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Illinois Anti-Predatory Lending Database Program

Certificate of Exemption

Report Mortgage Fraud
800-532-8785



1703219117

Doc# 1703219117 Fee \$104.00

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

KAREN A. YARBROUGH

COOK COUNTY RECORDER OF DEEDS

DATE: 02/01/2017 02:59 PM PG: 1 OF 34

The property identified as: PIN: 25-11-211-015

Address:

Street: 9501 S. Dorchester Avenue

Street line 2:

City: Chicago

State: IL

ZIP Code: 60628

Lender: Morgan Stanley Bank, N.A.

Borrower: Calumet Industrial Chicago, LLC

Loan / Mortgage Amount: \$35,062,500.00

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: C5D20375-B64D-45D5-9412-946BC867538E

Execution date: 1/31/2017

CCRD REVIEWER:

Property of Cook County Clerk's Office

5010 C+K Jkork 8978293

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**THIS INSTRUMENT
PREPARED BY AND WHEN
RECORDED RETURN TO:**

Christopher T. Nixon, Esq.
Winstead PC
500 Winstead Building
2728 N. Harwood Street
Dallas, Texas 75201

P.I.N.s: 25-11-211-015; 25-11-211-019; 25-11-211-004; 25-11-211-020; 25-11-211-010; 25-11-211-021; 25-11-212-003; 25-11-211-012; 25-11-211-022; 25-11-212-009; 25-11-212-006; 25-11-212-021; 25-11-212-022; 25-11-212-023; 25-11-400-014
Street Address: 9501, 9540, 9600, 9630, 9631, 9810 S. Dorchester Avenue; 1345, 1405, 1406, 1445 E. 95th Street; 1345 E. 96th Street; 1400 E. 97th Street; 1515 E. 98th Street; 9800, 9901 S. Stony Island Avenue, Chicago, Illinois 60628

TO BE RECORDED IN THE
MORTGAGE RECORDS OF
COOK COUNTY, ILLINOIS

CALUMET INDUSTRIAL CHICAGO, LLC, a Delaware limited liability company, as
mortgagor
(Borrower)

to

MORGAN STANLEY BANK, N.A., as mortgagee
(Lender)

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

Dated: As of January 31, 2017

This Mortgage and Security Agreement also constitutes a Fixture Financing Statement.

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MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT

THIS MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT (this "Security Instrument") is made as of January 31, 2017, by **CALUMET INDUSTRIAL CHICAGO, LLC**, a Delaware limited liability company, having its principal place of business at c/o Glen Una Management Company, Inc., 51 University Avenue, Suite G, Los Gatos, California 95030, Attention: Kenneth Levy, as mortgagor ("Borrower"), for the benefit of **MORGAN STANLEY BANK, N.A.**, a national banking association, having an address at 1585 Broadway, New York, New York 10036, Attention: Mr. George Kok, as mortgagee ("Lender").

WITNESSETH:

WHEREAS, this Security Instrument is given to secure a loan (the "Loan") in the principal sum of THIRTY-FIVE MILLION SIXTY-TWO THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$35,062,500.00) or so much thereof as may be advanced pursuant to that certain Loan Agreement dated as of the date hereof between Borrower and Lender (as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time, the "Loan Agreement") and evidenced by that certain Promissory Note dated the date hereof made by Borrower to Lender (such Note, together with all extensions, renewals, replacements, restatements or modifications thereof being hereinafter referred to as the "Note"), and having a maturity date of February 1, 2027;

WHEREAS, Borrower desires to secure the payment of the Debt (as defined in the Loan Agreement) and the performance of all of its obligations under the Note, the Loan Agreement and the other Loan Documents; and

WHEREAS, this Security Instrument is given pursuant to the Loan Agreement, and payment, fulfillment, and performance by Borrower of its obligations thereunder and under the other Loan Documents are secured hereby, and each and every term and provision of the Loan Agreement and the Note, including the rights, remedies, obligations, covenants, conditions, agreements, indemnities, representations and warranties of the parties therein are hereby incorporated by reference herein as though set forth in full and shall be considered a part of this Security Instrument (the Loan Agreement, the Note, this Security Instrument, and all other documents evidencing or securing the Debt or delivered in connection with the making of the Loan are hereinafter referred to collectively as the "Loan Documents").

NOW THEREFORE, in consideration of the making of the Loan by Lender and the covenants, agreements, representations and warranties set forth in this Security Instrument:

ARTICLE 1 - GRANTS OF SECURITY

Section 1.1 Property Mortgaged. Borrower does hereby irrevocably mortgage, grant, bargain, sell, pledge, assign, warrant, transfer and convey to Lender, and grant a security interest

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to Lender in, the following property, rights, interests and estates now owned, or hereafter acquired by Borrower (collectively, the "Property"):

(a) Land. The real property described in Exhibit A attached hereto and made a part hereof (the "Land");

(b) Additional Land. All additional lands, estates and development rights hereafter acquired by Borrower for use in connection with the Land and the development of the Land and all additional lands and estates therein which may, from time to time, by supplemental mortgage or otherwise be expressly made subject to the lien of this Security Instrument;

(c) Improvements. The buildings, structures, fixtures, additions, enlargements, extensions, modifications, repairs, replacements and improvements now or hereafter erected or located on the Land (collectively, the "Improvements");

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

(e) Equipment. All "equipment," as such term is defined in Article 9 of the Uniform Commercial Code (as hereinafter defined), now owned or hereafter acquired by Borrower, which is used at or in connection with the Improvements or the Land or is located thereon or therein (including, but not limited to, all machinery, equipment, furnishings, and electronic data-processing and other office equipment now owned or hereafter acquired by Borrower and any and all additions, substitutions and replacements of any of the foregoing), together with all attachments, components, parts, equipment and accessories installed thereon or affixed thereto (collectively, the "Equipment"). Notwithstanding the foregoing, Equipment shall not include any property belonging to tenants under leases except to the extent that Borrower shall have any right or interest therein;

(f) Fixtures. All Equipment now owned, or the ownership of which is hereafter acquired, by Borrower which is so related to the Land and Improvements forming part of the Property that it is deemed fixtures or real property under the law of the particular state in which the Equipment is located, including, without limitation, all building or construction materials intended for construction, reconstruction, alteration or repair of or installation on the Property, construction equipment, appliances, machinery,

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plant equipment, fittings, apparatuses, fixtures and other items now or hereafter attached to, installed in or used in connection with (temporarily or permanently) any of the Improvements or the Land, including, but not limited to, engines, devices for the operation of pumps, pipes, plumbing, cleaning, call and sprinkler systems, fire extinguishing apparatuses and equipment, heating, ventilating, plumbing, laundry, incinerating, electrical, air conditioning and air cooling equipment and systems, gas and electric machinery, appurtenances and equipment, pollution control equipment, security systems, disposals, dishwashers, refrigerators and ranges, recreational equipment and facilities of all kinds, and water, gas, electrical, storm and sanitary sewer facilities, utility lines and equipment (whether owned individually or jointly with others, and, if owned jointly, to the extent of Borrower's interest therein) and all other utilities whether or not situated in easements, all water tanks, water supply, water power sites, fuel stations, fuel tanks, fuel supply, and all other structures, together with all accessions, appurtenances, additions, replacements, betterments and substitutions for any of the foregoing and the proceeds thereof (collectively, the "Fixtures"). Notwithstanding the foregoing, "Fixtures" shall not include any property which tenants are entitled to remove pursuant to leases except to the extent that Borrower shall have any right or interest (reversionary or otherwise) therein;

(g) Personal Property. All furniture, furnishings, objects of art, machinery, goods, tools, supplies, appliances, general intangibles, contract rights, accounts, accounts receivable, franchises, licenses, certificates and permits, and all other personal property of any kind or character whatsoever (as defined in and subject to the provisions of the Uniform Commercial Code as hereinafter defined), other than Fixtures, which are now or hereafter owned by Borrower and which are located within or about the Land and the Improvements, together with all accessories, replacements and substitutions thereto or therefor and the proceeds thereof (collectively, the "Personal Property"), and the right, title and interest of Borrower in and to any of the Personal Property which may be subject to any security interests, as defined in the Uniform Commercial Code, as adopted and enacted by the state, states, commonwealth or commonwealths where any of the Property is located (the "Uniform Commercial Code"), superior in lien to the lien of this Security Instrument and all proceeds and products of the above;

(h) Leases and Rents. All leases, subleases, subsubleases, lettings, licenses, concessions or other agreements (whether written or oral) pursuant to which any Person is granted a possessory interest in, or right to use or occupy all or any portion of the Land and the Improvements, and every modification, amendment or other agreement relating to such leases, subleases, subsubleases, or other agreements entered into in connection with such leases, subleases, subsubleases, or other agreements and every guarantee of the performance and observance of the covenants, conditions and agreements to be performed and observed by the other party thereto, heretofore or hereafter entered into, and all extensions, amendments and modifications thereto, whether before or after the filing by or against Borrower of any petition for relief under 11 U.S.C. §101 et seq., as the same may be amended from time to time (the "Bankruptcy Code") (collectively, the "Leases") and all right, title and interest of Borrower, its successors and assigns therein

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and thereunder, including, without limitation, cash, letters of credit or securities deposited thereunder to secure the performance by the lessees of their obligations thereunder and all rents, additional rents, rent equivalents, moneys payable as damages or in lieu of rent or rent equivalents, early termination fees and payments and other termination fees and payments, royalties (including, without limitation, all oil and gas or other mineral royalties and bonuses), income, receivables, receipts, revenues, deposits (including, without limitation, security, utility and other deposits), accounts, cash, issues, profits, charges for services rendered, and other consideration of whatever form or nature received by or paid to or for the account of or benefit of Borrower or its agents or employees from any and all sources arising from or attributable to the Property, including, all receivables, customer obligations, installment payment obligations and other obligations now existing or hereafter arising or created out of the sale, lease, sublease, license, concession or other grant of the right of the use and occupancy of property or rendering of services by Borrower or Manager and proceeds, if any, from business interruption or other loss of income insurance whether paid or accruing before or after the filing by or against Borrower of any petition for relief under the Bankruptcy Code (collectively, the "Rents") and all proceeds from the sale or other disposition of the Leases and the right to receive and apply the Rents to the payment of the Debt;

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

(j) Insurance Proceeds. All proceeds in respect of the Property under any insurance policies covering the Property, including, without limitation, the right to receive and apply the proceeds of any insurance, judgments, or settlements made in lieu thereof, for damage to the Property;

(k) Tax Certiorari. All refunds, rebates or credits in connection with reduction in real estate taxes and assessments charged against the Property as a result of tax certiorari or any applications or proceedings for reduction;

(l) Rights. The right, in the name and on behalf of Borrower, to appear in and defend any action or proceeding brought with respect to the Property and to commence any action or proceeding to protect the interest of Lender in the Property;

(m) Agreements. All agreements, contracts, certificates, instruments, franchises, permits, licenses, plans, specifications and other documents, now or hereafter entered into, and all rights therein and thereto, respecting or pertaining to the use, occupation, construction, management or operation of the Land and any part thereof and any Improvements or respecting any business or activity conducted on the Land and any part thereof and all right, title and interest of Borrower therein and thereunder, including, without limitation, the right, upon the happening of any default hereunder, to receive and collect any sums payable to Borrower thereunder;

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(n) Trademarks. All tradenames, trademarks, servicemarks, logos, copyrights, goodwill, books and records and all other general intangibles relating to or used in connection with the operation of the Property;

(o) Accounts. All reserves, escrows and deposit accounts maintained by Borrower with respect to the Property, including, without limitation, all accounts established or maintained pursuant to the Cash Management Agreement; together with all deposits or wire transfers made to such accounts and all cash, checks, drafts, certificates, securities, investment property, financial assets, instruments and other property held therein from time to time and all proceeds, products, distributions or dividends or substitutions thereon and thereof;

(p) Intentionally Omitted.

