

32

Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



Report Mortgage Fraud 844-768-1713



2005741061

Doc# 2005741061 Fee \$101.00

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

EDWARD H. MOODY

COOK COUNTY RECORDER OF DEEDS

DATE: 02/26/2020 10:45 AM PG: 1 OF 26

The property identified as: PIN: 20-24-325-058-1001

Address:

Street: 7026 S Cregier Ave

Street line 2:

City: Chicago

State: IL

ZIP Code: 60649

Lender: Beverly Bank & Trust Company, National Association

Borrower: 7020-7028 Cregier Residences LLC

Loan / Mortgage Amount: \$3,060,000.00

This property is located within the program area and the transaction is exempt from the requirements of 765 ILCS 77/70 et seq. because the application was taken by an exempt entity.

Chicago Title (L) 19G5C173001MLFE

HD

1 of 1

Certificate number: 2E1C4DB3-AB0E-4678-8FA4-7CD0299737FD

Execution date: 2/13/2020

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P 26
S 30
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**BEVERLY BANK & TRUST
COMPANY, NATIONAL
ASSOCIATION**

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

*This document prepared by and mail to:
Timothy S. Breems, Sr.
Ruff, Freud, Breems & Nelson Ltd.
200 N. LaSalle Street, Suite 7020
Chicago, IL 60601*

This Box For Recorder's Use

This MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT ("Mortgage") is made February 13, 2020, between 7020-7028 Cregier Residences LLC, an Illinois limited liability company (hereinafter referred to as "Mortgagor"), and Beverly Bank & Trust Company, National Association, a national banking association, having an office at 10258 S. Western Avenue, Chicago, IL 60643 (hereinafter referred to as "Mortgagee").

WITNESS:

WHEREAS, pursuant to the terms and conditions of that certain Loan Agreement of even date herewith between Mortgagor and Mortgagee (the "Loan Agreement"), Mortgagor is indebted to Mortgagee under a non-revolving line of credit in the outstanding principal amount not to exceed \$3,060,000.00 together with interest thereon from and after the date hereof at the Interest Rate provided in that certain Line of Credit Note of even date herewith in the principal amount not to exceed \$3,060,000.00 executed by Mortgagor and delivered by it to Mortgagee, payable in monthly installments of interest and principal and interest with the final payment of the entire outstanding principal balance with accrued interest thereon due and payable on February 10, 2022 (the "Note"); and

WHEREAS, as a condition of making the loan evidenced by the Note, Mortgagee has required that Mortgagor mortgage the "Premises" (as hereinafter defined) to the Mortgagee, and Mortgagor has executed, acknowledged, and delivered this Mortgage to secure any indebtedness existing at the date hereof by of the Note and any modifications, renewals or extensions of the Note, and any indebtedness represented by future advances from Mortgagee to or for the benefit of Mortgagor, whether obligatory or non-obligatory, made pursuant to any of the Note, the Loan



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Agreement or hereunder, the terms and provisions of which Note and Loan Agreement are hereby incorporated, to the same extent as if such future advances were made on the date of execution of this Mortgage without regard to whether or not there is any advance made at the time this Mortgage is executed and without regard to whether or not there is any indebtedness outstanding at the time any advance is made, provided, however, that although the amount of indebtedness that may be secured by this Mortgage may increase from time to time, the total unpaid balance so secured at any one time shall not exceed a maximum principal amount of twice the aggregate principal amounts of the Note, plus interest thereon, late charges and any disbursements or payments permitted hereunder, under the Note, the Loan Agreement or any documents evidencing or securing any loan indebtedness evidenced by the Note, including, without limitation, any disbursements made for the payment of taxes, special assessments, insurance on the Premises, or other items deemed necessary by Mortgagee to be made to protect the lien hereof, together with interest at the Default Interest Rate herein specified on any such disbursements under the aforesaid Note or hereunder.

Mortgagor does, by these presents, grant, convey, pledge, and mortgage unto Mortgagee, its successors and assigns forever, the Real Estate and all of its estates, rights, titles, and interests therein situated in the City of Chicago, State of Illinois, legally described on Exhibit A attached hereto and made a part hereof (sometimes herein referred to as the "Real Estate"), which Real Estate, together with the following described property, is collectively referred to as the "Premises", together with:

A. All right, title, and interest of Mortgagor, including any after-acquired title or reversion, in and to the beds of the ways, streets, avenues, and alleys adjoining the Premises;

B. All and singular the tenements, hereditaments, easements, appurtenances, passages, liberties, and privileges thereof or in any way now or hereafter appertaining, including homestead and any other claim at law or in equity as well as any after-acquired title, franchise, or license, and the reversion and reversions and remainder and remainders thereof,

C. All leases or other contracts of whatever nature or kind affecting the use, occupancy, improvement or ownership of the Premises, or any part thereof, now existing or which may be executed at any time in the future during the life of this Mortgage and all amendments, extensions, and renewals of said leases or other contracts or agreements of whatever nature or kind, and any of them, all of which are hereinafter called the "Leases" and all rents, profits, proceeds, issues, other income, and other payments of whatever nature or kind, which may now or hereafter be or become due or owing under the Leases and any of them or on account of the use, occupancy, improvement or ownership of any interest of or in the Premises, it being intended hereby to establish a collateral transfer of all Leases hereby assigned (subject to any required consent or approval of said Contract Administrator) and all the rents, proceeds, profits, issues, other income, and other payments of whatever nature or kind arising thereunder or on account of the use, occupancy or ownership of any interest of or in the Premises (subject to any required consent or approval of said Contract Administrator) (the "Amounts Herein Assigned"); and

D. All buildings and improvements of every kind and description now or hereafter erected or

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placed thereon and all materials intended for construction, reconstruction, alteration, and repairs of such improvements now or hereafter erected thereon, all of which materials shall be deemed to be included within the Premises immediately upon the delivery thereof to the Premises, and all fixtures, equipment, materials and other types of personal property (other than that belonging to tenants) used in the ownership and operation of the improvement situated thereon with parking and other related facilities, in possession of Mortgagor now or hereafter located in, on, or upon, or installed in or affixed to, the Real Estate legally described herein, or any improvements or structures thereon, together with all accessories and parts now attached to or used in connection with any such equipment, materials and personal property or which may hereafter, at any time, be placed in or added thereto, and also any and all replacements and proceeds of any such equipment, materials and personal property, together with the proceeds of any of the foregoing; it being mutually agreed, intended, and declared, that all the aforesaid property shall, so far as permitted by law, be deemed to form a part and parcel of the Real Estate and for the purpose of this Mortgage to be Real Estate, and covered by this Mortgage; and as to any of the property aforesaid which does not so form a part and parcel of the Real Estate or does not constitute a "fixture" (as such term is defined in the Uniform Commercial Code in effect in the State of Illinois from time to time [the "Code"]), this Mortgage is hereby deemed to be, as well, a Security Agreement under the Code for the purpose of creating hereby a security interest in such property, which Mortgagor hereby grants to the Mortgagee as the Secured Party (as such term is defined in the Code).

TO HAVE AND TO HOLD, the same unto the Mortgagee and its successors and assigns forever, for the purposes and uses herein set forth.

Provided, however, that if the Mortgagor shall pay or cause to be paid, the principal and all interest as provided by the Note and any modifications, renewals or extensions of the Note, and shall pay all other sums herein provided for, or secured hereby, and shall well and truly keep and perform all of the covenants herein contained, then this Mortgage shall be released at the cost of the Mortgagor, otherwise to remain in full force and effect.

I. MORTGAGOR'S COVENANTS. To protect the security of this Mortgage, Mortgagor agrees and covenants with the Mortgagee that Mortgagor shall:

A. PAYMENT OF PRINCIPAL PLUS INTEREST. Pay promptly when due the principal plus interest on the indebtedness evidenced by the Note at the times and in the manner herein and in the Note provided.

