

UNOFFICIAL COPY

TO HAVE AND TO HOLD the above granted, sold, bargained, conveyed, pledged, assigned and described Premises, with the appurtenances, unto the Mortgagee, its successors and assigns, forever, hereby releasing and waiving all rights under and by virtue of the Homestead Exemption Laws of the State of Illinois and all right to retain possession of the Premises after any default in or breach of the conditions, covenants or provisions herein contained.

PROVIDED ALWAYS, and these presents are upon this express condition, that if the Mortgagor and the heirs, executors, administrators, successors or assigns of the Mortgagor shall well and truly pay unto the Mortgagee, its successors or assigns, the sum of money mentioned in the Note and the interest thereon, at the time and in the manner mentioned in the Note, and shall well and truly abide by and comply with each and every covenant and condition set forth herein or in the Note, then these presents and the estate hereby granted shall cease, determine and be void.

AND the Mortgagor covenants with the Mortgagee as follows:

1. Duty of Payment. That the Mortgagor will pay the said sum of money mentioned in the Note and the interest thereon, at the time and in the manner mentioned in the Note.

2. Insurance. (a) That the Mortgagor will keep the buildings and all other improvements on the Premises, and the Equipment, insured for the benefit of the Mortgagee against loss or damage by fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, aircraft, vehicles and smoke and (as when and to the extent insurance against such risks is obtainable from the United States of America or an agency thereof) against war risks, as provided by the Standard Fire and Extended Coverage Policy and all other risks of direct physical loss as insured against under Special Extended Coverage Endorsement all in amounts approved from time to time by the Mortgagee not exceeding 100% of full replacement cost and when and to the extent required by the Mortgagee, against any other risk insured against by persons operating like properties in the locality of the Premises; that all insurance herein provided for shall be in form and companies approved by the Mortgagee; that, regardless of the types or amounts of insurance required and approved by the Mortgagee, the Mortgagor will assign and deliver to the Mortgagee all policies of insurance which insure against any loss or damage to the Premises, as collateral and further security for the payment of the money secured by this Mortgage, with loss payable to the Mortgagee pursuant to the Illinois Standard or other mortgagee clause, without contribution, and notwithstanding any acts or omissions of Mortgagor, satisfactory to the Mortgagee; that if the Mortgagor defaults in so insuring the Premises or in so assigning and delivering the policies, the Mortgagee may, at the option of the Mortgagee, effect such insurance from year to year and pay the premiums therefor, and that the Mortgagor will reimburse the Mortgagee for any premiums so paid, with the interest at the rate stated in Article 5 from the time of payment, on demand, and the same shall be secured by this Mortgage; that if the Mortgagee by reason of such insurance receives any money for loss or damage, such amount may, at the option of the Mortgagee, be retained and applied by the Mortgagee toward payment of the moneys secured by this Mortgage, or be paid over wholly or in part to the Mortgagor or to an escrowee of Mortgagee's choice for the repair of said buildings, improvements and Equipment or for the erection of new buildings, improvements and Equipment in their place, or for any other purpose or object satisfactory to the Mortgagee, but the Mortgagee shall not be obligated to see to the proper application of any amount paid over to the Mortgagor. (b) that not less than thirty (30) days prior to the expiration dates of each policy required of the Mortgagor pursuant to this Article, the Mortgagor will deliver to the Mortgagee a renewal policy or policies marked "premium paid" or accompanied by other evidence of payment satisfactory to the Mortgagee; and (c) that in the event of a foreclosure of this Mortgage the purchaser of the Premises shall succeed to all the rights of the Mortgagor, including any right to unearned premiums, in and to all policies of insurance assigned and delivered to the Mortgagee pursuant to the provisions of this Article. The aforesaid insurance shall not be subject to cancellation except after at least thirty (30) days' prior written notice to Mortgagee. The full replacement cost of buildings, improvements and Equipment shall be determined from time to time at Mortgagee's request by an insurance appraiser selected by Mortgagee and paid for by Mortgagor. The insurance appraiser shall submit a written report of his appraisal and if said report shows that the buildings, improvements and Equipment are not insured as herein required, Mortgagor shall promptly obtain such additional insurance as is required. No policy of insurance required hereunder shall contain deductible provisions which have not been approved by Mortgagee. In addition to the insurance coverage, hereinabove required, Mortgagor shall maintain loss of rents insurance in an amount equal to not less than sixty percent (60%) of the annual gross rental of the Premises based on one hundred percent (100%) occupancy. Mortgagor shall not carry separate insurance concurrent in kind or form and contributing in the event of loss, with any insurance required hereby. Mortgagor shall also obtain and maintain public liability and property damage insurance, in each case, in form and content satisfactory to Mortgagee and in amounts as are customarily carried by owners of like property and as approved by Mortgagee. Mortgagor shall also obtain and maintain such other insurance with

