contrary to or inconsistent with the provisions of the Act, apply to and be included in: (A) determination of the amount of Indebtedness secured by this Mortgage at any time; (B) the amount of the Indebtedness found due and owing to Lender in a judgment of foreclosure and any subsequent, supplemental judgments, orders, adjudications or findings by any court of any additional Indebtedness becoming due after such entry of judgment (it being agreed that in any foreclosure judgment, the court may reserve jurisdiction for such purpose):

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(C) if right of redemption is deemed not to be waived by this Mortgage, computation of any amounts required to redeem, pursuant to Subsections (d)(2) and (e) of Section 5-1603 of the Act; (D) determination of amounts deductible from sale proceeds pursuant to Section 15-1512 of the Act; (E) application of income in the hands of any receiver or Lender in possession; and (F) computation of any deficiency judgment pursuant to subsections (b) (2) and (e) of Sections 15-1508 and 15-1511 of the Act. Notwithstanding anything herein to the contrary, unless (i) there is an emergency situation and Lender determines, in its reasonable opinion, a Protective Advance is necessary to preserve the value of the Collateral or (ii) Lender has determined, in its reasonable opinion, that the lien of this Mortgage is in jeopardy of being foreclosed or (iii) Lender has the right to make any such Protective Advance pursuant to the terms of the Loan Documents, Lender shall not make a Protective Advance prior to the occurrence of an Event of Default.

Section 6.02 **Waiver of Right of Redemption and Reinstatement.** Without limiting the generality of Section 4.02(h) of this Mortgage, the waiver by Borrower of its rights of redemption and reinstatement in such Section, include the waiver of such rights as provided under Sections 15-1601 and 15-1602 of the Act.

Section 6.03 **Business Loan Recital/Statutory Exemption.** (a) Borrower acknowledges and agrees that (A) the proceeds of the Loan will be used in conformance with subparagraph (1) of Section 4 of the Illinois Interest Act (815 ILCS 205/0.01, et seq.), including Section 4(1) thereof; (B) the Indebtedness secured hereby has been incurred by Borrower solely for business purposes of Borrower and for Borrower's investment or profit, as contemplated by said Section 4(1); (C) the Indebtedness secured hereby constitutes a loan secured by real estate within the purview of and as contemplated by said Section 4(1); and (D) the secured Indebtedness is an exempted transaction under the Truth in Lending Act, 15 U.S.C. Sec. 1601 *et seq.* and has been entered into solely for business purposes of Borrower and Borrower's investment or profit, as contemplated by said section.

(b) Without limiting the generality of anything contained herein, Borrower acknowledges and agrees that the transaction of which this Mortgage is part is a transaction which does not include either agricultural real estate (as defined in 15-1201 of the Act) or residential real estate (as defined in 15-1219 of the Act).

Section 6.04 **Maximum Principal Amount/Future Advances.** This Mortgage shall secure the payment of any amounts advanced from time to time under the Loan Documents, or under other documents stating that such advances are secured hereby. This Mortgage also secures any and all future obligations and Indebtedness arising under or in connection with this Mortgage, which future obligations and Indebtedness shall have the same priority as if all such future obligations and Indebtedness were made on the date of execution hereof. Nothing in this Section or in any other provision of this Mortgage shall be deemed an obligation on the part of Lender to make any future advances of any sort. At all times, regardless of whether any Loan proceeds have been disbursed, this Mortgage shall secure (in addition to any Loan proceeds disbursed from time to time) the payment of any and all expenses and advances due to or incurred by Lender in connection with the Indebtedness to be secured hereby and which are to be reimbursed by Borrower under the terms of this Mortgage; provided, however, that in no event

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shall the total amount of Loan proceeds disbursed plus such additional amounts exceed \$500,000,000.

Section 6.05 **Lender in Possession.** In addition to any provision of this Mortgage authorizing the Lender to take or be placed in possession of the Mortgaged Property, or for the appointment of a receiver, Lender shall have the right, in accordance with Sections 15-1701 and 15-1702 of the Act, to be placed in possession of the Mortgaged Property or at its request to have a receiver appointed, and such receiver, or Lender, if and when placed in possession, shall have, in addition to any other powers provided in this Mortgage, all powers, immunities, and duties as provided for in Sections 15-1701 and 15-1703 of the Act.