B. TAXES AND DEPOSITS THEREFOR. (1) Pay immediately when first due and owing, all general taxes, special taxes, special assessments, water charges, sewer charges, and other charges which may be levied against the Premises, and to furnish to Mortgagee upon request therefor, duplicate receipts therefor within thirty (30) days. Mortgagor may, in good faith and with reasonable diligence, contest the validity or amount of any such taxes or assessments provided: (a) that such contest shall have the effect of preventing the collection of the tax or assessment so contested and the sale or forfeiture of said Premises or any part thereof, or any interest therein, to satisfy the same; (b) that Mortgagor has notified Mortgagee in writing of the intention of Mortgagor to contest the same,

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before any tax or assessment has been increased by any interest, penalties, or costs; and (c) that Mortgagor shall have deposited with Mortgagee at such place as Mortgagee may from time to time in writing appoint, a sum of money, bond, Letter of Credit or other security reasonably acceptable to Mortgagee which shall be sufficient in the reasonable judgment of the Mortgagee to pay in full such contested tax and assessment and all penalties and interest that might become due thereon, and shall keep said money on deposit or keep in effect said bond or Letter of Credit in an amount sufficient, in the reasonable judgment of the Mortgagee, to pay in full such contested tax and assessment; and all penalties and interest that might become due thereon, and shall keep on deposit an amount so sufficient at all times, increasing such amount to cover additional penalties and interest whenever, in the reasonable judgment of the Mortgagee, such increase is advisable. In case the Mortgagor, after demand is made upon it by Mortgagee, shall fail to prosecute such contest with reasonable diligence or shall fail to maintain sufficient funds on deposit as hereinabove provided, the Mortgagee may, at its option upon notice to Mortgagor, apply the monies and/or liquidate the securities deposited with Mortgagee, in payment of, or on account of, such taxes and assessments, or any portion thereof then unpaid, including the payment of all penalties and interest thereon. If the amount of the money and/or security so deposited shall be insufficient as aforesaid for the payment in full of such taxes and assessments, together with all penalties and interest thereon, the Mortgagor shall forthwith upon demand deposit with the Mortgagee a sum which, when added to the funds then on deposit, shall be sufficient to make such payment in full. Provided Mortgagor is not then in default hereunder, the Mortgagee shall, upon the final disposition of such contest and upon Mortgagor's delivery to Mortgagee of an official bill for such taxes, apply the money so deposited in full payment of such taxes and assessments or that part thereof then unpaid, together with all penalties and interest due thereon and return on demand the balance of said deposit, if any, to Mortgagor.

(2) If required pursuant to the terms of the Loan Agreement, deposit each month, on the date when the monthly payment under the Note are due with the Mortgagee, an amount equal to 1/12th of the annual general real estate taxes for the Premises, all as reasonably estimated by Mortgagee on a "when issued and payable" basis, with such additional reserve as may be required by Mortgagee. Mortgagee shall not be obligated to pay interest or earnings of any kind on funds on deposit with it pursuant to this Paragraph. Provided no Event of Default then exists, sums on deposit in such real estate tax reserve shall be made available to Mortgagor to pay real estate taxes due and payable.

C. INSURANCE. (1) Hazard. Keep the improvements now existing or hereafter erected on the Premises insured under a replacement cost form of insurance policy against loss or damage resulting from fire, windstorm, and other hazards as may be required by Mortgagee, and to pay promptly, when due, any premiums on such insurance, provided however, Mortgagee may make such payments on behalf of Mortgagor. All insurance shall be in form and content as reasonably approved by the Mortgagee (which shall be carried in companies reasonably acceptable to Mortgagee) and the policies and renewals marked "PAID", shall be delivered to the Mortgagee at least thirty (30) days before the expiration of the old policies and shall have attached thereto standard noncontributing mortgage clause(s) in favor of and entitling Mortgagee to collect any and all of the proceeds payable under all such insurance, as well as standard waiver of subrogation endorsement, if available. Mortgagor shall not carry separate insurance, concurrent in kind or form and contributing in the event of loss, with any insurance required hereunder. In the event of any casualty loss, Mortgagor

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will give immediate notice by mail to the Mortgagee.

(2) Liability, Flood and Business Interruption Insurance. Carry and maintain comprehensive public liability insurance, flood insurance and business interruption (or loss of rentals) insurance as may be required from time to time by the Mortgagee in forms, amounts, and with companies reasonably satisfactory to the Mortgagee. Such liability policy, flood insurance and business interruption insurance shall name Mortgagee as an additional insured party thereunder. Certificates of such insurance, premiums prepaid, shall be deposited with the Mortgagee and shall contain provision for thirty (30) days' notice to the Mortgagee prior to any cancellation thereof.

D. PRESERVATION AND RESTORATION OF PREMISES AND COMPLIANCE WITH GOVERNMENTAL REGULATIONS. Except with respect to cosmetic upgrades performed by or on behalf of Mortgagor (none of which shall require Mortgagee's consent), not permit any building or other improvement on the Premises to be materially altered, removed, or demolished, nor shall any fixtures or appliances on, in, or about said buildings or improvements be severed, removed, sold, or mortgaged, without the prior written consent of Mortgagee, and in the event of the demolition or destruction in whole or in part of any of the fixtures, chattels, or articles of personal property covered hereby or by any separate security agreement given in conjunction herewith, the same shall be replaced promptly by similar fixtures, chattels, and articles of personal property at least equal in quality and condition to those replaced, free from any security interest in or encumbrances thereon or reservation of title thereto. Subject to the provisions of Paragraph 19 hereof, Mortgagor shall promptly repair, restore, or rebuild any buildings or improvements now or hereafter on the Premises which may become damaged or be destroyed. The buildings and improvements shall be so restored or rebuilt so as to be of at least equal value and substantially the same character as prior to such damage or destruction.

Mortgagor further agrees to permit, commit, or suffer no waste, impairment, or deterioration of the Premises or any part or improvement thereof; to keep and maintain the Premises and every part thereof in good repair and condition, subject to ordinary wear and tear, to effect such repairs as the Mortgagee may reasonably require, and, from time to time, to make all needful and proper replacements and additions thereto so that said buildings, fixtures, machinery, and appurtenances will, at all times, be in good condition, fit and proper for the respective purposes for which they were originally erected or installed; to comply with all statutes, orders, requirements or decrees relating to said Premises as provided in any notice given by any federal, state, or municipal authority; and to observe and comply with all conditions and requirements necessary to preserve and extend any and all rights, licenses, permits (including, but not limited to, zoning variances, special exceptions, and nonconforming uses) privileges, franchises, and concessions which are applicable to the Premises or which have been granted to or contracted for by Mortgagor in connection with any existing or presently contemplated use of the said Premises.

E. DUE ON SALE PROVISIONS - CREATION OF LIENS , TRANSFER OF OWNERSHIP AND CHANGE OF MANAGEMENT. (1) Not create, suffer, or permit to be created or filed against the Premises, any mortgage lien or other lien whether superior or inferior to the lien of this Mortgage; or

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(2) Not permit the Premises nor the membership, ownership or other equity interests in Mortgagor, in whole or in part, to be alienated, transferred, conveyed or assigned to any person or entity, provided, however that Mortgagor may transfer the ownership interests in Mortgagor if such transfer does not result in a change of control of Mortgagor and Mortgagor has provided Mortgagee with notice of such transfer.

Any default in the performance or observance of any of the provisions of this Paragraph which is not cured within the applicable cure period described in Paragraph 11 below shall constitute an Event of Default as described in Paragraph 11 below and, thereafter, in addition to any other remedies hereunder, the entire indebtedness secured hereby, including, but not limited to, principal and accrued interest shall, at the option of the Mortgagee and without demand or notice to Mortgagor, become immediately due and payable with interest accruing thereafter on the unpaid principal balance of the Note at the Default Interest Rate specified in the Note and Mortgagee may proceed to foreclose this Mortgage.