(q) Water Rights. All water rights and water rights, ditches and ditch rights, reservoirs and storage rights, wells and well rights, springs and spring rights, groundwater rights (whether tributary, nontributary or not-nontributary), water contracts, water allotments, water taps, shares in ditch or reservoir companies, and all other rights of any kind or nature in or to the use of water, which are appurtenant to, historically used on or in connection with, or located on or under the Land, together with any and all easements, rights of way, fixtures, personal property, contract rights, permits or decrees associated with or used in connection with any such rights;

(r) Proceeds. All proceeds of any of the foregoing, including, without limitation, proceeds of insurance and condemnation awards, whether cash, liquidation or other claims or otherwise; and

(s) Other Rights. Any and all other rights of Borrower in and to the items set forth in Subsections (a) through (r) above.

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

Section 1.2 Assignment of Rents. Borrower hereby absolutely and unconditionally assigns to Lender all of Borrower's right, title and interest in and to all current and future Leases and Rents; it being intended by Borrower that this assignment constitutes a present, absolute assignment and not an assignment for additional security only. Nevertheless, subject to the terms of Section 7.1(h) of this Security Instrument, Lender grants to Borrower a revocable license to collect, receive, use and enjoy the Rents. Borrower shall hold the Rents, or a portion thereof

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sufficient to discharge all current sums due on the Debt, for use in the payment of such sums. Upon the cure of any Event of Default by Borrower and acceptance thereof by Lender and provided that no Event of Default is then continuing, Borrower may again collect, receive, use and enjoy the Rents and other sums due under the Leases in accordance with this Section 1.2.

Section 1.3 Security Agreement. This Security Instrument is both a real property mortgage and a "security agreement" within the meaning of the Uniform Commercial Code. The Property includes both real and personal property and all other rights and interests, whether tangible or intangible in nature, of Borrower in the Property. By executing and delivering this Security Instrument, Borrower hereby grants to Lender, as security for the Obligations (hereinafter defined), a security interest in the Fixtures, the Equipment, the Personal Property and other property constituting the Property to the full extent that the Fixtures, the Equipment, the Personal Property and such other property may be subject to the Uniform Commercial Code (said portion of the Property so subject to the Uniform Commercial Code being called the "Collateral"). If an Event of Default shall occur and be continuing, Lender, in addition to any other rights and remedies which it may have, shall have and may exercise immediately and without demand, any and all rights and remedies granted to a secured party upon default under the Uniform Commercial Code, including, without limiting the generality of the foregoing, the right to take possession of the Collateral or any part thereof, and to take such other measures as Lender may deem necessary for the care, protection and preservation of the Collateral. Upon request or demand of Lender after the occurrence and during the continuance of an Event of Default, Borrower shall, at its expense, assemble the Collateral and make it available to Lender at a convenient place (at the Land if tangible property) reasonably acceptable to Lender. Borrower shall pay to Lender on demand any and all expenses, including reasonable legal expenses and attorneys' fees, incurred or paid by Lender in protecting its interest in the Collateral and in enforcing its rights hereunder with respect to the Collateral after the occurrence and during the continuance of an Event of Default. Any notice of sale, disposition or other intended action by Lender with respect to the Collateral sent to Borrower in accordance with the provisions hereof at least ten (10) business days prior to such action, shall, except as otherwise provided by applicable law, constitute reasonable notice to Borrower. The proceeds of any disposition of the Collateral, or any part thereof, may, except as otherwise required by applicable law, be applied by Lender to the payment of the Debt in such priority and proportions as Lender in its discretion shall deem proper. The principal place of business of Borrower (Debtor) is as set forth on page one hereof and the address of Lender (Secured Party) is as set forth on page one hereof. The record owner of the Property is Calumet Industrial Chicago, LLC, a Delaware limited liability company.

Section 1.4 Fixture Filing. Certain of the Property is or will become "fixtures" (as that term is defined in the Uniform Commercial Code) on the Land, described or referred to in this Security Instrument, and this Security Instrument, upon being filed for record in the real estate records of the city or county wherein such fixtures are situated, shall operate also as a financing statement naming Borrower as Debtor and Lender as Secured Party filed as a fixture filing in accordance with the applicable provisions of said Uniform Commercial Code upon such of the Property that is or may become fixtures.

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Section 1.5 Pledges of Monies Held. Borrower hereby pledges to Lender any and all monies now or hereafter held by Lender or on behalf of Lender in connection with the Loan, including, without limitation, any sums deposited in the Accounts (as defined in the Cash Management Agreement) and Net Proceeds, as additional security for the Obligations until expended or applied as provided in this Security Instrument, the Cash Management Agreement or the Loan Agreement.

CONDITIONS TO GRANT

TO HAVE AND TO HOLD the above granted and described Property unto and to the use and benefit of Lender and its successors and assigns, forever;

PROVIDED, HOWEVER, these presents are upon the express condition that, if Borrower shall well and truly pay to Lender the Debt at the time and in the manner provided in the Note, the Loan Agreement and this Security Instrument, shall well and truly perform the Other Obligations as set forth in this Security Instrument and shall well and truly abide by and comply with each and every covenant and condition set forth herein and in the Note, the Loan Agreement and the other Loan Documents, these presents and the estate hereby granted shall cease, terminate and be void; provided, however, that Borrower's obligation to indemnify and hold harmless Lender pursuant to the provisions hereof shall survive any such payment or release.

ARTICLE 2 - DEBT AND OBLIGATIONS SECURED

Section 2.1 Debt. This Security Instrument and the grants, assignments and transfers made in Article 1 are given for the purpose of securing the Debt which by its definition (as set forth in the Loan Agreement) includes, but is not limited to, the obligations of Borrower to pay to Lender the principal and interest owing pursuant to the terms and conditions of the Note.

Section 2.2 Other Obligations. This Security Instrument and the grants, assignments and transfers made in Article 1 are also given for the purpose of securing the following (the "Other Obligations"):

- (a) the performance of all other obligations of Borrower contained herein;
- (b) the performance of each obligation of Borrower contained in the Loan Agreement and any other Loan Document;
- (c) the performance of each obligation of Borrower contained in any renewal, extension, amendment, modification, consolidation, change of, or substitution or replacement for, all or any part of the Note, the Loan Agreement or any other Loan Document;
- (d) all sums advanced pursuant to the Loan Documents to protect and preserve the Property and the lien and the security interest created hereby (such advances

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to be secured to the same extent as if such future advances were made on the date hereof and although there may be no indebtedness outstanding at the time any advance is made);

(e) all sums advanced and costs and expenses incurred by Lender pursuant to the Loan Documents in connection with the Debt or any part thereof, any renewal, extension, or change of or substitution for the Debt or any part thereof, or the acquisition or perfection of the security therefor, whether made or incurred at the request of Borrower or Lender (such advances to be secured to the same extent as if such future advances were made on the date hereof and although there may be no indebtedness outstanding at the time any advance is made); and

(f) ANY AND ALL OTHER INDEBTEDNESS NOW OWING OR WHICH MAY HEREAFTER BE OWING BY BORROWER TO LENDER, HOWEVER AND WHENEVER INCURRED OR EVIDENCED, WHETHER EXPRESS OR IMPLIED, DIRECT OR INDIRECT, ABSOLUTE OR CONTINGENT, OR DUE OR TO BECOME DUE AND ALL RENEWALS, MODIFICATIONS, AMENDMENTS, RESTATEMENTS, CONSOLIDATIONS, SUBSTITUTIONS, REPLACEMENTS AND EXTENSIONS THEREOF.

Section 2.3 Debt and Other Obligations. Borrower's obligations for the payment of the Debt and the performance of the Other Obligations shall be referred to collectively herein as the "Obligations." The principal amount of the indebtedness secured hereby shall not exceed double the original principal amount of the Note.

ARTICLE 3 - BORROWER COVENANTS

Borrower covenants and agrees that:

Section 3.1 Payment of Debt. Borrower will pay the Debt at the time and in the manner provided in the Loan Agreement, the Note and this Security Instrument.

Section 3.2 Incorporation by Reference. All the covenants, conditions and agreements contained in (a) the Loan Agreement, (b) the Note and (c) all and any of the other Loan Documents, are hereby made a part of this Security Instrument to the same extent and with the same force as if fully set forth herein.

Section 3.3 Insurance. Borrower shall obtain and maintain, or cause to be maintained, in full force and effect at all times insurance with respect to Borrower and the Property as required pursuant to the Loan Agreement.

Section 3.4 Maintenance of Property. Borrower shall cause the Property to be maintained in a good and safe condition and repair. The Improvements, the Fixtures, the Equipment and the Personal Property shall not be removed, demolished or materially altered (except for normal replacement of the Fixtures, the Equipment or the Personal Property, tenant finish and refurbishment of the Improvements) without the consent of Lender. Borrower shall promptly repair, replace or rebuild any part of the Property which may be destroyed by any

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Casualty, or become damaged, worn or dilapidated or which may be affected by any Condemnation, and shall complete and pay for any structure at any time in the process of construction or repair on the Land.