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respect to the Premises in such amounts and against such insurable hazards as Mortgagee from time to time may require, including, without limitation, boiler and machinery insurance, insurance against flood risk, and host liquor liability insurance. Mortgagee shall at all times and from time to time have the option of obtaining at Mortgagor's expense all insurance required herein to be maintained with respect to the Premises using such carriers and agencies as Mortgagee shall designate. If Mortgagee declines to exercise such option, then such insurance shall be provided by Mortgagor.

3. No Removal. That no building or other property now or hereafter covered by the lien of this Mortgage shall be removed, demolished or materially altered or enlarged, nor shall any new building or improvement be constructed without the prior written consent of the Mortgagee, except that the Mortgagor shall have the right, without such consent, to remove and dispose of, free from the lien of this Mortgage, such Equipment as from time to time may become worn out or obsolete, provided that either (a) simultaneously with or prior to such removal any such Equipment shall be replaced with other Equipment of a value at least equal to that of the replaced Equipment and free from any title retention or security agreement or other encumbrance, and by such removal and replacement the Mortgagor shall be deemed to have subjected such equipment to the lien of this Mortgage, or (b) any net cash proceeds received from such disposition shall be paid over promptly to the Mortgagee to be applied to the last installments due on the indebtedness secured without any charge for prepayment.

4. Acceleration. That the whole of the principal sum together with accrued interest thereon and any additional sums which this Mortgage secures shall become immediately due and payable at the option of the Mortgagee; (a) after default in the payment of any installment of principal and/or interest or required deposits for ten (10) days or (b) after default in the payment of any tax, water rate or assessment for ten (10) days after notice and demand; or (c) after default after notice and demand either in assigning and delivering the policies of insurance herein described or referred to or in reimbursing the Mortgagee for premiums paid on such insurance, as herein provided; or (d) after default upon request in furnishing a statement of the amount due on this Mortgage and whether any offsets or defenses exist against the mortgage debt, as hereinafter provided; or (e) after default for thirty (30) days after notice and demand in the payment of any installment which may not be then due or delinquent of any assessment for local improvement which may now or hereafter affect the Premises and may be or become payable in installments; or (f) upon the actual or threatened waste, removal or demolition of, or material alteration to or enlargement of, any part of the Premises, or construction of any new buildings thereon, except as permitted by Article 3; or (g) upon default in keeping in force the insurance required herein; or (h) upon assignment by the Mortgagor of the whole or any part of the rents, income or profits arising from the Premises without the written consent of the Mortgagee; or (i) after default for thirty (30) days after notice and demand in the removal of any Federal or state tax lien on the Premises or (j) after default for thirty (30) days in the observance or performance of any other covenants or agreements of the Mortgagor hereunder; or (k) upon the election by the Mortgagee to accelerate the maturity of said principal sum pursuant to the provisions of the Note or of any other instrument which may be held by the Mortgagee as additional security for the Note.

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5. Mortgagee's Right to Cure Mortgagor's Defaults. Mortgagor covenants and agrees that Mortgagee shall have the right, but not the obligation, to at any time cure any then existing default by the Mortgagor under the terms and provisions hereof, and in the event of any default in the performance of any of the Mortgagor's covenants or agreements herein perform the same, and all cost thereof, with interest at the rate of eighteen per cent (18%) per annum, shall be so much additional indebtedness secured hereby and shall become immediately due and payable without notice from the Mortgagor to the Mortgagee and be secured by this Mortgage.