Any waiver by Mortgagee of the provisions of this Paragraph shall not be deemed to be a waiver of the right of Mortgagee to insist upon strict compliance with the provisions of this Paragraph in the future.

F. ENVIRONMENTAL WARRANTIES, COVENANTS AND INDEMNITY. (1) Not use, generate, manufacture, produce, store, release, discharge, or dispose of on, under, or about the Premises, or transport to or from the Premises any Hazardous Substance (as defined herein) or permit any other person or entity to do so.

(2) Keep and maintain the Premises in compliance with, and shall not cause or permit the premises to be in violation of any Environmental Laws (as defined herein) or permit any other person or entity to do so.

(3) Give prompt written notice to Mortgagee of:

(i) any proceeding or inquiry by a governmental authority whether federal, state, or local, with respect to the presence of any Hazardous Substance on the Premises or the migration thereof from or to other property;

(ii) all claims made or threatened by any third party against Mortgagor or any entity affiliated with him or the Premises relating to any loss or injury resulting from any Hazardous Substance; and

(iii) the discovery by Mortgagor of any occurrence or condition on any real property adjoining or in the vicinity of the Premises that could cause the Premises or any part thereof to be subject to any restriction on the ownership, occupancy, transferability or use of the Premises under any Environmental Laws.

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(4) Recognize Mortgagee's right to join and participate in, as a party if it so elects, any legal proceedings or actions initiated in connection with any Environmental Laws and Mortgagor hereby agrees to pay any attorneys' fees thereby incurred by the Mortgagee in connection therewith.

(5) Indemnify, defend, and hold harmless Mortgagee, its directors, officers, employees, agents, contractors, attorneys, other representatives, successors and assigns from and against any and all loss, damage, cost, expense or liability, including by way of illustration and not limitation, reasonable attorneys' fees and court costs, directly or indirectly, arising out of or attributable to the use, generation, manufacture, production, storage, release, threatened release, discharge, disposal, or presence of Hazardous Substance on, under, or about the Premises, including without limitation; (a) all foreseeable consequential damages; and (b) the costs of any required or necessary repair, cleanup, or detoxification of the premises, and the preparation and implementation of any closure, remedial or other required plans. This indemnity and covenant shall survive the reconveyance of the lien of this Mortgage, or the extinguishment of such lien by foreclosure or action in lieu thereof for a period of one (1) year.

(6) In the event that any investigation, site monitoring, containment, cleanup, removal, restoration or other remedial work of any kind or nature whatsoever (the "Remedial Work") is necessary or required under any applicable local, state, or federal law or regulation, any judicial order, or by any governmental or nongovernmental entity or person because of, or in connection with, the current or future presence, suspected presence, release or suspected release of a Hazardous Substance in or into the air, soil, ground water, surface water or soil vapor at, on, about, under, or within the Premises, or any portion thereof, Mortgagor shall, within thirty (30) days after written demand for performance thereof by Mortgagee or other party or governmental entity or agency (or such shorter period of time as may be required under any applicable law, regulation, order, or agreement), commence to perform, or cause to be commenced, and thereafter diligently prosecuted to completion, all such Remedial Work. All Remedial Work shall be performed by one or more contractors, approved in advance in writing by Mortgagee, and under the supervision of a consulting engineer approved in advance in writing by Mortgagee. All costs and expenses of such Remedial Work shall be paid by Mortgagor, including, without limitation, the charges of such contractor and the consulting engineer, and Mortgagee's reasonable attorney's fees and costs incurred in connection with the monitoring or review of such Remedial Work. In the event that Mortgagor shall fail to timely commence, or cause to be commenced, or fail to diligently prosecute to completion such Remedial Work, Mortgagee may, but shall not be required to, cause such Remedial Work to be performed and all costs and expenses thereof incurred in connection therewith shall become part of the indebtedness secured hereby.

(7) Without Mortgagee's prior written consent, which shall not be unreasonably withheld, Mortgagor shall not take any remedial action in response to the presence of any Hazardous Substance on, under, or about the Premises, nor enter into any settlement agreement, consent decrees, or other compromise in respect to any Hazardous Substance claims. Said consent may be withheld, without limitation, if Mortgagor in its reasonable judgment, determines that said remedial action, settlement, consent, or compromise might impair the value of Mortgagee's security hereunder and under the Loan Documents specified in the Loan Agreement; provided, however, that Mortgagee's prior

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consent shall not be necessary in the event that the presence of Hazardous Substances in, on, under, or about the Premises, either poses an immediate threat to the health, safety, or welfare of any individual or is of such a nature that an immediate remedial response is necessary, and it is not possible to obtain Mortgagee's consent before taking such action, provided that in such event Mortgagor shall notify Mortgagee as soon as practicable of any action so taken. Mortgagee agrees not to withhold its consent, when such consent is required hereunder, if either (a) a particular remedial action is ordered by a court of competent jurisdiction; or (b) Mortgagor establishes to the reasonable satisfaction of the Mortgagee that there is no reasonable alternative to such remedial action that would result in materially less impairment of Mortgagee's security under this Mortgage, the Note, the Loan Agreement and the Loan Documents specified therein.

For the purposes of this Paragraph, the following terms shall have the meanings as set forth below:

(a) "Environmental Laws" shall mean any federal, state, or local law, statute, ordinance, or regulation pertaining to health, industrial hygiene, or the environmental conditions on, under, or about the premises, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, ("CERCLA"), 42 U.S.C. Section 9601 et seq., and the Resource Conservation and Recovery Act of 1976, as amended, ("RCRA"), 42 U.S.C. Section 6901 et seq.

(b) The term "Hazardous Substance" shall include without limitation:

(i) Those substances included within the definitions of any one or more of the terms "hazardous substances", "hazardous materials", "toxic substances", and "solid waste" in CERCLA, RCRA, and the Hazardous Materials Transportation Act, as amended, 49 U.S.C. Section 1801 et seq., and in the regulations promulgated pursuant to said laws or under applicable state law;

(ii) Those substances listed in the United States Department of Transportation Table (49 CFR 172.010 and amendments thereto) or by the Environmental Protection Agency (or any successor agency) as hazardous substances (40 CFR, Part 302 and amendments thereof);

(iii) Such other substances, materials and wastes which are or become regulated under applicable local, state, or federal laws, or which are classified as hazardous or toxic under federal, state, or local laws or regulations; and

(iv) Any material, waste, or substance which is (A) petroleum, (B) asbestos, (C) polychlorinated biphenyls, (D) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act, 33 U.S.C. Section 1251, et seq. (33 U.S.C. Section 1321), or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. Section 1317); (E) flammable explosives; or (F) radioactive materials.

2. MORTGAGEE'S PERFORMANCE OF DEFAULTED ACTS. Upon the occurrence of

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an Event of Default, Mortgagee may, but need not, at any time after the giving of any notice and the lapse of any time thereafter which may be required by Paragraph 11 hereof, and subject to the provisions of this Mortgage make any payment or perform any act herein required of Mortgagor in any form and manner deemed expedient by Mortgagee, and Mortgagee may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise, or settle any tax lien or other prior or junior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting the Premises or contest any tax or assessment. All monies paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' fees, and any other monies advanced by Mortgagee to protect the Premises and the lien hereof, shall be so much additional indebtedness secured hereby, and shall become immediately due and payable by Mortgagor to Mortgagee without notice and with interest thereon at the Default Interest Rate as defined herein. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to it on account of any default on the part of Mortgagor.