Section 3.5 Waste. Borrower shall not commit or suffer any waste of the Property or make any change in the use of the Property which will in any way materially increase the risk of fire or other hazard arising out of the operation of the Property, or take any action that might invalidate or allow the cancellation of any Policy, or do or permit to be done thereon anything that may in any way materially impair the value of the Property or the security of this Security Instrument. Borrower will not, without the prior written consent of Lender, permit any drilling or exploration for or extraction, removal, or production of any minerals from the surface or the subsurface of the Land, regardless of the depth thereof or the method of mining or extraction thereof.

Section 3.6 Payment for Labor and Materials.

(a) Borrower will promptly pay when due all bills and costs for labor, materials, and specifically fabricated materials ("Labor and Material Costs") incurred in connection with the Property and not permit to exist beyond the due date thereof in respect of the Property or any part thereof any lien or security interest, even though inferior to the liens and the security interests hereof, and in any event not permit to be created or exist in respect of the Property or any part thereof any other or additional lien or security interest other than the liens or security interests hereof except for the Permitted Encumbrances.

(b) After prior written notice to Lender, Borrower, at its own expense, may contest by appropriate legal proceeding, promptly initiated and conducted in good faith and with due diligence, the amount or validity or application in whole or in part of any of the Labor and Material Costs, provided that (i) no Event of Default has occurred and is continuing under the Loan Agreement, the Note, this Security Instrument or any of the other Loan Documents, (ii) Borrower is permitted to do so under the provisions of any other mortgage, deed of trust or deed to secure debt affecting the Property, (iii) such proceeding shall suspend the collection of the Labor and Material Costs from Borrower and from the Property or Borrower shall have paid all of the Labor and Material Costs under protest, (iv) such proceeding shall be permitted under and be conducted in accordance with the provisions of any other instrument to which Borrower is subject and shall not constitute a default thereunder, (v) neither the Property nor any part thereof or interest therein will be in danger of being sold, forfeited, terminated, canceled or lost, and (vi) Borrower shall have furnished the security as may be required in the proceeding, or as may be reasonably requested by Lender to insure the payment of any contested Labor and Material Costs, together with all interest and penalties thereon.

Section 3.7 Performance of Other Agreements. Borrower shall observe and perform each and every term, covenant and provision to be observed or performed by Borrower pursuant to the Loan Agreement, any other Loan Document and any other agreement or recorded

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instrument affecting or pertaining to the Property and any amendments, modifications or changes thereto.

Section 3.8 Change of Name, Identity or Structure. Borrower shall not change Borrower's name, identity (including its trade name or names) or, if not an individual, Borrower's corporate, partnership, limited liability company or other structure without first (a) notifying Lender of such change in writing at least thirty (30) days prior to the effective date of such change, (b) taking all action required by Lender for the purpose of perfecting or protecting the lien and security interest of Lender and (c) in the case of a change in Borrower's structure, without first obtaining the prior written consent of Lender. Borrower shall promptly notify Lender in writing of any change in its organizational identification number. If Borrower does not now have an organizational identification number and later obtains one, Borrower shall promptly notify Lender in writing of such organizational identification number. Borrower shall execute and deliver to Lender, prior to or contemporaneously with the effective date of any such change, any financing statement or financing statement change required by Lender to establish or maintain the validity, perfection and priority of the security interest granted herein. At the request of Lender, Borrower shall execute a certificate in form satisfactory to Lender listing the trade names under which Borrower intends to operate the Property, and representing and warranting that Borrower does business under no other trade name with respect to the Property.

ARTICLE 4 - OBLIGATIONS AND RELIANCES

Section 4.1 Relationship of Borrower and Lender. The relationship between Borrower and Lender is solely that of debtor and creditor and Lender has no fiduciary or other special relationship with Borrower, and no term or condition of any of the Loan Agreement, the Note, this Security Instrument and the other Loan Documents shall be construed so as to deem the relationship between Borrower and Lender to be other than that of debtor and creditor.

Section 4.2 No Reliance on Lender. The general partners, members, principals and (if Borrower is a trust) beneficial owners of Borrower are experienced in the ownership and operation of properties similar to the Property, and Borrower and Lender are relying solely upon such expertise and business plan in connection with the ownership and operation of the Property. Borrower is not relying on Lender's expertise, business acumen or advice in connection with the Property.

Section 4.3 No Lender Obligations.

(a) Notwithstanding the provisions of Subsections 1.1(h) and (m) or Section 1.2, Lender is not undertaking the performance of (i) any obligations under the Leases; or (ii) any obligations with respect to such agreements, contracts, certificates, instruments, franchises, permits, trademarks, licenses and other documents.

(b) By accepting or approving anything required to be observed, performed or fulfilled or to be given to Lender pursuant to this Security Instrument, the Loan Agreement, the Note or the other Loan Documents, including, without limitation, any officer's certificate, balance sheet, statement of profit and loss or other financial

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statement, survey, appraisal, or insurance policy, Lender shall not be deemed to have warranted, consented to, or affirmed the sufficiency, the legality or effectiveness of same, and such acceptance or approval thereof shall not constitute any warranty or affirmation with respect thereto by Lender.

Section 4.4 Reliance. Borrower recognizes and acknowledges that in accepting the Loan Agreement, the Note, this Security Instrument and the other Loan Documents, Lender is expressly and primarily relying on the truth and accuracy of the warranties and representations set forth in Article III of the Loan Agreement without any obligation to investigate the Property and notwithstanding any investigation of the Property by Lender; that such reliance existed on the part of Lender prior to the date hereof, that the warranties and representations are a material inducement to Lender in making the Loan; and that Lender would not be willing to make the Loan and accept this Security Instrument in the absence of the warranties and representations as set forth in Article III of the Loan Agreement.

ARTICLE 5 - FURTHER ASSURANCES

Section 5.1 Recording of Security Instrument, etc. Borrower forthwith upon the execution and delivery of this Security Instrument and thereafter, from time to time, will cause this Security Instrument and any of the other Loan Documents creating a lien or security interest or evidencing the lien hereof upon the Property and each instrument of further assurance to be filed, registered or recorded in such manner and in such places as may be required by any present or future law in order to publish notice of and fully to protect and perfect the lien or security interest hereof upon, and the interest of Lender in, the Property. Borrower will pay all taxes, filing, registration or recording fees, and all expenses incident to the preparation, execution, acknowledgment and/or recording of the Note, this Security Instrument, the other Loan Documents, any note, deed of trust or mortgage supplemental hereto, any security instrument with respect to the Property and any instrument of further assurance, and any modification or amendment of the foregoing documents, and all federal, state, county and municipal taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of this Security Instrument, any deed of trust or mortgage supplemental hereto, any security instrument with respect to the Property or any instrument of further assurance, and any modification or amendment of the foregoing documents, except where prohibited by law so to do.

Section 5.2 Further Acts, etc. Borrower will, at the cost of Borrower, and without expense to Lender, do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, deeds of trust, mortgages, assignments, notices of assignments, transfers and assurances as Lender shall, from time to time, reasonably require, for the better assuring, conveying, assigning, transferring, and confirming unto Lender the property and rights hereby deeded, mortgaged, granted, bargained, sold, conveyed, confirmed, pledged, assigned, warranted and transferred or intended now or hereafter so to be, or which Borrower may be or may hereafter become bound to convey or assign to Lender, or for carrying out the intention or facilitating the performance of the terms of this Security Instrument or for filing, registering or recording this Security Instrument, or for complying with all Legal Requirements. Borrower, on

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demand, will execute and deliver, and in the event it shall fail to so execute and deliver, hereby authorizes Lender, following ten (10) Business Days' notice to Borrower, to execute in the name of Borrower or without the signature of Borrower to the extent Lender may lawfully do so, one or more financing statements (including, without limitation, initial financing statements and amendments thereto and continuation statements) with or without the signature of Borrower as authorized by applicable law, to evidence more effectively the security interest of Lender in the Property. Borrower also ratifies its authorization for Lender to have filed any like initial financing statements, amendments thereto and continuation statements, if filed prior to the date of this Security Instrument. Borrower grants to Lender an irrevocable power of attorney coupled with an interest for the purpose of exercising and perfecting any and all rights and remedies available to Lender at law and in equity, including without limitation such rights and remedies available to Lender pursuant to this Section 5.2. To the extent not prohibited by applicable law, Borrower hereby ratifies all acts Lender has lawfully done in the past or shall lawfully do or cause to be done in the future by virtue of such power of attorney.

Section 5.3 Changes in Tax, Debt, Credit and Documentary Stamp Laws.

(a) If any law is enacted or adopted or amended after the date of this Security Instrument which deducts the Debt from the value of the Property for the purpose of taxation or which imposes a tax, either directly or indirectly, on the Debt or Lender's interest in the Property, Borrower will pay the tax, with interest and penalties thereon, if any. If Lender is advised by counsel chosen by it that the payment of tax by Borrower would be unlawful or taxable to Lender or unenforceable or provide the basis for a defense of usury then Lender shall have the option by written notice of not less than one hundred twenty (120) days to declare the Debt immediately due and payable.

(b) Borrower will not claim or demand or be entitled to any credit or credits on account of the Debt for any part of the Taxes or Other Charges assessed against the Property, or any part thereof, and no deduction shall otherwise be made or claimed from the assessed value of the Property, or any part thereof, for real estate tax purposes by reason of this Security Instrument or the Debt. If such claim, credit or deduction shall be required by law, Lender shall have the option, by written notice of not less than one hundred twenty (120) days, to declare the Debt immediately due and payable.

(c) If at any time the United States of America, any State thereof or any subdivision of any such State shall require revenue or other stamps to be affixed to the Note, this Security Instrument, or any of the other Loan Documents or impose any other tax or charge on the same, Borrower will pay for the same, with interest and penalties thereon, if any.

Section 5.4 Splitting of Security Instrument. This Security Instrument and the Note shall, at any time until the same shall be fully paid and satisfied, at the sole election of Lender, be split or divided into two or more notes and two or more security instruments, each of which shall cover all or a portion of the Property to be more particularly described therein. To that end, Borrower, upon written request of Lender, shall execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered by the then owner of the Property, to Lender and/or its

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designee or designees substitute notes and security instruments in such principal amounts, aggregating not more than the then unpaid principal amount of the Note, and containing terms, provisions and clauses similar to those contained herein and in the Note, and such other documents and instruments as may be required by Lender.