6. Payment of Impositions. That the Mortgagor will pay all taxes, assessments, water rates, sewer rents, gas, electric and all other charges ordinary and extraordinary of every kind and nature whatsoever and any prior liens now or hereafter assessed or liens on or levied against the Premises or any part thereof, and in case of default in the payment thereof when the same shall be due and payable, it shall be lawful for the Mortgagee, without notice or demand to the Mortgagor, to pay the same or any of them; that the moneys paid by the Mortgagee in discharge of taxes, assessments, water rates, sewer rents and other charges and prior liens shall be a lien on the Premises added to the amount of said Note and secured by this Mortgage, payable on demand, together with any sums paid by Mortgagee to keep the Premises in a clean and healthy condition as required herein, with interest at the rate provided for in Article 5 hereof; and that upon request of the Mortgagee, the Mortgagor will exhibit to the Mortgagee receipts for the payment of all items specified in this Article prior to the date when the same shall become delinquent.

7. Appointment of Receiver. That upon or at any time after the filing of a bill to foreclose this Mortgage, the court in which such bill is filed may appoint a receiver of the Premises; that such appointment may be made either before or after sale, without

notice and without requiring bond (notice and bond being hereby waived) and without regard to the solvency or insolvency of the Mortgagor at the time of application for such receiver and without regard to the then value of the Premises or whether the same shall be then occupied as a homestead or not; that such receiver shall have power 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, whether there by redemption or not, as well as during any further times when the Mortgagor, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and shall have all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Premises during the whole of said period; and that the receiver, out of such rents, issues and profits, may pay costs incurred in the management and operation of the Premises, prior and coordinate liens, if any, taxes, assessments, and insurance, any may pay all or any part of the indebtedness secured hereby or any deficiency decree.

8. Certification of Mortgage Balance. That the Mortgagor upon request, made either personally or by mail, shall certify, by a writing duly acknowledged, to the Mortgagee or to any proposed assignee of this Mortgage, the amount of principal and interest then owing on this Mortgage and whether any offsets or defenses exist against the Mortgage debt within six (6) days in case the request is made personally, or within ten (10) days after the mailing of such request in case the request is made by mail.

9. Mortgagor's Warranty of Title. That the Mortgagor warrants that the Mortgagor has good title to the Premises and has the right to Mortgage the same and that the Mortgagor shall and will make, execute, acknowledge and deliver in due form of law, all such further or other deeds or assurances as may at any time hereafter be reasonably desired or required for more fully and effectually conveying the Premises by this Mortgage described, and hereby granted or intended to be, unto the Mortgagee, for the purpose aforesaid, and will warrant and defend the said granted Premises unto all and every person or persons, corporation or corporations, deriving any estate, right, title or interest therein, under this Mortgage, against the said Mortgagor and all persons claiming through the Mortgagor.

10. Mortgagee's Right to Divide Premises. That in case of any sale under the Mortgage, by virtue of judicial proceedings or otherwise, the Premises may be sold in one parcel and as an entirety or in such parcels, manner or order as the Mortgagee in its sole discretion may elect.

11. Imposition of Mortgage Taxes. That in the event of the passage after the date of this Mortgage of any law of the State of Illinois, deducting from the value of real property for the purposes of taxation any lien thereon or changing in any way the laws for the taxation of mortgages or debts secured by mortgages for state or local purposes or the manner of the collection of any such taxes, and imposing a tax, either directly or indirectly, on this Mortgage or the Note, the holder of this Mortgage and of the debt which it secures shall have the right to declare the principal sum and the interest due on a date to be specified by not less than thirty (30) days' written notice to be given to the Mortgagor by the Mortgagee, provided, however, that such election shall be ineffective if the Mortgagor is permitted by law to pay the whole of such tax in addition to all other payments required hereunder and if, prior to such specified date, does pay such tax and agrees to pay any such tax when thereafter levied or assessed against the Premises, and such agreement shall constitute a modification of this Mortgage.

12. Mortgagee's Right to Recover Expenses. That if the Mortgagee shall incur or expend any sums, including reasonable attorney's fees, whether in connection with any action or proceeding or not, to sustain the lien of this Mortgage or its priority, or to protect or enforce any of its rights hereunder, or to recover any indebtedness hereby secured, or for any title examination or title insurance policy relating to the title to the Premises, all such sums shall on notice and demand be paid by the Mortgagor, together with the interest thereon at the rate set forth in Article 5 hereof and shall be a lien on the Premises, prior to any right or title to, interest in, or claim upon, the Premises subordinate to the lien of this Mortgage, and shall be deemed to be secured by this Mortgage and evidenced by the Note; and that in any action or proceeding to foreclose this Mortgage, or to recover or collect the debt secured thereby, the provisions of law respecting the recovery of costs, disbursement and allowances shall prevail unaffected by this covenant.