Section 6.06 **Illinois Mortgage Foreclosure Act.** It is the express intention of Lender and Borrower that the rights, remedies, powers and authorities conferred upon Lender pursuant to this Mortgage shall include all rights, remedies, powers and authorities that a mortgagor may confer upon a mortgagee under the Act and/or as otherwise permitted by applicable law, as if they were expressly provided for herein. In the event that any provisions in this Mortgage are deemed inconsistent with any provision in the Act, the provisions of the Act shall take precedence over the provisions of this Mortgage, but shall not invalidate or render unenforceable any other provision of this Mortgage that can be construed in a manner consistent with the Act. If any provision of this Mortgage shall grant to Lender any rights or remedies which are more limited than the rights that would otherwise be vested in Lender under the Act in the absence of such provisions, Lender shall be vested with the rights granted in the Act to the full extent permitted by law.

Section 6.07 **Collateral Protection Act.** Pursuant to the requirements of the Illinois Collateral Protection Act, Borrower is hereby notified as follows:

Unless the Borrower provides Lender with evidence of the insurance coverage required by this Mortgage, the Loan Agreement or any of the other Loan Documents, Lender may purchase, after notice to Borrower, insurance at Borrower's expense to protect Lender's interest in the Mortgaged Property or any other collateral for the Indebtedness. This insurance may, but need not protect Borrower's interests. The coverage Lender purchases may not pay any claim that Borrower makes or any claim that is made against Borrower in connection with the Mortgaged Property or any other collateral for the Indebtedness. Borrower may later cancel any insurance purchased by Lender but only after providing Lender with evidence that Borrower has obtained insurance as required by this Mortgage, the Loan Agreement or any of the other Loan Documents. If Lender purchases insurance for the Mortgaged Property or any other collateral for the Indebtedness, Borrower will be responsible for the costs of that insurance, including interest and any other charges that Lender may lawfully 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 the Indebtedness and future obligations secured hereunder. The costs of the insurance may be more than the cost of insurance that Borrower may be able to obtain on its own.

Section 6.08 **Sealed Instrument.** Borrower intends for this Mortgage to be executed and delivered by Borrower, and accepted by Lender, as a sealed instrument.

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Section 6.09 **Maturity Date.** The Indebtedness shall be due and payable in full on or before December 1, 2026.

Section 6.10 **Intentionally Deleted.**

Section 6.11 **Construction Loan.** This Mortgage secures an obligation incurred for the construction of improvements on the Land and is deemed to be a "construction" mortgage as provided in Section 9-334(h) of the Code.

Section 6.12 **Venue.** Any action to enforce this Mortgage or to pursue any of the remedies set forth herein shall be brought in the courts of the State of Illinois, in the county in which the Premises are located.

Section 6.13 **Fixture Financing Statement.** From the date of its recording, this Mortgage shall be effective as a fixture financing statement within the purview of Section 9-502(c) of the Illinois Uniform Commercial Code (as amended from time to time) with respect to the Premises and the goods described herein, which goods are or are to become fixtures related to the Premises. The addresses of Mortgagor (Debtor) and Mortgagee (Secured Party) are set forth below. This Mortgage is to be filed for recording with the Recorder of Deeds of the county or the counties where the Premises is located. For this purpose, the following information is set forth:

(a) Name and Address of Debtor:

PT Chicago, L.L.C.  
c/o Waterton  
30 South Wacker Drive, 36<sup>th</sup> Floor  
Chicago, Illinois 60606  
Attention: David Schwartz and Erin Ankin

(b) Name and Address of Secured Party:

Massachusetts Mutual Life Insurance Company  
c/o Barings  
One Financial Plaza  
Hartford, Connecticut 06103  
Attention: Real Estate Loan Servicing  
Loan No. 164011

(c) This document covers goods which are or are to become fixtures.

(d) Debtor's state of formation is Delaware.

(e) Debtor's organizational identification number is 4323766.

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*[Signature Page to Mortgage]*

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

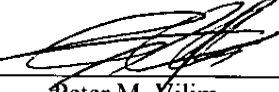
BORROWER:

**PT CHICAGO, L.L.C.**, a Delaware limited liability company

By: Fund IX PT Chicago, L.L.C., a Delaware limited liability company, its Manager

By: Waterton Fund IX Investors, L.L.C., a Delaware limited liability company, its Manager

By: Waterton Associates, L.L.C., an Illinois limited liability company, its Administrative Agent

By:   
Name: Peter M. Vilim  
Title: Authorized Signatory

Property of Cook County Clerk's Office



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[Notary Page to Mortgage]