Section 5.5 Replacement Documents. Upon receipt of an affidavit of an officer of Lender as to the loss, theft, destruction or mutilation of the Note or any other Loan Document which is not of public record, and, in the case of any such mutilation, upon surrender and cancellation of such Note or other Loan Document, Borrower will issue, in lieu thereof, a replacement Note or other Loan Document, dated the date of such lost, stolen, destroyed or mutilated Note or other Loan Document in the same principal amount thereof and otherwise of like tenor.

Section 5.6 No Offsets or Counterclaims. Borrower represents and warrants as of the date hereof that there are no offsets, counterclaims or defenses against the Debt, this Security Instrument or the Note, that Borrower has full power, authority and legal right to execute this Security Instrument and to keep and observe all of the terms and provisions of this Security Instrument on Borrower's part to be observed or performed and that the Note and this Security Instrument constitute valid and binding obligations of Borrower.

ARTICLE 6 - DUE ON SALE/ENCUMBRANCE

Section 6.1 Lender Reliance. Borrower acknowledges that Lender has examined and relied on the experience of Borrower and its general partners, members, principals and (if Borrower is a trust) beneficial owners in owning and operating properties such as the Property in agreeing to make the Loan, and will continue to rely on Borrower's ownership of the Property as a means of maintaining the value of the Property as security for repayment of the Debt and the performance of the Other Obligations. Borrower acknowledges that Lender has a valid interest in maintaining the value of the Property so as to ensure that, should Borrower default in the repayment of the Debt or the performance of the Other Obligations, Lender can recover the Debt by a sale of the Property.

Section 6.2 No Transfer. Borrower shall not permit to occur or suffer any Prohibited Transfer (as defined in the Loan Agreement), unless specifically permitted by Article VIII of the Loan Agreement or unless Lender shall consent thereto in writing in accordance with Section 4.2.1 of the Loan Agreement.

ARTICLE 7 - RIGHTS AND REMEDIES UPON DEFAULT

Section 7.1 Remedies. Upon the occurrence and during the continuance of any Event of Default, Borrower agrees that Lender may take such action, without notice or demand, as it deems advisable to protect and enforce its rights against Borrower and in and to the Property, including, but not limited to, the following actions, each of which may be pursued concurrently or otherwise, at such time and in such order as Lender may determine, in its sole discretion, without impairing or otherwise affecting the other rights and remedies of Lender:

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- (a) declare the entire unpaid Debt to be immediately due and payable;
- (b) institute proceedings, judicial or otherwise, for the complete foreclosure of this Security Instrument under any applicable provision of law, in which case the Property or any interest therein may be sold for cash or upon credit in one or more parcels or in several interests or portions and in any order or manner;
- (c) with or without entry, to the extent permitted and pursuant to the procedures provided by applicable law, institute proceedings for the partial foreclosure of this Security Instrument for the portion of the Debt then due and payable, subject to the continuing lien and security interest of this Security Instrument for the balance of the Debt not then due, unimpaired and without loss of priority;
- (d) sell for cash or upon credit the Property or any part thereof and all estate, claim, demand, right, title and interest of Borrower therein and rights of redemption thereof, pursuant to power of sale or otherwise, at one or more sales, as an entirety or in parcels, at such time and place, upon such terms and after such notice thereof, all as may be required or permitted by law;
- (e) institute an action, suit or proceeding in equity for the specific performance of any covenant, condition or agreement contained herein, in the Note, the Loan Agreement or in the other Loan Documents;
- (f) recover judgment on the Note either before, during or after any proceedings for the enforcement of this Security Instrument or the other Loan Documents;
- (g) apply for the appointment of a receiver, trustee, liquidator or conservator of the Property, without notice and without regard for the adequacy of the security for the Debt and without regard for the solvency of Borrower, any guarantor, indemnitor with respect to the Loan or of any Person liable for the payment of the Debt;
- (h) the license granted to Borrower under Section 1.2 hereof shall automatically be revoked and Lender may enter into or upon the Property, either personally or by its agents, nominees or attorneys and dispossess Borrower and its agents and servants therefrom, without liability for trespass, damages or otherwise and exclude Borrower and its agents or servants wholly therefrom, and take possession of all books, records and accounts relating thereto and Borrower agrees to surrender possession of the Property and of such books, records and accounts to Lender upon demand, and thereupon Lender may (i) use, operate, manage, control, insure, maintain, repair, restore and otherwise deal with all and every part of the Property and conduct the business thereat; (ii) complete any construction on the Property in such manner and form as Lender deems advisable; (iii) make alterations, additions, renewals, replacements and improvements to or on the Property; (iv) exercise all rights and powers of Borrower with respect to the Property, whether in the name of Borrower or otherwise, including, without limitation, the right to make, cancel, enforce or modify Leases, obtain and evict tenants, and

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demand, sue for, collect and receive all Rents of the Property and every part thereof; (v) require Borrower to pay monthly in advance to Lender, or any receiver appointed to collect the Rents, the fair and reasonable rental value for the use and occupation of such part of the Property as may be occupied by Borrower; (vi) require Borrower to vacate and surrender possession of the Property to Lender or to such receiver and, in default thereof, Borrower may be evicted by summary proceedings or otherwise; and (vii) apply the receipts from the Property to the payment of the Debt, in such order, priority and proportions as Lender shall deem appropriate in its sole discretion after deducting therefrom all expenses (including reasonable attorneys' fees) incurred in connection with the aforesaid operations and all amounts necessary to pay the Taxes, Other Charges, insurance and other expenses in connection with the Property, as well as just and reasonable compensation for the services of Lender, its counsel, agents and employees; provided, however, that nothing herein contained shall be construed as constituting Lender a "mortgagee in possession" in the absence of the taking of actual possession of the Property by Lender and in the exercise of the powers herein granted Lender, no liability shall be asserted or enforced against Lender, all such liability being expressly waived and released by Borrower;

(i) exercise any and all rights and remedies granted to a secured party upon default under the Uniform Commercial Code, including, without limiting the generality of the foregoing: (i) the right to take possession of the Fixtures, the Equipment and the Personal Property, or any part thereof, and to take such other measures as Lender may deem necessary for the care, protection and preservation of the Fixtures, the Equipment and the Personal Property, and (ii) request Borrower at its expense to assemble the Fixtures, the Equipment and the Personal Property and make it available to Lender at a convenient place acceptable to Lender. Any notice of sale, disposition or other intended action by Lender with respect to the Fixtures, the Equipment and/or the Personal Property sent to Borrower in accordance with the provisions hereof at least five (5) days prior to such action, shall constitute commercially reasonable notice to Borrower;

(j) apply any sums then deposited or held in escrow or otherwise by or on behalf of Lender in accordance with the terms of the Loan Agreement, this Security Instrument or any other Loan Document to the payment of the following items in any order in its sole discretion:

- (i) Taxes and Other Charges;
- (ii) Insurance Premiums;
- (iii) Interest on the unpaid principal balance of the Note;
- (iv) Amortization of the unpaid principal balance of the Note;
- (v) All other sums payable pursuant to the Note, the Loan Agreement, this Security Instrument and the other Loan Documents, including without

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limitation advances made by Lender pursuant to the terms of this Security Instrument;

- (k) pursue such other remedies as Lender may have under applicable law; or
- (l) apply the undisbursed balance of any Net Proceeds Deficiency deposit, together with interest thereon, to the payment of the Debt in such order, priority and proportions as Lender shall deem to be appropriate in its discretion.

In the event of a sale, by foreclosure, power of sale or otherwise, of less than all of Property, this Security Instrument shall continue as a lien and security interest on the remaining portion of the Property unimpaired and without loss of priority. Upon the cure of an Event of Default by Borrower and acceptance thereof by Lender, Borrower's revocable license granted pursuant to Section 1.2 hereof shall be automatically reinstated.

Section 7.2 Application of Proceeds. The purchase money, proceeds and avails of any disposition of the Property, and or any part thereof, or any other sums collected by Lender pursuant to the Note, this Security Instrument or the other Loan Documents, may be applied by Lender to the payment of the Debt in such priority and proportions as Lender in its discretion shall deem proper, to the extent consistent with Legal Requirements.

Section 7.3 Right to Cure Defaults. Upon the occurrence and during the continuance of any Event of Default or if Borrower fails to make any payment or to do any act as herein provided, Lender may, but without any obligation to do so and without notice to or demand on Borrower and without releasing Borrower from any obligation hereunder, make or do the same in such manner and to such extent as Lender may deem necessary to protect the security hereof. Lender is authorized to enter upon the Property for such purposes, or appear in, defend, or bring any action or proceeding to protect its interest in the Property or to foreclose this Security Instrument or collect the Debt, and the cost and expense thereof (including reasonable attorneys' fees to the extent permitted by law), with interest as provided in this Section 7.3, shall constitute a portion of the Debt and shall be due and payable to Lender upon demand. All such costs and expenses incurred by Lender in remedying such Event of Default or such failed payment or act or in appearing in, defending, or bringing any such action or proceeding shall bear interest at the Default Rate, for the period after notice from Lender that such cost or expense was incurred to the date of payment to Lender. All such costs and expenses incurred by Lender together with interest thereon calculated at the Default Rate shall be deemed to constitute a portion of the Debt and be secured by this Security Instrument and the other Loan Documents and shall be immediately due and payable upon demand by Lender therefor.

Section 7.4 Actions and Proceedings. Lender has the right to appear in and defend any action or proceeding brought with respect to the Property and, after the occurrence and during the continuance of an Event of Default, to bring any action or proceeding, in the name and on behalf of Borrower, which Lender, in its discretion, decides should be brought to protect its interest in the Property.

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Section 7.5 Recovery of Sums Required To be Paid. Lender shall have the right from time to time to take action to recover any sum or sums which constitute a part of the Debt as the same become due, without regard to whether or not the balance of the Debt shall be 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 Borrower existing at the time such earlier action was commenced.

Section 7.6 Examination of Books and Records. At reasonable times and upon reasonable notice, Lender, its agents, accountants and attorneys shall have the right to examine the records, books, management and other papers of Borrower which reflect upon its financial condition, at the Property or at any office regularly maintained by Borrower where the books and records are located. Lender and its agents shall have the right to make copies and extracts from the foregoing records and other papers. In addition, at reasonable times and upon reasonable notice, Lender, its agents, accountants and attorneys shall have the right to examine and audit the books and records of Borrower pertaining to the income, expenses and operation of the Property during reasonable business hours at any office of Borrower where the books and records are located. This Section 7.6 shall apply throughout the term of the Note and without regard to whether an Event of Default has occurred or is continuing.