13. Mortgagor to Maintain Premises. That the Mortgagor will maintain the Premises and the buildings and other improvements thereon and the Equipment in good condition and repair, will not commit or suffer any waste on or to the Premises, and will comply with, or cause to be complied with, all statutes, ordinances and requirements of any governmental authority relating to the Premises; that the Mortgagor will promptly repair, restore, replace, or rebuild as nearly as possible to the value condition and character immediately prior to such damage or destruction any part of the Premises now or hereafter subject to the lien of this Mortgage which may be damaged or destroyed by any casualty

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whatsoever or which may be affected by any proceeding of the character referred to in Article 14; that the Mortgagor will complete and pay for, within a reasonable time, any structure at any time in the process of construction on the Premises; and that the Mortgagor will not initiate, join in, or consent to any change in any private restrictive covenant, zoning ordinance, or other public or private restrictions, limiting or defining the uses which may be made of the Premises or any part thereof.

14. Condemnation. That notwithstanding any taking by eminent domain, alteration of the grade of any street or other injury to or decrease in value of the Premises including any easement therein, or appurtenance thereto or severance of any part thereof, or any buildings or other improvements thereon by any public or quasi-public authority or corporation, the Mortgagor shall continue to pay the interest required by the Note on the entire principal sum secured until any such award or payment shall have been actually received by the Mortgagee and any reduction in the principal sum resulting from the application by the Mortgagee of such award or payment as hereinafter set forth shall be deemed to take effect only on the date of such receipt; that said award or payment may, at the option of the Mortgagee, be retained and applied by the Mortgagee toward payment of the monies secured by this Mortgage, or be paid over wholly or in part to the Mortgagor or an escrowee of Mortgagee's choice for the purpose of altering, restoring or rebuilding any part of the Premises which may have been altered, damaged or destroyed as a result of any such taking, alteration of grade, or other injury to the Premises, or for any other purpose or object satisfactory to the Mortgagee, but the Mortgagee shall not be obligated to see to the application of any amount paid over to the Mortgagor; and that if prior to the receipt by the Mortgagee of such award or payment the Premises shall have been sold on foreclosure of this Mortgage, the Mortgagee shall have the right to receive said award or payment to the extent of any deficiency found to be due upon such sale, with legal interest thereon, whether or not a deficiency judgment on this Mortgage shall have been sought or recovered or denied, and of the reasonable counsel fees, costs and disbursements incurred by the Mortgagee in connection with the collection of such award or payment. Any and all awards or payment heretofore or hereafter made or to be made to Mortgagor and all subsequent owners of the Premises in connection with the foregoing are hereby assigned to Mortgagee by Mortgagor and Mortgagor hereby irrevocably constitutes and appoints, Mortgagee as its true and lawful attorney in fact with full power of substitution for them and in their name, place and stead to collect and receive the proceeds of any such award granted by virtue of any such taking and to give proper receipts and acquittances therefor.

15. Copies of Leases and Facilities for Mortgagee's Inspection. On demand the Mortgagor will furnish to the Mortgagee executed counterparts of any such leases and convenient facilities for the audit and verification of any statements required to be furnished by Mortgagor hereunder.

16. Mortgagee's Right to Inspect. That the Mortgagee and any persons authorized by the Mortgagee shall have the right to enter and inspect the Premises at all reasonable times; and that if, at any time after default by the Mortgagor in the performance of any of the terms, covenants or provisions of this Mortgage or the Note, the management or maintenance of the Premises shall be determined by the Mortgagee to be unsatisfactory, the Mortgagor shall employ, for the duration of such default, as managing agent of the Premises, any person or entity from time to time designated by the Mortgagee.

17. No Assignment of Rents. That the Mortgagor will not assign the whole or any part of the rents, income or profits arising from the Premises without the written consent of the Mortgagee and any assignment thereof shall be null and void; that said rents, income or profits, in the event of any default by the Mortgagor in the performance of any of the terms, covenants and provisions of this Mortgage or the Note, are hereby assigned to the Mortgagee; and that upon notice and demand, the Mortgagor will transfer and assign to the Mortgagee, in form satisfactory to the Mortgagee, the lessor's interest in any lease now or hereafter affecting the whole or any part of the Premises.