3. EMINENT DOMAIN. So long as any portion of any principal balance evidenced by the Note remains unpaid, any and all awards heretofore or hereafter made or to be made to the present and all subsequent owners of the Premises, by any governmental or other lawful authority for taking, by condemnation or eminent domain, of the whole or any part of the Premises or any improvement located thereon, or any easement therein or appurtenant thereto (including any award from the United States Government at any time after the allowance of the claim therefor, the ascertainment of the amount thereof and the issuance of the warrant for payment thereof), are hereby assigned by Mortgagor to Mortgagee, to the extent of the aggregate unpaid indebtedness evidenced by the Note, which award Mortgagee is hereby authorized to give appropriate receipts and acquittances therefore, and Mortgagee shall apply the proceeds of such award as a credit upon any portion of the indebtedness secured hereby or, at its option, permit the same to be used to repair and restore the improvements in the same manner as set forth in Paragraph 19 hereof with regard to insurance proceeds received subsequent to a fire or other casualty to the Premises. Mortgagor shall give Mortgagee immediate notice of the actual or threatened commencement of any such proceedings under condemnation or eminent domain, affecting all or any part of the said Premises or any easement therein or appurtenance thereof, including severance and consequential damage and change in grade of streets, and will deliver to Mortgagee copies of any and all papers served in connection with any such proceedings. Mortgagor shall make, execute, and deliver to Mortgagee, at any time or times upon request, free, clear, and discharged of any encumbrances of any kind whatsoever, any and all further assignments and/or instruments deemed necessary by Mortgagee for the purpose of validly and sufficiently assigning all awards in accordance with and subject to the provisions hereof, and other compensation heretofore and hereafter to be made to Mortgagor for any taking, either permanent or temporary, under any such proceeding.

4. ACKNOWLEDGMENT OF DEBT. Mortgagor shall furnish, from time to time, within thirty (30) days after Mortgagee's request, a written statement of the amount due upon this Mortgage and whether any alleged offsets or defenses exist against the indebtedness secured by this Mortgage.

5. INSPECTION OF PREMISES AND BOOKS AND RECORDS. Mortgagor shall permit Mortgagee to inspect the Premises at all reasonable times and from time to time upon reasonable

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advance written notice. Mortgagor shall keep and maintain full and correct books and records showing in detail the income and expenses of the Premises and within ten (10) days after demand therefore to permit Mortgagee, at normal business hours, to examine such books and records and all supporting vouchers and data, at any time and from time to time, on request at Mortgagor's offices, hereinbefore identified or at such other location as may be mutually agreed upon.

6. ILLEGALITY OF TERMS HEREOF. Nothing herein or in the Note contained nor any transaction related thereto shall be construed or shall so operate either presently or prospectively, (a) to require Mortgagor to pay interest at a rate greater than is now lawful in such case to contract for, but shall require payment of interest only to the extent of such lawful rate; or (b) to require Mortgagor to make any payment or do any act contrary to law, and if any clause and provision herein contained shall otherwise so operate to invalidate this Mortgage, in whole or in part, then such clause or clauses and provisions only shall be held for naught as though not herein contained and the remainder of this Mortgage shall remain operative and in full force and effect, and Mortgagee shall be given a reasonable time to correct any such error.

7. SUBROGATION. In the event the proceeds of the loan made by the Mortgagee to the Mortgagor, or any part thereof, or any amount paid out or advanced by the Mortgagee, be used directly or indirectly to pay off, discharge, or satisfy, in whole or in part, any prior lien or encumbrance upon the Premises or any part thereof, then the Mortgagee shall be subrogated to such other lien or encumbrance and to any additional security held by the holder thereof and shall have the benefit of the priority of all of same.

8. EXECUTION OF SECURITY AGREEMENT AND FINANCING STATEMENT. This Mortgage shall constitute a Security Agreement as defined in the Code with respect to (a) all sums at any time on deposit for the benefit of Mortgagor or held by the Mortgagee (whether deposited by or on behalf of Mortgagor or anyone else) pursuant to any of the provisions of this Mortgage, the Note or any other documents or instruments evidencing or securing any of the loans evidenced by the Note, and (b) with respect to any of the personal property described in Paragraph D of the granting clause of this Mortgage and all replacements of, substitutions for, additions to, and the proceeds thereof (collectively referred to as the "Collateral"), and that a security interest in and to the Collateral is hereby granted to the Mortgagee, and the Collateral and all of Mortgagor's right, title and interest therein are hereby assigned to Mortgagee, all to secure the full and prompt payment of the Note and other obligations or liabilities secured by this Mortgage. Mortgagor (being the Debtor as that term is used in the Code) is and will be the true and lawful owner of the Collateral and has rights in the power to transfer the Collateral, subject to no liens, charges or encumbrances other than the lien hereof, other liens and encumbrances benefiting Mortgagee and no other party, and liens and encumbrances, if any, expressly permitted hereunder or by the other Loan Documents. The Collateral is to be used by Mortgagor solely for business purposes. The Collateral will be kept at the Premises and will not be removed therefrom without the consent of Mortgagee (being the Secured Party as that term is used in the Code). Mortgagor, at its own cost and expense, upon demand, will furnish to Mortgagee such further information and will execute and deliver to Mortgagee such financing statements and other documents in form satisfactory to Mortgagee and will do all such acts as Mortgagee may request at any time or from time to time or as may be necessary or appropriate to

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establish and maintain a perfected security interest in the Collateral subject to no other liens or encumbrances, other than liens or encumbrances benefiting Mortgagee. Mortgagor will pay the cost of filing or recording such financing statements or other documents, and this instrument, in all public offices wherever filing or recording is deemed by Mortgagee to be desirable.

Upon an Event of Default hereunder, Mortgagee shall have the remedies of a secured party under the Code, including, without limitation, the right to take immediate and exclusive possession of the Collateral, or any part thereof, and for that purpose, so far as Mortgagor can give authority therefor, with or without judicial process, may enter (if this can be done without breach of the peace) upon any place which the Collateral or any part thereof may be situated and remove the same therefrom (provided that if the Collateral is affixed to real estate, such removal shall be subject to the conditions stated in the Code); and Mortgagee shall be entitled to hold, maintain, preserve and prepare the Collateral for sale, until disposed of, or may propose to retain the Collateral as provided in the Code. Mortgagee may render the Collateral unusable without removal and may dispose of the Collateral on the Premises. Mortgagee may require Mortgagor to assemble the Collateral and make it available to Mortgagee for its possession at a place to be designated by Mortgagee which is reasonably convenient to both parties. Mortgagee will give Mortgagor at least ten (10) days' prior written notice of the time and place of any public sale of the Collateral or of the time after which any private sale or any other intended disposition thereof is made. The requirements of reasonable notice shall be met if such notice is mailed, by certified United States mail or equivalent, postage prepaid, to the address of Mortgagor hereinafter set forth at least ten (10) days before the time of the sale or disposition. Mortgagee may buy at any public sale. Mortgagee may buy at private sale if the Collateral is of a type customarily sold in a recognized market or is of a type which is the subject of widely distributed standard price quotations. Any such sale may be held in conjunction with any foreclosure sale of the Premises. If Mortgagee so elects, the Premises and the Collateral may be sold as one lot. The net proceeds realized upon any such disposition, after deduction for the expenses of retaking, holding, preparing for sale, selling and the attorneys' fees and legal expenses incurred by Mortgagee, shall be applied against the Indebtedness in such order or manner as Mortgagee shall select. Mortgagee will account to Mortgagor for any surplus realized on such disposition.

This Mortgage is intended to be a financing statement within the purview of Section 9-502(b) of the Code with respect to the Collateral and the goods described herein, which goods are or may become fixtures relating to the Premises. The addresses of Mortgagor (Debtor) and Mortgagee (Secured Party) are hereinbelow set forth. This Mortgage is to be filed for recording with the Recorder of Deeds of the county or counties where the Premises are located. To the extent permitted by applicable law, the security interest created hereby is specifically intended to cover all Leases between Mortgagor or its agents as lessor or franchisee, as the case may be, and various tenants named therein, as lessee or franchiser named therein, as the case may be, including all extended terms and all extensions and renewals of the terms thereof, as well as any amendments to or replacement of said Leases, together with all of the right, title and interest of Mortgagor, as lessor thereunder.