Section 7.7 Other Rights, Etc

(a) The failure of Lender to insist upon strict performance of any term hereof shall not be deemed to be a waiver of any term of this Security Instrument. Borrower shall not be relieved of Borrower's obligations hereunder by reason of (i) the failure of Lender to comply with any request of Borrower or any guarantor or indemnitor with respect to the Loan to take any action to foreclose this Security Instrument or otherwise enforce any of the provisions hereof or of the Note or the other Loan Documents, (ii) the release, regardless of consideration, of the whole or any part of the Property, or of any person liable for the Debt or any portion thereof, or (iii) any agreement or stipulation by Lender extending the time of payment or otherwise modifying or supplementing the terms of the Note, this Security Instrument or the other Loan Documents.

(b) It is agreed that the risk of loss or damage to the Property is on Borrower, and Lender shall have no liability whatsoever for decline in value of the Property, for failure to maintain the Policies, or for failure to determine whether insurance in force is adequate as to the amount of risks insured. Possession by Lender shall not be deemed an election of judicial relief if any such possession is requested or obtained with respect to any Property or collateral not in Lender's possession.

(c) Lender may resort for the payment of the Debt to any other security held by Lender in such order and manner as Lender, in its discretion, may elect. Lender may take action to recover the Debt, or any portion thereof, or to enforce any covenant hereof without prejudice to the right of Lender thereafter to foreclose this Security Instrument. The rights of Lender under this Security Instrument shall be separate, distinct and cumulative and none shall be given effect to the exclusion of the others. No act of Lender shall be construed as an election to proceed under any one provision herein to the

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exclusion of any other provision. Lender shall not be limited exclusively to the rights and remedies herein stated but shall be entitled to every right and remedy now or hereafter afforded at law or in equity.

Section 7.8 Right to Release Any Portion of the Property. Lender may release any portion of the Property for such consideration as Lender may require without, as to the remainder of the Property, in any way impairing or affecting the lien or priority of this Security Instrument, or improving the position of any subordinate lienholder with respect thereto, except to the extent that the obligations hereunder shall have been reduced by the actual monetary consideration, if any, received by Lender for such release, and may accept by assignment, pledge or otherwise any other property in place thereof as Lender may require without being accountable for so doing to any other lienholder. This Security Instrument shall continue as a lien and security interest in the remaining portion of the Property.

Section 7.9 Violation of Laws. If the Property is not in material compliance with Legal Requirements, Lender may impose additional requirements upon Borrower in connection herewith including, without limitation, monetary reserves or financial equivalents.

Section 7.10 Recourse and Choice of Remedies. Notwithstanding any other provision of this Security Instrument or the Loan Agreement, including, without limitation, Section 11.22 of the Loan Agreement, Lender and other Indemnified Parties (as hereinafter defined) are entitled to enforce the obligations of Borrower, any guarantor and indemnitor contained in Section 11.22 of the Loan Agreement without first resorting to or exhausting any security or collateral and without first having recourse to the Note or any of the Property, through foreclosure or acceptance of a deed in lieu of foreclosure or otherwise, and in the event Lender commences a foreclosure action against the Property, Lender is entitled to pursue a deficiency judgment with respect to such obligations against Borrower and any guarantor or indemnitor with respect to the Loan. The provisions of Section 11.22 of the Loan Agreement are exceptions to any non-recourse or exculpation provisions in the Loan Agreement, the Note, this Security Instrument or the other Loan Documents, and Borrower and any guarantor or indemnitor with respect to the Loan are fully and personally liable for the obligations pursuant to Section 11.22 of the Loan Agreement. The liability of Borrower and any guarantor or indemnitor with respect to the Loan pursuant to Section 11.22 of the Loan Agreement is not limited to the original principal amount of the Note. Notwithstanding the foregoing, nothing herein shall inhibit or prevent Lender from foreclosing or exercising any other rights and remedies pursuant to the Loan Agreement, the Note, this Security Instrument and the other Loan Documents, whether simultaneously with foreclosure proceedings or in any other sequence. A separate action or actions may be brought and prosecuted against Borrower pursuant to Section 11.22 of the Loan Agreement, whether or not action is brought against any other Person or whether or not any other Person is joined in the action or actions. In addition, Lender shall have the right but not the obligation to join and participate in, as a party if it so elects, any administrative or judicial proceedings or actions initiated in connection with any matter addressed in the Environmental Indemnity.

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Section 7.11 Right of Entry. Upon reasonable notice to Borrower, Lender and its agents shall have the right to enter and inspect the Property at all reasonable times.

Section 7.12 Bankruptcy.

(a) Upon the occurrence and during the continuance of an Event of Default, Lender shall have the right, and Borrower hereby assigns to Lender its right and irrevocably constitutes and appoints Lender its attorney-in-fact, coupled with an interest, to proceed in its own name or in the name of Borrower in respect of any claim, suit, action or proceeding relating to the rejection of any Lease, including, without limitation, the right to file and prosecute, to the exclusion of Borrower, any proofs of claim, complaints, motions, applications, notices and other documents, in any case in respect of the lessee under such Lease under the Bankruptcy Code.

(b) If there shall be filed by or against Borrower a petition under the Bankruptcy Code and Borrower, as lessor under any Lease, shall determine to reject such Lease pursuant to Section 365(a) of the Bankruptcy Code, then Borrower shall give Lender not less than ten (10) days' prior notice of the date on which Borrower shall apply to the bankruptcy court for authority to reject the Lease. Lender shall have the right, but not the obligation, to serve upon Borrower within such ten (10) day period a notice stating that (i) Lender demands that Borrower assume and assign the Lease to Lender pursuant to Section 365 of the Bankruptcy Code and (ii) Lender covenants to cure or provide adequate assurance of future performance under the Lease. If Lender serves upon Borrower the notice described in the preceding sentence, Borrower shall not seek to reject the Lease and shall comply with the demand provided for in clause (i) of the preceding sentence within thirty (30) days after the notice shall have been given, subject to the performance by Lender of the covenant provided for in clause (ii) of the preceding sentence.

ARTICLE 8 - ENVIRONMENTAL HAZARDS

Section 8.1 Environmental Covenants. Borrower has provided representations, warranties and covenants regarding environmental matters set forth in the Environmental Indemnity and Borrower shall comply with the aforesaid covenants regarding environmental matters.

ARTICLE 9 - INDEMNIFICATION

The provisions of Section 11.13 of the Loan Agreement are hereby incorporated by reference into this Security Instrument to the same extent and with the same force as if fully set forth herein.

ARTICLE 10 - WAIVERS

Section 10.1 Waiver of Counterclaim. To the extent permitted by applicable law, Borrower hereby waives the right to assert a counterclaim, other than a mandatory or compulsory

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counterclaim, in any action or proceeding brought against it by Lender arising out of or in any way connected with this Security Instrument, the Loan Agreement, the Note, any of the other Loan Documents, or the Obligations.

Section 10.2 Marshalling and Other Matters. To the extent permitted by applicable law, Borrower hereby waives the benefit of all appraisal, valuation, stay, extension, reinstatement and redemption laws now or hereafter in force (including, without limitation, under 735 ILCS 5/15-1601(b) or any other applicable law) and all rights of marshalling in the event of any sale hereunder of the Property or any part thereof or any interest therein. Further, Borrower hereby expressly waives any and all rights of redemption from sale under any order or decree of foreclosure of this Security Instrument on behalf of Borrower, and on behalf of each and every person acquiring any interest in or title to the Property subsequent to the date of this Security Instrument and on behalf of all persons to the extent permitted by applicable law.

Section 10.3 Waiver of Notice. To the extent permitted by applicable law, Borrower shall not be entitled to any notices of any nature whatsoever from Lender except with respect to matters for which this Security Instrument specifically and expressly provides for the giving of notice by Lender to Borrower and except with respect to matters for which Lender is required by applicable law to give notice, and Borrower hereby expressly waives the right to receive any notice from Lender with respect to any matter for which this Security Instrument does not specifically and expressly provide for the giving of notice by Lender to Borrower.

Section 10.4 Waiver of Statute of Limitations. To the extent permitted by applicable law, Borrower hereby expressly waives and releases to the fullest extent permitted by law, the pleading of any statute of limitations as a defense to payment of the Debt or performance of its Other Obligations.

ARTICLE 11 - EXCULPATION

The provisions of Section 11.22 of the Loan Agreement are hereby incorporated by reference into this Security Instrument to the same extent and with the same force as if fully set forth herein.

ARTICLE 12 - NOTICES

All notices or other written communications hereunder shall be delivered in accordance with Section 11.6 of the Loan Agreement.

ARTICLE 13 - APPLICABLE LAW

Section 13.1 GOVERNING LAW.

(a) **THIS SECURITY INSTRUMENT WAS NEGOTIATED IN THE STATE OF NEW YORK, AND MADE BY BORROWER AND ACCEPTED BY LENDER IN THE STATE OF NEW YORK, AND THE PROCEEDS OF THE NOTE SECURED HEREBY WERE DISBURSED FROM THE STATE OF**

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NEW YORK, WHICH STATE THE PARTIES AGREE HAS A SUBSTANTIAL RELATIONSHIP TO THE PARTIES AND TO THE UNDERLYING TRANSACTION EMBODIED HEREBY, AND IN ALL RESPECTS, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, THIS SECURITY INSTRUMENT AND THE OBLIGATIONS ARISING HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND PERFORMED IN SUCH STATE (WITHOUT REGARD TO PRINCIPLES OF CONFLICT OF LAWS) AND ANY APPLICABLE LAW OF THE UNITED STATES OF AMERICA, EXCEPT THAT AT ALL TIMES (I) THE PROVISIONS FOR THE CREATION, PERFECTION, PRIORITY AND ENFORCEMENT OF THE LIENS AND SECURITY INTERESTS CREATED PURSUANT HERETO AND PURSUANT TO THE OTHER LOAN DOCUMENTS WITH RESPECT TO THE PROPERTY (OTHER THAN THAT DESCRIBED IN SUBPARAGRAPH II BELOW) SHALL BE GOVERNED BY AND CONSTRUED ACCORDING TO THE LAW OF THE STATE IN WHICH THE PROPERTY AND FIXTURES ARE LOCATED AND (II) WITH RESPECT TO THE PERFECTION, PRIORITY AND ENFORCEMENT OF THE LIENS AND SECURITY INTERESTS CREATED BY THIS SECURITY INSTRUMENT AND THE OTHER LOAN DOCUMENTS IN PROPERTY WHOSE PERFECTION AND PRIORITY IS COVERED BY ARTICLE 9 OF THE UCC (INCLUDING, WITHOUT LIMITATION, THE ACCOUNTS), THE LAW OF THE JURISDICTION APPLICABLE IN ACCORDANCE WITH SECTIONS 9-301 THROUGH 9-307 OF THE UCC AS IN EFFECT IN THE STATE OF NEW YORK SHALL GOVERN. TO THE FULLEST EXTENT PERMITTED BY LAW, BORROWER HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVES ANY CLAIM TO ASSERT THAT THE LAW OF ANY OTHER JURISDICTION GOVERNS THIS SECURITY INSTRUMENT AND THE NOTE, AND THIS SECURITY INSTRUMENT AND THE NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK PURSUANT TO SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW EXCEPT AS SPECIFICALLY SET FORTH ABOVE.