18. Mortgagee's Right to Enforce Remedies. That the Mortgagee shall have the right from time to time to enforce any legal or equitable remedy against the Mortgagor and to sue for any sums whether interest, damages for failure to pay principal or any installment thereof, taxes, installments of principal, or any other sums required to be paid under the terms of this Mortgage, as the same become due, without regard to whether or not the principal sum secured or any other sums secured by the Note and Mortgage shall be due and without prejudice to the right of the Mortgagee thereafter to enforce any appropriate remedy against the Mortgagor including an action of foreclosure, or any other action, for a default or defaults by the Mortgagor existing at the time such earlier action was commenced.

19. Recognition of Payments. That any payment made in accordance with the terms of this Mortgage by any person at any time liable for the payment of the whole or any part of the sums now or hereafter secured by this Mortgage, or by any subsequent owner of the

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Premises, or by any other person whose interest in the Premises might be prejudiced in the event of a failure to make such payment, or by any stockholder, officer or director of a corporation, or partner of a partnership which at any time may be liable for such payment or may own or have such an interest in the Premises, shall be deemed, as between the Mortgagee and all persons who at any time may be liable as aforesaid or may own the Premises, to have been made on behalf of all such persons.

20. No Waiver of Strict Performance. That any failure by the Mortgagor to insist upon the strict performance by the Mortgagor of any of the terms and provisions hereof shall not be deemed to be a waiver of any of the terms and provisions hereof, and the Mortgagee, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the Mortgagor of any and all of the terms and provisions of this Mortgage to be performed by the Mortgagor; that neither the Mortgagor nor any other person now or hereafter obligated for the payment of the whole or any part of the sums now or hereafter secured by this Mortgage shall be relieved of such obligation by reason of the failure of the Mortgagee to comply with any request of the Mortgagor or of any other person so obligated to take action to foreclose this Mortgage or otherwise enforce any of the provisions of this Mortgage or of any obligations secured by this Mortgage, or by reason of the release, regardless of consideration of the whole or any part of the security held for the indebtedness secured by this Mortgage, or by reason of any agreement or stipulation between any subsequent owner or owners of the Premises and the Mortgagee extending the time of payment or modifying the terms of the Note or Mortgage without first having obtained the consent of the Mortgagor or such other person, and in the latter event, the Mortgagor and all such other persons shall continue liable to make such payments according to the terms of any such agreement of extension or modification unless expressly released and discharged in writing by the Mortgagee; that regardless of consideration, and without the necessity for any notice to or consent by the holder of any subordinate lien on the Premises, the Mortgagee may release the obligation of anyone at any time liable for any of the indebtedness secured by this Mortgage or any part of the security held for the indebtedness and may extend the time of payment or otherwise modify the terms of the Note and/or Mortgage without, as to the security or the remainder thereof, in anywise impairing or affecting the lien of this Mortgage or the priority of such lien, as security for the payment of the indebtedness as it may be so extended or modified, over any subordinate lien; that the holder of any subordinate lien shall have no right to terminate any lease affecting the Premises whether or not such lease be subordinate to this Mortgage; and that the Mortgagee may resort for the payment of the indebtedness secured hereby to any other security therefor held by the Mortgagee in such order and manner as the Mortgagee may elect.

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21. Internal Revenue Stamps. That if at any time the United States of America shall require internal revenue stamps to be affixed to the Note, the Mortgagor will pay for the same with any interest or penalties imposed in connection therewith.

22. Mortgagee's Right to Foreclose. That when the indebtedness secured hereby shall become due whether by acceleration or otherwise, the Mortgagee shall have the right to foreclose the lien hereof; that in any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale all expenditures and expenses which may be paid or incurred by or on behalf of the Mortgagee for attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, guarantee policies, Torrens certificates, and similar data and assurances with respect to title as Mortgagee may deem to be 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 the value of the Premises; that all such expenditures and expenses shall become so much additional indebtedness secured hereby and immediately due and payable, with interest thereon at the rate set forth in Article 5 hereof when paid or incurred by the Mortgagee; and that the proceeds of any such foreclosure sale shall be applied (after paying all costs and expenses incident to the foreclosure proceedings) first on account of all unpaid items which under the terms hereof constitute secured indebtedness additional to that evidenced by the Note, with interest thereon as herein provided; second to the payment of all principal and interest remaining unpaid on the Note; and lastly any surplus, if any, shall be paid to the Mortgagor or to any other person entitled thereto.