Mortgagor represents and warrants that:

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- i. Mortgagor's chief executive office is located in the State of Illinois;
- ii. Mortgagor's state of formation is the State of Illinois; and
- iii. Mortgagor's organizational number is 07962568.

Mortgagor agrees that Mortgagee is authorized to file a financing statement describing the Collateral. To the extent permitted by the provisions of the Code, Mortgagor herewith specifically authorizes Mortgagee to file or record unsigned Financing Statements, or Financing Statements signed only by the Mortgagee as secured party, from time to time to perfect Mortgagor's security interest in the Collateral.

9. MORTGAGEE'S PAYMENT OF GOVERNMENTAL, MUNICIPAL, OR OTHER CHARGES OR LIENS. Upon the occurrence of an Event of Default hereunder Mortgagee is hereby authorized subject to the terms and provisions of this Mortgage, to make or advance, in place and stead of the Mortgagor, any payment relating to taxes, assessments, water rates, sewer rentals, and other governmental or municipal charges, fines, impositions, or liens asserted against the Premises and may do so according to any bill, statement, or estimate procured from the appropriate public office without inquiry into the adequacy of the bill, statement, or estimate, or into the validity of any tax, assessment, sale, forfeiture, tax lien, or title or claim thereof, and the Mortgagee is further authorized to make or advance in the place and stead of the Mortgagor any payment relating to any apparent or threatened adverse title, lien, statement of lien, encumbrance, claim, or charge; or payment otherwise relating to any purpose herein and hereby authorized but not enumerated in this Paragraph, and may do so whenever, in its reasonable judgment and discretion, such advance or advances shall seem necessary or desirable to protect the full security intended to be created by this instrument, and, provided further, that in connection with any such advance, Mortgagee, in its option, may, and is hereby authorized to obtain a continuation report of title or title insurance policy prepared by a title insurance company of Mortgagee's choosing.

All such advances and indebtedness authorized by this Paragraph shall be repayable by Mortgagor upon demand with interest at the Default Interest Rate.

10. BUSINESS LOAN. Mortgagor represents, warrants and agrees that the proceeds of the Note will be used for business purposes, and that the indebtedness evidenced by the Note constitutes a business loan.

11. DEFAULT AND FORECLOSURE.

(a) Events of Default and Remedies. The following shall constitute an Event of Default under this Mortgage:

- (i) Any failure to provide the insurance specified in Paragraph 1(C)(1) and 1(C)(2) herein;

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(ii) Any default in any of the monthly interest payments or monthly principal and interest payments under the Note secured hereby, which default or failure remains uncured for a period of ten (10) days, or a default in making the final principal and accrued interest payment required under the Note; or

(iii) Any default in the performance or observance of any other term, covenant, or condition in this Mortgage, the Note, the Loan Agreement, any of the Loan Documents specified in the Loan Agreement, or in any other instrument now or hereafter evidencing or securing any indebtedness evidenced by the Note which default continues for thirty (30) days after written notice thereof from the Mortgagee or such lesser time as may be specified herein or in any other of said instruments or documents for such default; or

(iv) The occurrence of any other "Event of Default" under any of the Note, the Loan Agreement or any of the other Loan Documents described in the Loan Agreement.

(b) Upon the occurrence of an Event of Default, the entire indebtedness secured hereby, including, but not limited to, principal and accrued interest shall, at the option of the Mortgagee and without demand or notice to Mortgagor, become immediately due and payable with interest accruing thereafter on the unpaid principal balances of the Note at the Default Interest Rate specified in the Note, and thereupon, or at any time after the occurrence of any such Event of Default, the Mortgagee may:

(i) proceed to foreclose this Mortgage by judicial proceedings according to the statutes in such case provided, and any failure to exercise said option shall not constitute a waiver of the right to exercise the same at any other time.

(ii) advance cash, insofar as the Mortgagee deems practicable, to protect its security for payment to such persons or entities and for such purposes as Mortgagee deems necessary or desirable under the circumstances, and without limitation on the foregoing; (a) to pay any lien; (b) contest the validity thereof; and (c) to make or advance, in the place and stead of the Mortgagor, any payment relating to taxes, assessments, water rates, sewer rentals, and other governmental or municipal charges, fines, impositions or liens asserted against the Premises and may do so according to any bill, statement, or estimate procured from the appropriate public office without inquiry into the accuracy of the bill, statement, or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien, or title or claim thereon, and the Mortgagee is further authorized to make or advance in the place and stead of the Mortgagor any payment relating to any apparent or threatened adverse title, lien, statement of lien, encumbrance, claim, or charge; or payment otherwise relating to any other purpose herein and hereby authorized but not enumerated in this Paragraph, and may do so whenever, in its reasonable judgment and discretion, such advance or advances shall seem necessary or desirable to protect the full security intended to be created by this instrument, and, provided further, that in connection with any such advance, Mortgagee, in its option, may, and is hereby authorized to obtain a continuation report of title or title insurance policy prepared by a title insurance company of Mortgagee's choosing.

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(iii) collect any and all of said Amounts Herein Assigned which may become due. Mortgagor hereby appoints Mortgagee, for purposes of collecting any of the Amounts Herein Assigned, the true and lawful attorney of Mortgagor with full power of substitution and with power for it and in its name, place, and stead, to demand, collect, receipt, and give complete acquittance for any and all Amounts Herein Assigned, which may be or become due and payable by any of the parties pursuant to the Leases or any occupants or users of the Premises, and at its direction to file any claim or take any other action or proceeding and make any settlement of any claims, either in its own name or in the name of Mortgagor or otherwise, which Mortgagee may deem necessary or desirable in order to collect and endorse the payment of any and all Amounts Herein Assigned. The parties under the Leases, or any part thereof, are hereby expressly authorized and directed to pay all Amounts Herein Assigned to Mortgagee or such nominee as Mortgagee may designate in writing delivered to and received by such nominee as Mortgagee may designate in writing, delivered to and received by such parties under the Leases, who are expressly relieved of any and all duty, liability, or obligation to Mortgagor in respect to all payments so made. Mortgagee is hereby vested with full power to use all measures, legal and equitable, deemed by it necessary or proper to enforce the assignment of the Leases and to collect the Amounts Herein Assigned and the Leases assigned hereunder, including the right to enter upon the Premises, or any part thereof, and take possession thereof forthwith to the extent necessary to affect cure of any default on the part of Mortgagor, as a party to any of the Leases; and Mortgagor hereby grants full power and authority to Mortgagee to exercise all rights, privileges, and powers herein granted at any and all times hereafter, without notice to Mortgagor, with full power to use and apply all the Amounts Herein Assigned to the payment of the amounts due under any of the Leases and of any indebtedness or liability of Mortgagor to Mortgagee, including, but not limited to, the payment of taxes, special assessments, insurance premiums, damage, claims, the costs of maintaining, repairing, rebuilding and restoring the improvements on the Premises, or of making same rentable or saleable, attorneys' fees incurred in connection with the enforcement of this Mortgage, and of principal and interest payment or interest payment due from Mortgagor to Mortgagee on the Note, and this Mortgage, all in such order as Mortgagee may determine. Mortgagee shall be under no obligation to press any of the rights or claims assigned to it hereunder or to perform or carry out any of the obligations of the Mortgagor under any of the Leases and does not assume any of the liabilities in connection with or arising, or growing out of the covenants and agreements of Mortgagor in the Leases; and Mortgagor covenants and agrees that it will faithfully perform all of the obligations imposed under any and all of the Leases and hereby agrees to indemnify Mortgagee and to hold it harmless from any liability, loss, or damage, which may or might be incurred by it under said Leases or by reason of this Mortgage, and from any and all claims and demands whatsoever, which may be asserted against Mortgagee by reason of any alleged obligations or undertakings on their part to perform or discharge any of the terms, covenants or agreements contained in any of the Leases. It is further understood that this Mortgage shall not, operate to place responsibility for the control, care, management or repair of the Premises, or parts thereof, upon Mortgagee, nor shall it operate to make Assignee liable for the carrying out of any of the terms and conditions of any of the Leases, or for any waste of the Premises by any

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of the parties under any of the Leases or any other party, or for any dangerous or defective condition of the Premises, or for any negligence in the management, upkeep, repair, or control of said Premises resulting in the loss or injury or death to any lessee, licensee, employee or stranger or other person.