(b) ANY LEGAL SUIT, ACTION OR PROCEEDING AGAINST LENDER OR BORROWER ARISING OUT OF OR RELATING TO THIS SECURITY INSTRUMENT MAY AT LENDER'S OPTION BE INSTITUTED IN ANY FEDERAL OR STATE COURT IN THE CITY OF NEW YORK, COUNTY OF NEW YORK, PURSUANT TO SECTION 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW, AND BORROWER WAIVES ANY OBJECTIONS WHICH IT MAY NOW OR HEREAFTER HAVE BASED ON VENUE AND/OR FORUM NON CONVENIENS OF ANY SUCH SUIT, ACTION OR PROCEEDING, AND BORROWER HEREBY IRREVOCABLY SUBMITS

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TO THE JURISDICTION OF ANY SUCH COURT IN ANY SUIT, ACTION OR PROCEEDING. BORROWER DOES HEREBY DESIGNATE AND APPOINT

Kenneth Levy
721 Fifth Avenue, Apt 65 EGH
New York, New York 10022

AS ITS AUTHORIZED AGENT TO ACCEPT AND ACKNOWLEDGE ON ITS BEHALF SERVICE OF ANY AND ALL PROCESS WHICH MAY BE SERVED IN ANY SUCH SUIT, ACTION OR PROCEEDING IN ANY FEDERAL OR STATE COURT IN NEW YORK, NEW YORK, AND AGREES THAT SERVICE OF PROCESS UPON SAID AGENT AT SAID ADDRESS AND WRITTEN NOTICE OF SAID SERVICE MAILED OR DELIVERED TO BORROWER IN THE MANNER PROVIDED HEREIN SHALL BE DEEMED IN EVERY RESPECT EFFECTIVE SERVICE OF PROCESS UPON BORROWER IN ANY SUCH SUIT, ACTION OR PROCEEDING IN THE STATE OF NEW YORK. BORROWER (I) SHALL GIVE PROMPT NOTICE TO LENDER OF ANY CHANGED ADDRESS OF ITS AUTHORIZED AGENT HEREUNDER, (II) MAY AT ANY TIME AND FROM TIME TO TIME DESIGNATE A SUBSTITUTE AUTHORIZED AGENT WITH AN OFFICE IN NEW YORK, NEW YORK (WHICH SUBSTITUTE AGENT AND OFFICE SHALL BE DESIGNATED AS THE PERSON AND ADDRESS FOR SERVICE OF PROCESS), AND (III) SHALL PROMPTLY DESIGNATE SUCH A SUBSTITUTE IF ITS AUTHORIZED AGENT CEASES TO HAVE AN OFFICE IN NEW YORK, NEW YORK OR IS DISSOLVED WITHOUT LEAVING A SUCCESSOR.

Section 13.2 Usury Laws. Notwithstanding anything to the contrary, (a) all agreements and communications between Borrower and Lender are hereby and shall automatically be limited so that, after taking into account all amounts deemed interest, the interest contracted for, charged or received by Lender shall never exceed the Maximum Legal Rate or amount, (b) in calculating whether any interest exceeds the Maximum Legal Rate, all such interest shall be amortized, prorated, allocated and spread over the full amount and term of all principal indebtedness of Borrower to Lender, and (c) if through any contingency or event, Lender receives or is deemed to receive interest in excess of the Maximum Legal Rate, any such excess shall be deemed to have been applied toward payment of the principal of any and all then outstanding indebtedness of Borrower to Lender, or if there is no such indebtedness, shall immediately be returned to Borrower.

Section 13.3 Provisions Subject to Applicable Law. All rights, powers and remedies provided in this Security Instrument may be exercised only to the extent that the exercise thereof does not violate any applicable provisions of law and are intended to be limited to the extent necessary, so that they will not render this Security Instrument invalid, unenforceable or not entitled to be recorded, registered or filed under the provisions of any applicable law. If any term of this Security Instrument or any application thereof shall be invalid or unenforceable, the

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remainder of this Security Instrument and any other application of the term shall not be affected thereby.

ARTICLE 14 - DEFINITIONS

All capitalized terms not defined herein shall have the respective meanings set forth in the Loan Agreement. Unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, words used in this Security Instrument may be used interchangeably in singular or plural form and the word "Borrower" shall mean "each Borrower and any subsequent owner or owners of the Property or any part thereof or any interest therein," the word "Lender" shall mean "Lender and any subsequent holder of the Note," the word "Note" shall mean "the Note and any other evidence of indebtedness secured by this Security Instrument," the word "Property" shall include any portion of the Property and any interest therein, and the phrases "attorneys fees", "legal fees" and "counsel fees" shall include any and all attorneys', paralegal and law clerk fees and disbursements, including, but not limited to, fees and disbursements at the pre-trial, trial and appellate levels incurred or paid by Lender in protecting its interest in the Property, the Taxes and the Rents and enforcing its rights hereunder.

ARTICLE 15 - MISCELLANEOUS PROVISIONS

Section 15.1 No Oral Change. This Security Instrument, and any provisions hereof, may not be modified, amended, waived, extended, changed, discharged or terminated orally or by any act or failure to act on the part of Borrower or Lender, but only by an agreement in writing signed by the party against whom enforcement of any modification, amendment, waiver, extension, change, discharge or termination is sought.

Section 15.2 Successors and Assigns. This Security Instrument shall be binding upon and inure to the benefit of Borrower and Lender and their respective successors and assigns forever.

Section 15.3 Inapplicable Provisions. If any term, covenant or condition of the Loan Agreement, the Note or this Security Instrument is held to be invalid, illegal or unenforceable in any respect, the Loan Agreement, the Note and this Security Instrument shall be construed without such provision.

Section 15.4 Headings, etc. The headings and captions of various Sections of this Security Instrument are for convenience of reference only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

Section 15.5 Number and Gender. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa.

Section 15.6 Subrogation. If any or all of the proceeds of the Note have been used to extinguish, extend or renew any indebtedness heretofore existing against the Property, then, to the extent of the funds so used, Lender shall be subrogated to all of the rights, claims, liens,

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titles, and interests existing against the Property heretofore held by, or in favor of, the holder of such indebtedness and such former rights, claims, liens, titles, and interests, if any, are not waived but rather are continued in full force and effect in favor of Lender and are merged with the lien and security interest created herein as cumulative security for the repayment of the Debt, the performance and discharge of Borrower's obligations hereunder, under the Loan Agreement, the Note and the other Loan Documents and the performance and discharge of the Other Obligations.

Section 15.7 Entire Agreement. The Note, the Loan Agreement, this Security Instrument and the other Loan Documents constitute the entire understanding and agreement between Borrower and Lender with respect to the transactions arising in connection with the Debt and supersede all prior written or oral understandings and agreements between Borrower and Lender with respect thereto. Borrower hereby acknowledges that, except as incorporated in writing in the Note, the Loan Agreement, this Security Instrument and the other Loan Documents, there are not, and were not, and no Persons are or were authorized by Lender to make, any representations, understandings, stipulations, agreements or promises, oral or written, with respect to the transaction which is the subject of the Note, the Loan Agreement, this Security Instrument and the other Loan Documents.

Section 15.8 Limitation on Lender's Responsibility. No provision of this Security Instrument shall operate to place any obligation or liability for the control, care, management or repair of the Property upon Lender, nor shall it operate to make Lender responsible or liable for any waste committed on the Property by the tenants or any other Person, or for any dangerous or defective condition of the Property, or for any negligence in the management, upkeep, repair or control of the Property resulting in loss or injury or death to any tenant, licensee, employee or stranger. Nothing herein contained shall be construed as constituting Lender a "mortgagee in possession."

Section 15.9 Joint and Several. If more than one Person has executed this Security Instrument as "Borrower," the representations, covenants, warranties and obligations of all such Persons hereunder shall be joint and several.

Section 15.10 Counterparts. This Security Instrument may be executed in any number of duplicate originals and each duplicate original shall be deemed to be an original. This Security Instrument may be executed in several counterparts, each of which counterparts shall be deemed an original instrument and all of which shall constitute a single agreement. The failure of any party hereto to execute this Security Instrument, or any counterpart thereof, shall not relieve the other signatories from their obligations hereunder.

ARTICLE 16 - STATE-SPECIFIC PROVISIONS

Section 16.1 Principles of Construction. In the event of any inconsistencies between the terms and conditions of this Article 16 and the other terms and conditions of this Security Instrument, the terms and conditions of this Article 16 shall control and be binding.

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Section 16.2 Foreclosure. Lender may, by following the procedures and satisfying the requirements prescribed by law, foreclose on only a portion of the Property and, in such event, said foreclosure shall not affect the lien of the Security Instrument on the remaining portion of the Property not foreclosed. Lender shall have the benefit of all of the provisions of the Illinois Mortgage Foreclosure Act, 735 ILCS 5/15 1101 et seq. (the "Act"), including all amendments thereto which may become effective from time to time after the date hereof. In the event any provision of the Act which is specifically referred to herein may be repealed, Lender shall have the benefit of such provision as most recently existing prior to such repeal, as though the same were incorporated herein by express reference.

[NO FURTHER TEXT ON THIS PAGE]

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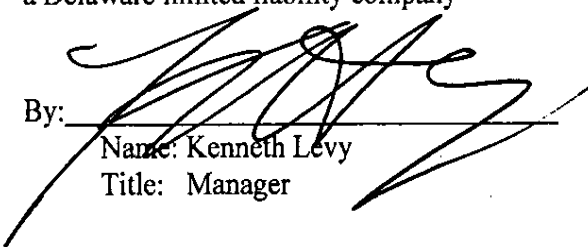
IN WITNESS WHEREOF, THIS SECURITY INSTRUMENT has been executed by Borrower as of the day and year first above written.