23. Waiver of Redemption-Corporation. That if the Mortgagor is a corporation, the Mortgagor hereby waives any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage, on behalf of the Mortgagor and on behalf of each and every person, except decree or judgment creditors of the Mortgagor, acquiring any interest in or title to the Premises subsequent to the date of this Mortgage.

24. Waiver of Redemption-Corporate Trustee. That if the Mortgagor is a corporate trustee, the Mortgagor, being duly authorized or empowered by the trust instruments or by

the person or persons having a power of direction over the Mortgagor (and the Mortgagor warrants that it has been so authorized or empowered), does hereby waive any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage, on behalf of the Mortgagor, the trust estate and all persons interested beneficially therein, and each and every person, except decree or judgments creditors of the Mortgagor in its representative capacity and of the trust estate, acquiring any interest in or title to the Premises subsequent to the date of this Mortgage.

25. Joint and Several Liability. That if the Mortgagor consists of more than one party, such Mortgagors shall be jointly and severally liable under any and all obligations, covenants and agreements of the Mortgagor contained herein.

26. Mortgagee's Remedies Cumulative. That the rights of the Mortgagee arising under the clauses and covenants contained in this Mortgage shall be separate, distinct and cumulative and none of them shall be in exclusion of the others; that no act of the Mortgagee shall be construed as an election to proceed under any one provision herein to the exclusion of any other provision, anything herein or otherwise to the contrary notwithstanding.

27. Definitions. That wherever used in this Mortgage unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, the word "Mortgagor" shall mean "Mortgagor or any subsequent owner or owners of the Premises", the word "Mortgagee" shall mean "Mortgagee or any subsequent holder or holders of this Mortgage", the word "Note" shall mean any and all "note or notes, or bond or bonds secured by this Mortgage", the word "person" shall mean "an individual, corporation, partnership or unincorporated association", and the word "Premises" shall include the real estate hereinbefore described, together with all buildings, improvements, equipment, condemnation awards and any other rights or property interest at any time made subject to the lien of this Mortgage by the terms hereof; and pronouns of any gender shall include the other genders, and either the singular or plural shall include the other; and the words "terms", "provisions", "conditions", "covenants", and "agreements" are deemed to be used interchangeably herein and that the use herein of any one or more of them shall not be deemed an exclusion of the others.

28. Amendments In Writing. That this Mortgage cannot be changed except by an agreement in writing, signed by the party against whom enforcement of the change is sought.

29. Part Purchase Money Mortgage. This Mortgage and all-inclusive Mortgage constitutes a part purchase money mortgage given, in part, to secure a portion of the purchase price paid by the Mortgagor in acquiring the fee title to the Premises or the beneficial interest of the land trust owning fee title to the Premises. If any term, covenant or condition of this Mortgage shall be held to be invalid, illegal, or unenforceable in any respect, this Mortgage shall be construed without such provisions and remain in full force and effect.

30. Business Loan. Mortgagor represents and warrants that the proceeds of the Note secured by this Mortgage will be used for the purposes specified in Paragraph 6404-1(c) of Chapter 17 of the Illinois Revised Statutes, and that the principal obligations secured hereby constitute a business loan which comes within the provisions of said paragraph.

31. Tax and Insurance Premium Escrows. Mortgagor will deposit with Mortgagee on the date hereof, an amount equal to the accrued general tax liability of the Premises, based on the most recently ascertainable taxes, through the day in which the cash proceeds of the Note secured hereby are disbursed to the Mortgagor, or such lesser amount as Mortgagee may require, and an amount equal to the earned insurance premium through said date for the insurance coverage required to be maintained hereunder, or such lesser amount as Mortgagee may require. Mortgagor shall also deposit with Mortgagee on the first day of February, 1986 and on the first day of each succeeding month thereafter until the Note is fully paid, an amount equal to the sum of one-twelfth (1/12th) of 110% of the then most recently ascertainable general taxes assessed against the Premises and one-twelfth (1/12th) of 110% of the then current annual insurance premiums for the insurance coverage required to be maintained hereunder. Upon the issuance of subsequent bills for general taxes or insurance premiums increasing the tax liability to be accrued against the Premises or the aforesaid insurance premiums the accrued tax and/or insurance premium liability shall be recomputed through the date such recomputation is made and the difference between the amount held by the Mortgagee for payment of taxes and insurance premiums and the amount of the accrued tax and/or insurance premium liability as recomputed as aforesaid shall be and become immediately due and payable to the Mortgagee upon demand and payment of such amounts shall be deemed secured by the lien hereof. Mortgagee shall not be obligated to pay interest on any such sums so held on account of taxes or insurance premiums.