## ACKNOWLEDGMENT

STATE OF ILLINOIS

§  
§  
§

COUNTY OF COOK

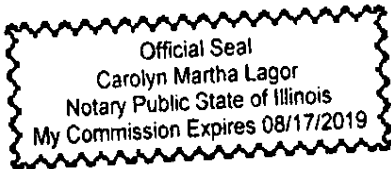
This instrument was acknowledged before me on this 16th day of November, 2016, by Peter M. Vilim, as Authorized Signatory of Waterton Associates, L.L.C., an Illinois limited liability company, the Administrative Agent of Waterton Fund IX Investors, L.L.C., a Delaware limited liability company, the Manager of Fund IX PT Chicago, L.L.C., a Delaware limited liability company, the Sole Member of PT CHICAGO, L.L.C., a Delaware limited liability company, on behalf of said entity.

My Commission expires:

8/17/2019

Carolyn Martha Lagor  
Notary Public

CAROLYN MARTHA LAGOR  
Printed/Typed Name of Notary



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## EXHIBIT A

### DESCRIPTION OF LAND

#### PARCEL 1:

ALL OF ORIGINAL LOTS 1, 2, 3 AND 4 IN BLOCK 25 AND ALL OF ORIGINAL LOTS 5, 6, 7 AND 8 IN BLOCK 25 IN SCHOOL SECTION ADDITION TO CHICAGO IN SECTION 16, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN; TOGETHER WITH THE NORTH 1/2 OF VACATED WEST ARCADE PLACE LYING SOUTH OF AND ADJOINING SAID LOTS 1, 2, 3 AND 4; AND THE SOUTH 1/2 OF VACATED WEST ARCADE PLACE LYING NORTH OF AND ADJOINING SAID ORIGINAL LOTS 5, 6, 7 AND 8 (SAID WEST ARCADE PLACE AND THE ALLEY LYING WITHIN RESUBDIVIDED ORIGINAL LOT 1, ALL BEING VACATED BY ORDINANCE RECORDED MAY 22, 1981 AS DOCUMENT 25879485);

#### PARCEL 2:

ALL OF ORIGINAL LOTS 1, 2, 3 AND 4 IN BLOCK 48 AND ALL OF ORIGINAL LOTS 5 (SAID ORIGINAL LOT 5 ALSO BEING DESCRIBED AS LOTS 1 THROUGH 8, BOTH INCLUSIVE, IN WARD'S SUBDIVISION OF SAID ORIGINAL LOT 5, AND THE NORTH-SOUTH 8 FOOT ALLEY VACATED BY ORDINANCE RECORDED JANUARY 11, 1910 AS DOCUMENT 4494315, (SAID VACATED ALLEY LYING WEST OF AND ADJOINING SAID SUB-LOTS 1 THROUGH 6, BOTH INCLUSIVE); SAID LOTS 1 THROUGH 8, BOTH INCLUSIVE, BEING TAKEN TOGETHER WITH THE SAID VACATED ALLEY, COMPRISING ALL OF ORIGINAL LOT 5), 6, 7 AND 8 IN BLOCK 48 IN SCHOOL SECTION ADDITION AFORESAID; TOGETHER WITH THE NORTH 1/2 OF VACATED WEST ARCADE PLACE LYING SOUTH OF AND ADJOINING SAID LOTS 1, 2, 3 AND 4; AND THE SOUTH 1/2 OF VACATED WEST ARCADE PLACE LYING NORTH OF AND ADJOINING SAID ORIGINAL LOTS 5, 6, 7 AND 8 (SAID WEST ARCADE PLACE TOGETHER WITH ALL ALLEYS LYING WITHIN RESUBDIVIDED ORIGINAL LOT 1, WITHIN RESUBDIVIDED ORIGINAL LOT 4, ALL VACATED BY AFORESAID DOCUMENT 25879485), ALL IN COOK COUNTY, ILLINOIS;