(iv) take such action and require such performance as it deems necessary.

All such advances and indebtedness authorized by this Paragraph shall be repayable by Mortgagor upon demand with interest at the Default Interest Rate. The authority granted by this Paragraph 11 shall not, however, be construed as creating an obligation on the part of Mortgagee to complete any improvements on or to the Premises or to prosecute or defend actions in connection with the Premises or the construction of improvements or to do any other act which it is empowered to do hereunder.

(c) Expense of Litigation. In any suit brought in good faith to foreclose the lien of this Mortgage or enforce any other remedy of the Mortgagee under this Mortgage, the Note, the Loan Agreement or any other document given to secure any indebtedness represented by the Note, there shall be allowed and included as additional indebtedness in the judgment or decree, all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for reasonable attorney's fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, survey costs, and cost (which may be estimated as to items to be expended after entry of the decree), of procuring all abstracts of title, title searches and examinations, title insurance policies, and similar data and assurances with respect to title as Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree, the true condition of the title to or value of the Premises. All expenditures and expenses of the nature in this Paragraph mentioned, and such expenses and fees as may be incurred in the protection of said Premises and the maintenance of the lien of this Mortgage, including the fees of any attorney affecting this Mortgage, the Note, the Loan Agreement or the Premises, or in preparation for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by Mortgagor, with interest thereon at the Default Interest Rate.

(d) Mortgagee's Right of Possession in Case of Event of Default. In any case in which, under the provisions of this Mortgage, the Mortgagee has a right to institute foreclosure proceedings whether or not the entire principal sum secured hereby is declared to be immediately due as aforesaid, or whether before or after the institution of legal proceedings to foreclose the lien hereof, or before or after sale thereunder, forthwith upon demand of Mortgagee, Mortgagor shall surrender to Mortgagee, and Mortgagee shall be entitled to take, actual possession of the Premises or any part thereof, personally or by its agent or attorneys, as for condition broken and Mortgagee, in its discretion, may enter upon and take and maintain possession of all or any part of said Premises, together with all documents, books, records, papers, and accounts of the Mortgagor, or the then owner of the Premises relating thereto, and may exclude the Mortgagor, and their agents or servants, wholly therefrom, and may, in its own name as Mortgagee and under the powers herein granted:

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(i) hold, operate, manage and control the Premises and conduct the business, if any thereof, either personally or by its agents, and with full power to use such measures, legal or equitable, as in its discretion or in the discretion of its successors or assigns may be deemed proper or necessary to enforce the payment or security of the avails, rents, issues, and profits of the Premises including actions for recovery of rent, actions in forcible detainer, and actions in distress for rent, hereby granting full power and authority to exercise each and every of the rights, privileges, and powers herein granted at any and all times hereafter, without notice to the Mortgagor;

(ii) cancel or terminate any lease or sublease or management agreement for any cause or on any ground which would entitle Mortgagor to cancel the same;

(iii) extend or modify any then existing lease(s) or management agreement(s) and make new lease(s) or management agreement(s), which extensions, modifications, and new lease(s) or management agreement(s) may provide for terms to expire, or for options to extend or renew terms to expire, beyond the maturity date of the indebtedness hereunder and the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such lease(s) and management agreement(s) and the options or other such provisions to be contained therein, shall be binding upon Mortgagor and all persons whose interests in the Premises are subject to the lien hereof and shall also be binding upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from sale, discharge or the mortgage indebtedness, satisfactory of any foreclosure decree, or issuance of any certificate of sale or deed to any purchaser;

(iv) make all necessary or proper repairs, decorations, renewals, replacements, alterations, additions, betterments, and improvements to the Premises as to Mortgagee may seem judicious, to insure and reinsure the Premises and all risks incidental to Mortgagee's possession, operation and management thereof, and to receive all avails, rents, issues and profits.

(e) Mortgagee's Determination of Priority of Payments. Any avails, rents, issues, and profits of the Premises received by the Mortgagee after having taken possession of the Premises, or pursuant to any assignment thereof to the Mortgagee under the provisions of this Mortgage or of any separate security documents or instruments shall be applied in payment of or on account of the following, in such order as the Mortgagee (or in case of a receivership) as the Court may determine:

(i) to the payment of the operation expenses of the Premises, which shall include reasonable compensation to the Mortgagee or the receiver and its agent or agents, if management of the Premises has been delegated to an agent or agents, and shall also include lease commissions and other compensation and expenses of seeking and procuring tenants and entering into leases, established claims for damages, if any, and premiums on insurance hereinabove authorized;

(ii) to the payment of taxes, special assessments, and water taxes now due or which

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may hereafter become due on the Premises, or which may become a lien prior to the lien of this Mortgage;

(iii) to the payment of all repairs and replacements, of said Premises and of placing said property in such condition as will, in the judgment of Mortgagee or receiver, make it readily rentable;

(iv) to the payment of any indebtedness secured hereby or any deficiency which may result from any foreclosure sale;

(v) any overplus or remaining funds to the Mortgagor, their successors or assigns, as their rights may appear.

(f) Appointment of Receiver. Upon or at any time after the filing of any complaint to foreclose this Mortgage, the Court may, upon application, appoint a receiver of the Premises. Such appointment may be made either before or after sale upon appropriate notice as provided by law and without regard to the solvency or insolvency, at the time of application for such receiver, of the person or persons, if any, liable for the payment of the indebtedness secured hereby and without regard to the then value of the Premises, and without bond being required of the applicant. Such receiver shall have the power to take possession, control, and care of the Premises and to collect the rents, issues, and profits of the Premises during the pendency of such foreclosure suit, and, in case of a sale and a deficiency, during the full statutory period of redemption (provided that the period of redemption has not been waived by the Mortgagor), as well as during any further times when the Mortgagor, its heirs, administrators, executors, successors, or the assigns, except for the intervention of such receiver, would be entitled to collect such rents, issues, and profits, and all other powers which may be necessary or are useful in such cases for the protection, possession, control, management, and operation of the Premises during the whole of said period, to extend or modify any then new lease(s) or management agreement(s), and to make new lease(s) or management agreement(s), which extensions, modifications, and new lease(s) or management agreement(s) may provide for terms to expire, or for options to lease(s) to extend or renew terms to expire, beyond the maturity date of the indebtedness hereunder, it being understood and agreed that any such lease(s) and management agreement(s) and the options or other such provisions to be contained therein, shall be binding upon Mortgagor and all persons whose interests in the Premises are subject to the lien hereof and upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from sale, discharge of the mortgage indebtedness, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any purchaser.

(g) Application Of Proceeds of Foreclosure Suit. The proceeds of any foreclosure sale of the Premises shall be distributed and applied in the following order of priority: FIRST, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in Paragraph (b) hereof; SECOND, all other items which, under the terms hereof, constitute secured indebtedness additional to that evidenced by the Note, with interest thereon at the Default Interest Rate, to be applied among the Note as determined by the Mortgagee; THIRD, all principal and interest (calculated at the Default Interest Rate) remaining unpaid on the Note, to be applied among

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the Note as determined by the Mortgagee; and, FOURTH, any overplus to Mortgagor, its successors or assigns, as their rights may appear.