BORROWER:

CALUMET INDUSTRIAL CHICAGO, LLC,
a Delaware limited liability company

By: _____

Name: Kenneth Levy
Title: Manager



A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

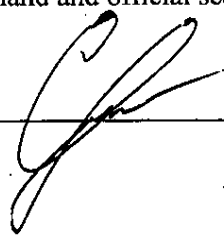
COUNTY OF SANTA CLARA

On 01/09, 2017, before me, Gosia Braun, Notary Public personally appeared KENNETH LEVY, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

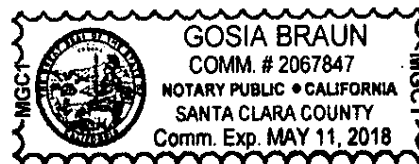
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____



(Seal)



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EXHIBIT A

LEGAL DESCRIPTION

Street Address: 9501, 9540, 9600, 9630, 9631, 9810 S. Dorchester Avenue; 1345, 1405, 1406, 1445 E. 95th Street; 1345 E. 96th Street; 1400 E. 97th Street; 1515 E. 98th Street; 9800, 9901 S. Stony Island Avenue, Chicago, Illinois 60628

Permanent Tax Identification Number: 25-11-211-015; 25-11-211-019; 25-11-211-004; 25-11-211-020; 25-11-211-010; 25-11-211-021; 25-11-212-008; 25-11-211-012; 25-11-211-022; 25-11-212-009; 25-11-212-006; 25-11-212-021; 25-11-212-022; 25-11-212-023; 25-11-400-014

PARCEL 1:

A PARCEL OF LAND IN THE NORTHEAST QUARTER AND THE SOUTHEAST QUARTER OF SECTION 11, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, COOK COUNTY, ILLINOIS, LYING EAST OF THE EASTERLY RIGHT OF WAY LINE OF THE PULLMAN RAILROAD AND SOUTH OF THE SOUTH LINE OF EAST 95TH STREET FURTHER DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE EASTERLY RIGHT OF WAY LINE OF THE PULLMAN RAILROAD, SAID EASTERLY LINE BEING ESTABLISHED ACCORDING TO THE PLAT THEREOF RECORDED AS DOCUMENT NUMBER 5803329, WITH THE SOUTH LINE OF EAST 95TH STREET, SAID SOUTH LINE BEING 50.00 FEET SOUTH OF THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 11; THENCE ON AN ASSUMED BEARING OF NORTH 90 DEGREES 00 MINUTES 00 SECONDS EAST, PARALLEL WITH THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 11, A DISTANCE OF 255.29 FEET; THENCE SOUTH 88 DEGREES 02 MINUTES 53 SECONDS EAST 148.55 FEET TO A POINT 55.06 FEET SOUTH OF THE NORTH LINE OF SAID NORTHEAST QUARTER; THENCE SOUTH 87 DEGREES 23 MINUTES 34 SECONDS EAST 116.95 FEET TO A POINT 60.38 FEET SOUTH OF THE NORTH LINE OF SAID NORTHEAST QUARTER; THENCE SOUTH 87 DEGREES 23 MINUTES 42 SECONDS EAST 649.65 FEET TO THE SOUTHWESTERLY LINE OF THE NEW YORK, CHICAGO, AND ST. LOUIS RAILROAD, SAID SOUTHWESTERLY LINE BEING 72.88 FEET NORMALLY DISTANT SOUTHWESTERLY OF THE NORTHEASTERLY LINE OF SAID RAILROAD AS CONVEYED BY QUIT CLAIM DEED DATED FEBRUARY 29, 1924 AND RECORDED MAY 14, 1924 IN VOLUME 19522, PAGE 253; THENCE SOUTH 33 DEGREES 01 MINUTES 55 SECONDS EAST, ALONG SAID SOUTHWESTERLY LINE, 732.47 FEET TO A POINT IN THE WESTERLY LINE OF STONY ISLAND AVENUE (S. DOTTY AVENUE), SAID POINT BEING 165.00 FEET NORMALLY DISTANT WEST OF THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 11, THE FOLLOWING COURSES TO BE ALONG SAID WESTERLY LINE; THENCE SOUTH 00 DEGREES

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17 MINUTES 17 SECONDS EAST, PARALLEL WITH THE EAST LINE OF SAID NORTHEAST QUARTER, 753.30 FEET; THENCE SOUTH 89 DEGREES 42 MINUTES 43 SECONDS WEST 99.00 FEET TO A POINT 264.00 FEET NORMALLY DISTANT WEST OF THE EAST LINE OF SAID NORTHEAST QUARTER FROM A POINT 1456.46 FEET SOUTH OF THE NORTHEAST CORNER OF SAID NORTHEAST QUARTER AS MEASURED ALONG THE EAST LINE THEREOF; THENCE SOUTH 59 DEGREES 44 MINUTES 59 SECONDS WEST 98.11 FEET TO A POINT 349.00 FEET NORMALLY DISTANT WEST OF THE EAST LINE OF SAID NORTHEAST QUARTER FROM A POINT 1505.46 FEET SOUTH OF SAID NORTHEAST CORNER AS MEASURED ALONG THE EAST LINE THEREOF; THENCE SOUTH 00 DEGREES 17 MINUTES 17 SECONDS EAST, PARALLEL WITH THE EAST LINE OF SAID NORTHEAST QUARTER, 134.00 FEET; THENCE SOUTH 60 DEGREES 09 MINUTES 19 SECONDS EAST 143.39 FEET TO A POINT 225.00 FEET NORMALLY DISTANT WEST OF THE EAST LINE OF SAID NORTHEAST QUARTER FROM A POINT 1711.46 FEET SOUTH OF SAID NORTHEAST CORNER AS MEASURED ALONG THE EAST LINE THEREOF; THENCE SOUTH 00 DEGREES 17 MINUTES 17 SECONDS EAST, PARALLEL WITH THE EAST LINE OF SAID NORTHEAST QUARTER, 259.00 FEET; THENCE SOUTH 01 DEGREES 11 MINUTES 45 SECONDS WEST 88.86 FEET TO A POINT 227.30 FEET NORMALLY DISTANT WEST OF THE EAST LINE OF SAID NORTHEAST QUARTER FROM A POINT 2059.24 FEET SOUTH OF SAID NORTHEAST CORNER AS MEASURED ALONG THE EAST LINE THEREOF; THENCE SOUTH 01 DEGREES 11 MINUTES 46 SECONDS WEST 104.22 FEET TO A POINT 230.00 FEET NORMALLY DISTANT WEST OF THE EAST LINE OF SAID NORTHEAST QUARTER FROM A POINT 492.00 FEET NORTH OF THE SOUTHEAST CORNER OF SAID NORTHEAST QUARTER AS MEASURED ALONG THE EAST LINE THEREOF; THENCE SOUTH 18 DEGREES 41 MINUTES 27 SECONDS WEST 199.86 FEET TO A POINT 295.00 FEET NORMALLY DISTANT WEST OF THE EAST LINE OF SAID NORTHEAST QUARTER FROM A POINT 303.00 FEET NORTH OF SAID SOUTHEAST CORNER AS MEASURED ALONG THE EAST LINE THEREOF; THENCE SOUTH 34 DEGREES 46 MINUTES 17 SECONDS WEST 208.90 FEET TO A POINT 415.00 FEET NORMALLY DISTANT WEST OF THE EAST LINE OF SAID NORTHEAST QUARTER FROM A POINT 132.00 FEET NORTH OF SAID SOUTHEAST CORNER AS MEASURED ALONG THE EAST LINE THEREOF; THENCE SOUTH 49 DEGREES 48 MINUTES 06 SECONDS WEST 202.07 FEET TO A POINT IN THE NORTHERLY LINE OF LAND TAKEN FOR HIGHWAY PURPOSES, SAID POINT BEING 570.00 FEET WEST OF THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SECTION 11 AS MEASURED ALONG THE NORTH LINE THEREOF, THE FOLLOWING SIX COURSES TO BE ALONG SAID NORTHERLY LINE; THENCE SOUTH 55 DEGREES 29 MINUTES 17 SECONDS WEST 123.71 FEET TO A POINT 70.00 FEET NORMALLY DISTANT SOUTH OF THE NORTH LINE SAID SOUTHEAST QUARTER FROM A POINT 672.00 FEET WEST OF SAID NORTHEAST CORNER AS MEASURED ALONG THE NORTH LINE THEREOF; THENCE SOUTH 64 DEGREES 54 MINUTES 53 SECONDS WEST 200.87 FEET TO A POINT 155.00 FEET NORMALLY DISTANT SOUTH OF THE NORTH LINE SAID SOUTHEAST QUARTER FROM A POINT 854.00 FEET WEST OF SAID NORTHEAST CORNER AS MEASURED ALONG THE NORTH LINE THEREOF; THENCE SOUTH 74 DEGREES 00 MINUTES 31 SECONDS WEST 254.88 FEET TO A POINT 225.00 FEET NORMALLY DISTANT SOUTH OF THE NORTH LINE SAID SOUTHEAST