#### PARCEL 3:

PASSAGEWAY FOR ACCESS BETWEEN AND FOR THE MUTUAL BENEFIT OF PARCELS 1 AND 2 AS CREATED BY THE ORDINANCE ENACTED BY THE CITY COUNCIL OF THE CITY OF CHICAGO ON MARCH 31, 1983 AND RECORDED ON JULY 14, 1983 AS DOCUMENT 26688854, OVER AND ACROSS THE FOLLOWING DESCRIBED SPACE TO WIT: THE SPACE ABOVE SOUTH JEFFERSON STREET ENCLOSED BY TWO HORIZONTAL PLANES, WHOSE ELEVATIONS WITH REFERENCE TO THE CITY OF CHICAGO DATUM ARE 29.00 FEET AND 55.00 FEET ABOVE DATUM, DESCRIBED AS FOLLOWS: BEGINNING ON THE EAST LINE OF SOUTH JEFFERSON STREET AT A POINT 118.75 FEET SOUTH OF THE SOUTH LINE OF WEST MADISON STREET, THENCE WEST 80 FEET, TO A POINT ON THE WEST LINE OF SOUTH JEFFERSON STREET, SAID POINT BEING 118.71 FEET SOUTH OF THE SOUTH LINE OF WEST MADISON STREET; THENCE SOUTH ALONG THE WEST LINE OF SOUTH JEFFERSON STREET 15.00 FEET; THENCE EAST 80.00 FEET, TO A

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POINT ON THE EAST LINE OF SOUTH JEFFERSON STREET, SAID POINT BEING 133.75 FEET SOUTH OF THE SOUTH LINE OF WEST MADISON STREET; THENCE NORTH, ALONG THE EAST LINE OF SOUTH JEFFERSON STREET 15.00 FEET TO THE POINT OF BEGINNING, IN SCHOOL ADDITION TO CHICAGO, IN SECTION 16, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS,

## ALSO

THE SPACE ABOVE SOUTH JEFFERSON STREET ENCLOSED BY TWO HORIZONTAL PLANES, WHOSE ELEVATIONS WITH REFERENCE TO THE CITY OF CHICAGO DATUM ARE 29.00 FEET AND 55.00 FEET ABOVE DATUM, DESCRIBED AS FOLLOWS: BEGINNING ON THE EAST LINE OF SOUTH JEFFERSON STREET AT A POINT 157.75 FEET SOUTH OF THE SOUTH LINE OF WEST MADISON STREET; THENCE SOUTHWEST TO A POINT ON THE WEST LINE OF SOUTH JEFFERSON STREET, SAID POINT BEING 239.71 FEET SOUTH OF THE SOUTH LINE OF WEST MADISON STREET; THENCE SOUTH, ALONG THE WEST LINE OF SOUTH JEFFERSON STREET 45.00 FEET; THENCE NORTHEAST, ALONG A LINE WHICH FORMS AN INTERIOR ANGLE OF 45 DEGREES 23 MINUTES WITH THE LAST DESCRIBED LINE, 53.38 FEET; THENCE EAST TO A POINT ON THE EAST LINE OF SOUTH JEFFERSON STREET, SAID POINT BEING 246.92 FEET SOUTH OF THE SOUTH LINE OF WEST MADISON STREET; THENCE NORTH, ALONG THE EAST LINE OF SOUTH JEFFERSON STREET, 89.17 FEET, TO THE POINT OF BEGINNING, IN SCHOOL ADDITION TO CHICAGO, IN SECTION 16, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

## PARCEL 1 AND 2 ARE ALSO KNOWN AS:

PARCEL 1 - PERIMETER METES AND BOUNDS LEGAL DESCRIPTION: ALL OF BLOCK 25 IN SCHOOL SECTION ADDITION TO CHICAGO IN SECTION 16, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN TOGETHER WITH VACATED ARCADE PLACE THEREIN BEING BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF SAID BLOCK 25; THENCE NORTH 89 DEGREES 59 MINUTES 35 SECONDS EAST ALONG THE SOUTH LINE OF SAID BLOCK 25, BEING ALSO THE NORTH LINE OF W. MONROE STREET, A DISTANCE OF 318.92 FEET (RECORD 318.00 FEET) TO THE SOUTHEAST CORNER OF SAID BLOCK 25; THENCE NORTH 00 DEGREES 25 MINUTES 38 SECONDS WEST ALONG THE EAST LINE OF SAID BLOCK 25, BEING ALSO THE WEST LINE OF S. JEFFERSON STREET, A DISTANCE OF 397.75 FEET (RECORD 398.50 FEET) TO THE NORTHEAST CORNER OF SAID BLOCK 25; THENCE SOUTH 89 DEGREES 56 MINUTES 58 SECONDS WEST ALONG THE NORTH LINE OF SAID BLOCK 25, BEING ALSO THE SOUTH LINE OF W. MADISON STREET, A DISTANCE OF 318.83 FEET (RECORD 317.74 FEET) TO THE NORTHWEST CORNER OF SAID BLOCK 25; THENCE SOUTH 00 DEGREES 24 MINUTES 52 SECONDS EAST ALONG THE WEST LINE OF SAID BLOCK 25, BEING ALSO THE EAST LINE OF S. DES PLAINES STREET, A DISTANCE OF 397.50 FEET (RECORD 396.00 FEET) TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