(h) Rescission of or Failure to Exercise. The failure of the Mortgagee to exercise the option for acceleration of maturity and/or foreclosure following any Event of Default as aforesaid, or to exercise any other option granted to the Mortgagee hereunder in any one or more instances, or the acceptance by Mortgagee of partial payments hereunder, shall not constitute a waiver of any such Event of Default nor extend or affect any cure period, if any, but such option shall remain continuously in force. Acceleration of maturity, once claimed hereunder by Mortgagee, may, at the option of Mortgagee, be rescinded by written acknowledgment to that effect by the Mortgagee and shall not affect the Mortgagee's right to accelerate the maturity for any future Event of Default.

(i) Sale of Separate Parcels, Right of Mortgagee to Purchase. In the event of any foreclosure sale of said Premises, the same may be sold in one or more parcels. Mortgagee may be the purchaser at any foreclosure sale of the Premises or any part thereof.

(j) Waiver of Statutory Rights. Mortgagor, for itself, and all who may claim through or under it, waives any and all right to have the property and estates comprising the Premises marshaled upon any foreclosure of the lien hereof and agrees that any Court having jurisdiction to foreclose such lien may order the Premises sold as an entirety. Mortgagor hereby waives any and all rights of redemption from sale under any order or decree of foreclosure, pursuant to rights herein granted, on behalf of the Mortgagor and on behalf of each and every person, except decree or judgment creditors of Mortgagor acquiring any interest in or title to the Premises described herein subsequent to the date of this Mortgage.

MORTGAGOR HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY THE PROVISIONS OF THE STATUTES AND LAWS OF THE STATE OF ILLINOIS, ANY AND ALL RIGHTS OF REDEMPTION FROM SALE OR OTHERWISE UNDER ANY ORDER OR DECREE OF FORECLOSURE AND DISCLAIMS ANY STATUS AND RIGHTS WHICH HE MAY HAVE AS AN "OWNER OF REDEMPTION" AS THAT TERM MAY BE DEFINED IN SECTION 15-1212 OF THE ILLINOIS MORTGAGE FORECLOSURE LAW ("IMFL"). ON BEHALF OF THE MORTGAGOR, AND EACH AND EVERY PERSON ACQUIRING ANY INTEREST IN, OR TITLE TO, THE PREMISES SUBSEQUENT TO THE DATE OF THIS MORTGAGE, AND ON BEHALF OF ALL OTHER PERSONS TO THE FULLEST EXTENT PERMITTED BY LAW, INCLUDING IMFL, MORTGAGOR HEREBY WAIVES ANY AND ALL RIGHT TO REINSTATE THIS MORTGAGE OR TO CURE ANY DEFAULTS, EXCEPT SUCH RIGHTS OF REINSTATEMENT AND CURE AS MAY BE EXPRESSLY PROVIDED BY THE TERMS OF THIS MORTGAGE OR THE NOTE.

(k) Default Interest Rate. The term "Default Interest Rate" shall be the Default Interest Rate as specified in the Note.

12. RIGHTS AND REMEDIES ARE CUMULATIVE. All rights and remedies herein provided are cumulative and the holder of the Note secured hereby and of every other obligation

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secured hereby may recover judgment hereon, issue execution therefor, and resort to every other right or remedy available at law or in equity, without first exhausting and without affecting or impairing the security of any right afforded by this Mortgage.

13. GIVING OF NOTICE. Any notice or demands which either party hereto may desire or be required to give to the other party, shall be in writing and shall be hand delivered or mailed by certified mail, return receipt requested, addressed to such other party at the addresses, hereinbefore or hereinafter set forth, or at such other address as either party hereto may, from time to time, by notice in writing, designate to the other party, as a place for service of notice. All such notices and demands which are mailed shall be effectively given three (3) business days after the date of post marking. All such notices and demands which are hand delivered, shall be effectively given on the date of such delivery. In case no other address has been so specified, notices and demands hereunder shall be sent to the following address:

Mortgagor: 7020-7028 Cregier Residences LLC
1912 S. State Street
Chicago, IL 60616
Attn: Raphael Lowenstein

With a copy to: Robbins, Salomon & Patt, Ltd.
180 North LaSalle Street, Suite 3300
Chicago, Illinois 60601
Attn: R. Kymn Harp, Esq.

Mortgagee: Beverly Bank & Trust Company, National Association
10258 S. Western Avenue
Chicago, IL 60643
Attention: Leonard J. Dzielski, Jr., Senior Vice President

With a copy to: Ruff, Freud, Breems & Nelson Ltd.
200 N. LaSalle Street, Suite 2020
Chicago, IL 60601
Attn: Timothy S. Breems, Sr., Esq.

14. TIME IS OF THE ESSENCE. It is specifically agreed that time is of the essence of this Mortgage. The waiver of the options or obligations secured hereby shall not at any time thereafter be held to be abandonment of such rights. Except as otherwise specifically required, notice of the exercise of any option granted to the Mortgagee herein, or in the Note secured hereby is not required to be given.

15. COVENANTS TO RUN WITH THE LAND. All the covenants hereof shall run with the land.

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16. CAPTIONS. The captions and headings of various Paragraphs are for convenience only, and are not to be construed as defining or limiting in any way the scope or intent of the provisions hereof.

17. GOVERNING LAW. Mortgagor does hereby acknowledge that all negotiations relative to the loan evidenced by the Note, this Mortgage, the Loan Agreement and all other Loan Documents described in the Loan Agreement, took place in the State of Illinois. Mortgagee and Mortgagee (by making the loan evidenced by the Note) do hereby agree that the Note, this Mortgage, the Loan Agreement and all other Loan Documents described in the Loan Agreement shall be construed and enforced according to the laws of the State of Illinois.

18. APPLICATION OF INSURANCE PROCEEDS AND EMINENT DOMAIN AWARDS. (a) In the event of any such loss or damage to the Premises, as described in Paragraph 1(c)(1) hereof, Mortgagee may use or apply the proceeds of insurance, at its option in its sole discretion, as follows: (i) as a credit upon any portion of the indebtedness secured hereby; or (ii) to reimbursement to Mortgagor for repairing and restoring the improvements in which event the Mortgagee shall not be obliged to see to the proper application thereof nor shall the amount so released or used for restoration be deemed a payment on the indebtedness secured hereby; or (iii) to deliver same to the Mortgagor.

(b) In the event that Mortgagee elects to make the proceeds of insurance available to Mortgagor for the restoration of the improvements so damaged, no disbursement of insurance proceeds shall occur unless Mortgagor is in compliance with each of the following conditions:

(i) No Event of Default, or conditions which with the mere passage of time could become an Event(s) of Default shall then exist under any of the terms, covenants and conditions of the Note, this Mortgage, the Loan Agreement or any other documents or instruments evidencing or securing the Note or any of them.

(ii) Mortgagee shall first be given satisfactory proof that such improvements have been fully restored or that by the expenditure of the proceeds of insurance, and any sums deposited by Mortgagor pursuant to the terms of subparagraph (iii) hereof, will be fully restored, free and clear of all mechanic's and materialmen's liens;

(iii) In the event such proceeds shall be insufficient to restore the improvements, Mortgagor shall deposit promptly with Mortgagee funds which, together with the insurance proceeds, would be sufficient to restore the improvements.

(c) The excess of the insurance proceeds above the amount necessary to complete any necessary restoration shall, after completion of the repair and restoration, be applied as a credit upon any portion, as selected by Mortgagee, of the indebtedness secured hereby, but the funds released by Mortgagee for restoration shall in no event, be deemed a payment of the indebtedness secured hereby.

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(d) In the event Mortgagee shall elect to permit Mortgagor to use such proceeds for the restoring of the improvements, such proceeds shall be made available, from time to time, upon Mortgagee being furnished with satisfactory evidence of the estimated cost of such restoration and with architect's certificates, partial or final waivers of lien, as the case may be, contractors' sworn statements, and if the estimated cost of the work exceeds ten (10%) percent of the original principal amount of the indebtedness secured hereby, with all plans and specifications for such rebuilding or restoration as Mortgagee may reasonably require and approve. No payment made prior to the final completion of the work shall exceed ninety (90%) percent of the value of the work performed, from time to time, and at all times the undisbursed balance of said proceeds remaining in the hands of the Mortgagee shall be at least sufficient to pay for the cost of completion of the work, free and clear of any liens. In the event of foreclosure of this Mortgage, or other transfer of title to the Premises in extinguishment of the indebtedness secured hereby, all right, title, and interest of the Mortgagor, in and to any insurance policies then in force, and any claims or proceeds thereunder shall to the extent of the indebtedness pass to the Mortgagee or any purchaser or grantee.