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QUARTER FROM A POINT 1100.00 FEET WEST OF SAID NORTHEAST CORNER AS MEASURED ALONG THE NORTH LINE THEREOF; THENCE SOUTH 85 DEGREES 01 MINUTES 13 SECONDS WEST 349.21 FEET TO A POINT 255.00 FEET NORMALLY DISTANT SOUTH OF THE NORTH LINE SAID SOUTHEAST QUARTER FROM A POINT 1447.00 FEET WEST OF SAID NORTHEAST CORNER AS MEASURED ALONG THE NORTH LINE THEREOF; THENCE NORTH 24 DEGREES 10 MINUTES 59 SECONDS WEST 78.90 FEET TO A POINT IN A LINE 1480.00 FEET NORMALLY DISTANT WEST OF THE EAST LINE OF SAID SOUTHEAST QUARTER; THENCE SOUTH 89 DEGREES 42 MINUTES 43 SECONDS WEST, PARALLEL WITH THE NORTH LINE SAID SOUTHEAST QUARTER, 66.00 FEET; THENCE NORTH 00 DEGREES 17 MINUTES 17 SECONDS WEST, PARALLEL WITH THE EAST LINE OF SAID SOUTHEAST QUARTER, 150.62 FEET TO A POINT 52.38 FEET NORMALLY DISTANT SOUTH OF THE NORTH LINE OF SAID SOUTHEAST QUARTER; THENCE SOUTH 89 DEGREES 42 MINUTES 43 SECONDS WEST; PERPENDICULAR TO THE LAST DESCRIBED COURSE, 20.00 FEET; THENCE NORTHWESTERLY 265.12 FEET ALONG A CURVE CONCAVE TO THE NORTH, TANGENT TO THE LAST DESCRIBED COURSE, HAVING A RADIUS OF 426.00 FEET, TO A POINT IN A LINE 60.00 FEET NORMALLY DISTANT EAST OF THE EAST LINE OF THE TANGENT PORTION, EXTENDED SOUTHERLY, OF THE PULLMAN RAILROAD PER DOCUMENT NUMBER 5803329; THENCE NORTH 00 DEGREES 03 MINUTES 40 SECONDS EAST, PARALLEL WITH SAID EAST LINE, 1820.96 FEET; THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST 60.00 FEET TO THE EAST LINE OF THE PULLMAN RAILROAD; THENCE SOUTH 00 DEGREES 03 MINUTES 40 SECONDS WEST, ALONG SAID EAST LINE, 66.76 FEET; THENCE NORTH 89 DEGREES 56 MINUTES 20 SECONDS WEST 50.00 FEET TO A POINT 50.00 FEET NORMALLY DISTANT WEST OF THE EAST LINE OF THE PULLMAN RAILROAD; THENCE NORTH 00 DEGREES 03 MINUTES 40 SECONDS EAST, PARALLEL WITH SAID EAST LINE, 434.73 FEET; THENCE NORTHEASTERLY 254.83 FEET ALONG A CURVE CONCAVE TO THE EAST HAVING A RADIUS OF 703.00 FEET AND A CHORD WHICH BEARS NORTH 10 DEGREES 08 MINUTES 28 SECONDS EAST 253.43 FEET TO A POINT 192.50 FEET NORMALLY DISTANT SOUTH OF THE NORTH LINE OF THE NORTHEAST QUARTER OF SECTION 11; THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS EAST, PARALLEL WITH THE NORTH LINE OF SAID NORTHEAST QUARTER; 53.68 FEET TO THE EAST LINE OF THE PULLMAN RAILROAD; THENCE NORTHEASTERLY 163.94 FEET ALONG SAID EAST LINE BEING A CURVE CONCAVE TO THE EAST HAVING A RADIUS OF 653.00 FEET TO THE POINT OF BEGINNING.

EXCEPT FOR THE FOLLOWING DESCRIBED PROPERTY:

A PARCEL OF LAND IN THE NORTHEAST QUARTER OF SECTION 11, TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, BEING 303 FEET WIDE, IN A NORTH AND SOUTH DIRECTION, LYING SOUTH OF A LINE DRAWN PERPENDICULAR TO THE EAST LINE OF SAID NORTHEAST QUARTER AT A POINT 1,433.24 FEET SOUTH OF THE NORTHEAST CORNER OF SAID SECTION 11, EAST OF A LINE DRAWN PARALLEL WITH AND

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1,513.0 FEET WEST OF THE EAST LINE OF SAID NORTHEAST QUARTER AND WEST OF STONY ISLAND AVENUE FORMERLY KNOWN AS SOUTH DOTY AVENUE, MORE FULLY DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT 1,433.24 FEET SOUTH OF THE NORTHEAST CORNER OF SAID SECTION 11 AND 165.0 FEET WEST OF AND PERPENDICULAR TO THE EAST LINE OF SAID NORTHEAST QUARTER, SAID POINT BEING ON THE WEST LINE OF STONY ISLAND AVENUE FORMERLY KNOWN AS SOUTH DOTY AVENUE, AS PER CONDEMNATION IN COURT CASE 59-C-16223; RUNNING THENCE WESTERLY AT RIGHT ANGLES TO SAID EAST LINE, A DISTANCE OF 935 FEET TO A POINT WHICH IS 1,100 FEET WEST OF SAID EAST LINE AND 1,439.0 FEET SOUTH OF THE NORTH LINE OF SAID SECTION; THENCE CONTINUING WESTERLY ALONG AFORESAID LINE, A DISTANCE OF 413.0 FEET TO A LINE DRAWN PARALLEL WITH AND 1,513.0 FEET WEST OF THE EAST LINE OF AFORESAID NORTHEAST 1/4; THENCE SOUTH ALONG SAID PARALLEL LINE A DISTANCE OF 303.0 FEET; THENCE EAST ALONG A LINE DRAWN PARALLEL WITH THE FIRST DESCRIBED COURSE OR AT RIGHT ANGLES TO THE AFORESAID EAST LINE OF THE NORTHEAST 1/4, A DISTANCE OF 413.0 FEET TO THE WEST LINE OF THE EAST 1,100 FEET OF SAID SECTION 11 AT A POINT 1,742 FEET SOUTH OF THE NORTH LINE OF SAID SECTION 11; THENCE CONTINUING EASTERLY ALONG SAID PARALLEL LINE, A DISTANCE OF 875.0 FEET TO A POINT ON THE AFORESAID WESTERLY LINE OF STONY ISLAND AVENUE FORMERLY KNOWN AS SOUTH DOTY AVENUE AS PER SAID CONDEMNATION; THENCE NORTH ALONG SAID WESTERLY LINE, DISTANCE OF 24.87 FEET TO A POINT 225.0 FEET WEST OF THE AFORESAID EAST LINE OF THE NORTHEAST 1/4 THENCE NORTHWESTERLY, A DISTANCE OF 143.39 FEET TO A POINT WHICH IS 349.0 FEET WEST OF SAID EAST LINE, THENCE NORTH PARALLEL WITH SAID EAST LINE, A DISTANCE OF 134.0 FEET; THENCE NORTHEASTERLY A DISTANCE OF 98.11 FEET TO A POINT 264.0 FEET WEST OF SAID EAST LINE, THENCE EAST PARALLEL TO THE FIRST DESCRIBED COURSE, A DISTANCE OF 99.0 FEET; THENCE NORTH PARALLEL WITH SAID EAST LINE A DISTANCE OF 23.22 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS;

AND ALSO EXCEPT FOR THE FOLLOWING DESCRIBED PROPERTY:

A PARCEL OF LAND IN THE EAST 1/2 OF SECTION 11, TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT IN THE EAST LINE OF SAID SECTION 11, WHICH IS 2359.24 FEET SOUTH OF THE NORTHEAST CORNER OF SAID SECTION 11, OR 296.24 FEET NORTH OF THE SOUTHEAST CORNER OF THE NORTHEAST 1/4 OF SAID SECTION 11 (AS MEASURED ON THE EAST LINE); THENCE WESTERLY AT RIGHT ANGLES TO SAID EAST LINE, 538.20 FEET TO THE POINT OF BEGINNING; THENCE SOUTH AT RIGHT ANGLES TO THE LAST DESCRIBED LINE, A DISTANCE OF 267.19

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FEET TO A POINT ON THE NORTHWESTERLY LINE OF LAND TAKEN FOR HIGHWAY BY COURT CASE 70L11820, DATED OCTOBER 14, 1970; THENCE SOUTHWESTERLY, A DISTANCE OF 41.43 FEET TO A POINT ON THE SOUTH LINE OF THE NORTHEAST 1/4 OF SAID SECTION 11; THENCE CONTINUING SOUTHWESTERLY ON SAID CONDEMNATION LINE, A DISTANCE OF 4.42 FEET TO A POINT ON A LINE DRAWN PARALLEL WITH AND 2.50 FEET SOUTH OF THE SOUTH LINE OF THE NORTHEAST 1/4; THENCE WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 906.36 FEET TO A POINT ON A LINE DRAWN PARALLEL WITH AND 1480 FEET WEST OF THE AFORESAID EAST LINE OF SECTION 11; THENCE NORTH ALONG SAID PARALLEL LINE, A DISTANCE OF 292.28 FEET TO A POINT ON A LINE DRAWN AT RIGHT ANGLES TO THE AFORESAID EAST LINE, BEING THE FIRST DESCRIBED LINE; THENCE EAST ALONG SAID LINE, A DISTANCE OF 941.80 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

A NON-EXCLUSIVE EASEMENT FOR THE BENEFIT OF PARCEL 1 AS CREATED BY RECIPROCAL PARKING AGREEMENT DATED 1-31-17 AND RECORDED 2-1-17 AS DOCUMENT 1703219116 FROM ASHLEY CALUMET 13, LLC TO CALUMET INDUSTRIAL CHICAGO, LLC FOR THE PURPOSE OF USE AND MAINTENANCE OF PARKING SPACES OVER THE FOLLOWING DESCRIBED LAND:

A PARCEL OF LAND IN THE EAST 1/2 OF SECTION 11, TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT IN THE EAST LINE OF SAID SECTION 11, WHICH IS 2359.24 FEET SOUTH OF THE NORTHEAST CORNER OF SAID SECTION 11, OR 296.24 FEET NORTH OF THE SOUTHEAST CORNER OF THE NORTHEAST 1/4 OF SAID SECTION 11 (AS MEASURED ON THE EAST LINE); THENCE WESTERLY AT RIGHT ANGLES TO SAID EAST LINE, 538.20 FEET TO THE POINT OF BEGINNING; THENCE SOUTH AT RIGHT ANGLES TO THE LAST DESCRIBED LINE, A DISTANCE OF 267.19 FEET TO A POINT ON THE NORTHWESTERLY LINE OF LAND TAKEN FOR HIGHWAY BY COURT CASE 70L11820, DATED OCTOBER 14, 1970; THENCE SOUTHWESTERLY, A DISTANCE OF 41.43 FEET TO A POINT ON THE SOUTH LINE OF THE NORTHEAST 1/4 OF SAID SECTION 11; THENCE CONTINUING SOUTHWESTERLY ON SAID CONDEMNATION LINE, A DISTANCE OF 4.42 FEET TO A POINT ON A LINE DRAWN PARALLEL WITH AND 2.50 FEET SOUTH OF THE SOUTH LINE OF THE NORTHEAST 1/4; THENCE WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 906.36 FEET TO A POINT ON A LINE DRAWN PARALLEL WITH AND 1480 FEET WEST OF THE AFORESAID EAST LINE OF SECTION 11; THENCE NORTH ALONG SAID PARALLEL LINE, A DISTANCE OF 292.28 FEET TO A POINT ON A LINE DRAWN AT RIGHT ANGLES TO THE AFORESAID EAST LINE,

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BEING THE FIRST DESCRIBED LINE; THENCE EAST ALONG SAID LINE, A DISTANCE OF 941.80 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

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