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## PARCEL 2 - PERIMETER METES AND BOUNDS LEGAL DESCRIPTION:

ALL OF BLOCK 48 IN SCHOOL SECTION ADDITION TO CHICAGO IN SECTION 16, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN TOGETHER WITH VACATED ALLEY THEREIN BEING BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF SAID BLOCK 48; THENCE NORTH 89 DEGREES 59 MINUTES 35 SECONDS EAST ALONG THE SOUTH LINE OF SAID BLOCK 48, BEING ALSO THE NORTH LINE OF W. MONROE STREET, A DISTANCE OF 318.92 FEET (RECORD 318.00 FEET) TO THE SOUTHEAST CORNER OF SAID BLOCK 48; THENCE NORTH 00 DEGREES 26 MINUTES 26 SECONDS WEST ALONG THE EAST LINE OF SAID BLOCK 48, BEING ALSO THE WEST LINE OF S. CLINTON STREET, A DISTANCE OF 389.06 FEET (RECORD 396.25 FEET) TO THE NORTHEAST CORNER OF SAID BLOCK 48; THENCE SOUTH 89 DEGREES 56 MINUTES 58 SECONDS WEST ALONG THE NORTH LINE OF SAID BLOCK 48, BEING ALSO THE SOUTH LINE OF W. MADISON STREET, A DISTANCE OF 318.83 FEET (RECORD 318.20 FEET) TO THE NORTHWEST CORNER OF SAID BLOCK 48; THENCE SOUTH 00 DEGREES 25 MINUTES 38 SECONDS EAST ALONG THE WEST LINE OF SAID BLOCK 48, BEING ALSO THE EAST LINE OF S. JEFFERSON STREET, A DISTANCE OF 397.81 FEET (RECORD 396.00 FEET) TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

Common Address: 555 West Madison Street, Chicago, Illinois 60661

Pin Nos.:  
 17-16-101-022-0000  
 17-16-101-023-0000  
 17-16-101-024-0000  
 17-16-102-026-0000  
 17-16-102-027-0000  
 17-16-102-028-0000  
 17-16-102-029-0000

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## EXHIBIT B

### PERMITTED ENCUMBRANCES

1. REAL ESTATE TAXES FOR THE YEAR 2016 AND ALL SUBSEQUENT YEARS, WHICH ARE NOT YET DUE OR PAYABLE.
2. RIGHTS OF TENANTS, AS TENANTS ONLY, UNDER RESIDENTIAL LEASES, WHICH TENANTS HAVE NO RIGHTS OF FIRST REFUSAL, OPTIONS TO PURCHASE OR OTHER PURCHASE RIGHTS IN THE LAND.
3. RIGHTS OF THE MUNICIPALITY, THE STATE OF ILLINOIS, THE PUBLIC AND ADJOINING OWNERS IN AND TO VACATED STREETS AND ALLEYS, SHOWN ON THE PLAT OF SURVEY PREPARED BY EDWARD J. MOLLOY & ASSOCIATES, LTD., DATED OCTOBER 21, 2015 AND LAST REVISED FEBRUARY 12, 2016, ORDER NO. 150203.
4. RIGHTS OF THE PUBLIC AND QUASI-PUBLIC UTILITIES, IF ANY, IN SAID VACATED STREETS AND ALLEYS FOR MAINTENANCE THEREIN OF POLES, CONDUITS, SEWERS AND OTHER FACILITIES, SHOWN ON THE PLAT OF SURVEY PREPARED BY EDWARD J. MOLLOY & ASSOCIATES, LTD., DATED OCTOBER 21, 2015 AND LAST REVISED FEBRUARY 12, 2016, ORDER NO. 150203.
5. ENCROACHMENT OF A 1 STORY GLASS AND METAL BUILDING OVER THE SOUTH AND WEST LINES OF THE LAND, ONTO THE PUBLIC WAY, BY 0.19 FEET, AS SHOWN ON THE PLAT OF SURVEY PREPARED BY EDWARD J. MOLLOY & ASSOCIATES, LTD., DATED OCTOBER 21, 2015 AND LAST REVISED FEBRUARY 12, 2016, ORDER NO. 150203.  
(AFFECTS PARCEL 2)