(2) In the event that Mortgagee elects to make available to the Mortgagor the proceeds of any award for eminent domain to restore any improvements on the Premises, no disbursement thereof shall occur unless Mortgagor is in compliance with each of the following conditions:

(i) No Event of Default shall then exist under any of the terms, covenants, and conditions of the Note, this Mortgage, the Loan Agreement or any other documents or instruments evidencing or securing the Note;

(ii) Mortgagee shall first be given satisfactory proof that such improvements have been fully restored or that by the expenditure of such award and any sums deposited with Mortgagee pursuant to the terms of subparagraph (iii) hereof, will be fully restored, free and clear of all mechanic's and materialmen's liens;

(iii) In the event such award shall be insufficient to restore the improvements, Mortgagor shall deposit promptly with Mortgagee funds which together with the award proceeds, would be sufficient to restore the improvements;

(iv) The rental income to be derived from the improvements, subsequent to such taking by eminent domain, shall not adversely affect the Mortgagors' ability to pay the indebtedness evidenced by the Note;

(v) The disbursement of the award will be made according to those provisions of Paragraph 19(d) which relate to the disbursement of insurance proceeds for repair and restoration of the improvements and the conditions precedent to be satisfied by the Mortgagor with regard thereto;

(vi) The excess of the proceeds of the award, above the amount necessary to complete such restoration, shall be applied as a credit upon any portion, as selected by Mortgagee, of the indebtedness secured hereby, but the proceeds of the award released by Mortgagee for

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restoration shall, in no event, be deemed a payment of the indebtedness secured hereby.

19. BINDING ON SUCCESSOR AND ASSIGNS. This Mortgage and all provisions hereof shall extend and be binding upon Mortgagor, and all persons claiming under or through Mortgagor, and the words "Mortgagor", when used herein, shall include all such persons and all persons liable for the payment of the indebtedness or any part thereof, whether or not such persons shall have executed the Note, the Loan Agreement or this Mortgage. The word "Mortgagee" when used herein, shall include the successors and assigns of the Mortgagee named herein, and the holder or holders, from time to time, of the Note secured hereby. Whenever used, the singular number shall include the plural, and the plural the singular, and the use of any gender shall include all genders.

[SIGNATURE PAGE FOLLOWS]

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

7020-7028 Cregier Residences LLC,
an Illinois limited liability company,
By: Lowenstein Capital, LLC,
an Illinois limited liability company, Its Manager

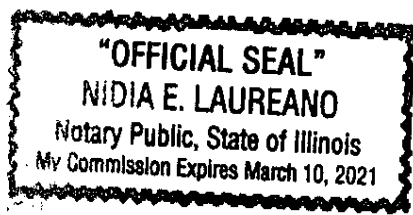
By: [Signature]
Name: Raphael Lowenstein
Title: Manager

By: [Signature]
Name: Ariel Lowenstein
Title: Manager

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said county, in the State aforesaid, DO HEREBY CERTIFY that Raphael Lowenstein and Ariel Lowenstein, as Managers of Lowenstein Capital, LLC, an Illinois limited liability company, Manager of 7020-7028 Cregier Residences LLC, an Illinois limited liability company, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Managers appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary acts and as the free and voluntary act of said limited liability companies, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 13th day of February, 2020.



[Signature]
Notary Public

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EXHIBIT A

LEGAL DESCRIPTION

Phase I Units:

UNITS 200, 201E, 201W, 202E, 203E, 203W, 221E, 221W, 222, 223, 241, 242 AND 243 IN THE HIGHLAND LUXURY CONDOMINIUM, INC. AS DELINEATED ON A SURVEY OF THE FOLLOWING DESCRIBED REAL ESTATE: LOT 5 IN BLOCK 1 IN ORVILLE CRONKHITE, JOHN THORNE CLARKSON AND JOHN BOYD'S SUBDIVISION OF THE SOUTH ½ OF THE SOUTHWEST ¼ OF THE SOUTHWEST ¼ OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, WHICH SURVEY IS ATTACHED TO THE DECLARATION OF CONDOMINIUM RECORDED AS DOCUMENT NUMBER 0405019076 TOGETHER WITH THEIR UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS, IN COOK COUNTY, ILLINOIS.

AND

UNITS A-1, C-1, D-2, E-2, F-2, G-2, H-2, D-3, E-3, F-3, G-3, H-3, D-4, E-4, F-4, G-4 AND H-4 IN THE HIGHLAND CONDOMINIUM AS DELINEATED ON A SURVEY OF THE FOLLOWING DESCRIBED REAL ESTATE: LOT 6 IN BLOCK 1 IN ORVILLE CRONKHITE, JOHN THORNE CLARKSON AND JOHN BOYD'S SUBDIVISION OF THE SOUTH ½ OF THE SOUTHWEST ¼ OF THE SOUTHWEST ¼ OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

WHICH SURVEY IS ATTACHED AS EXHIBIT A TO THE DECLARATION OF CONDOMINIUM RECORDED ON MARCH 23, 2001 AS DOCUMENT NUMBER 0010230271 TOGETHER WITH THEIR UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS.

STREET ADDRESSES AND PINS			
	UNIT NUMBER	ADDRESS: 7020-7028 S. CREGIER CHICAGO, ILLINOIS	PIN
1	200	7020-24 S. Cregier	20-24-325-059-1001
2	201E	7020-24 S. Cregier	20-24-325-059-1002
3	201W	7020-24 S. Cregier	20-24-325-059-1003
4	202E	7020-24 S. Cregier	20-24-325-059-1004
5	203E	7020-24 S. Cregier	20-24-325-059-1006
6	203W	7020-24 S. Cregier	20-24-325-059-1007
7	221E	7020-24 S. Cregier	20-24-325-059-1008
8	221W	7020-24 S. Cregier	20-24-325-059-1009
9	222	7020-24 S. Cregier	20-24-325-059-1010
10	223	7020-24 S. Cregier	20-24-325-059-1011

[Exhibit A]

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11	241	7020-24 S. Cregier	20-24-325-059-1012
12	242	7020-24 S. Cregier	20-24-325-059-1013
13	243	7020-24 S. Cregier	20-24-325-059-1014
14	A-1	7026-28 S. Cregier	20-24-325-058-1001
15	C-1	7026-28 S. Cregier	20-24-325-058-1003
16	D-2	7026-28 S. Cregier	20-24-325-058-1004
17	E-2	7026-28 S. Cregier	20-24-325-058-1005
18	F-2	7026-28 S. Cregier	20-24-325-058-1006
19	G-2	7026-28 S. Cregier	20-24-325-058-1007
20	H-2	7026-28 S. Cregier	20-24-325-058-1008
21	D-3	7026-28 S. Cregier	20-24-325-058-1009
22	E-3	7026-28 S. Cregier	20-24-325-058-1010
23	F-3	7026-28 S. Cregier	20-24-325-058-1011
24	G-3	7026-28 S. Cregier	20-24-325-058-1012
25	H-3	7026-28 S. Cregier	20-24-325-058-1013
26	D-4	7026-28 S. Cregier	20-24-325-058-1014
27	E-4	7026-28 S. Cregier	20-24-325-058-1015
28	F-4	7026-28 S. Cregier	20-24-325-058-1016
29	G-4	7026-28 S. Cregier	20-24-325-058-1017
30	H-4	7026-28 S. Cregier	20-24-325-058-1018

[Exhibit A]