32. Senior Mortgage. The Premises are subject to the lien or liens of the following described mortgages and/or trust deeds (said mortgages and/or trust deeds, together with

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any other documents or instruments given as further security for the obligations which said mortgages and/or trust deeds secure, and together with any modifications and amendments thereto and together with any substitutions therefor or refinancings thereof, are hereinafter collectively called the "Senior Mortgage"): As set forth in the Exhibit B attached hereto and made a part hereof.

33. Mortgagor's Compliance With Senior Mortgage. Mortgagor covenants and agrees to comply with all of the terms and provisions of the Senior Mortgage (except the requirement to make payments of principal and interest due thereunder and to make deposits on account of insurance premiums and taxes). In the event the Mortgagor fails to so comply within five (5) days prior to the expiration of any applicable grace period provided for in the Senior Mortgage for such compliance and such failure shall result in a default thereunder (other than as to payment of the monthly payments due thereunder on account of principal and interest, and deposits on account of taxes or insurance premiums), such failure on the part of the Mortgagor herein shall automatically constitute a default under this Mortgage and shall entitle the Mortgagee, at its option, to exercise any and all of the same rights and remedies given the Mortgagee in this Mortgage for default by Mortgagor in the payment of principal or interest due hereunder.

34. Mortgagee's Payment of Senior Mortgage Debt Service. Upon compliance by Mortgagor with the terms and provisions contained in the Senior Mortgage, the terms and provisions contained herein, and the terms and provisions of the Note secured hereby, Mortgagee will pay the installments of principal and interest and make the tax and insurance premium deposits, if required, from time to time due under the Senior Mortgage in accordance with its terms. When necessary to effect such payments under the terms of the Senior Mortgage, Mortgagee shall be deemed to have been given the power, as a power coupled with an interest, to make such payments as Mortgagor's agent. Nothing contained herein shall require the holder of the Note secured hereby to perform the terms or provisions contained in the Senior Mortgage required to be performed by the Mortgagor thereunder, its successors and assigns, except the payment of installments of principal and interest and payment of the tax and insurance premium deposits, if required, but only in accordance with the terms and provisions hereof. If Mortgagor shall default in the performance of any term or provision contained in this Mortgage, Mortgagee shall not be obligated to make any principal or interest payments or make any tax and insurance premium deposits under the Senior Mortgage.

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35. Subrogation. Mortgagor covenants and agrees that, to the extent Mortgagee pays any installment of principal or interest or any other sums due under the Senior Mortgage, Mortgagee shall become entitled to a lien on the Premises hereunder but equal in rank and priority to the Senior Mortgage and, in addition, to the extent necessary to make effective such rank and priority: (a) Mortgagee shall become subrogated to, receive and enjoy all of the rights, liens, powers and privileges granted to the Senior Mortgagee under the Senior Mortgage and (b) the Senior Mortgage shall remain in existence for the benefit of and to further secure the debt and other sums secured, or that hereunder become secured. Contemporaneously herewith the parties hereto have executed a subrogation agreement to which reference is hereby made for the terms thereof.

36. Prohibition of Mortgagor Payments Against Senior Mortgage. Mortgagor covenants and agrees that it will not exercise any right or privilege of nor make any payment or prepayment (in whole or in part) of principal or interest including installments thereof, or make any payment of any tax or insurance premium deposits to the holder of the Senior Mortgage, and Mortgagor further covenants and agrees that it will not enter into any agreement with the holder of the Senior Mortgage modifying or amending any of the terms and the provisions of the Senior Mortgage, including, but not limited to, terms and provisions dealing with payment of principal; provided, however, that if the Mortgagee shall default in its obligations to pay principal and interest or pay tax insurance premiums or deposits as set forth in Article 34 hereof without curing such default within the permitted grace period therefor and paying all penalties, and further provided that Mortgagor is not then in default in the making of any and all payments required hereunder, under the Note, or both. Mortgagor may upon three (3) days notice to Mortgagee make only such payments as are necessary to cure such default, directly to the holder of the Senior Mortgage. In such event Mortgagor may deduct the amount of such payment from the subsequent payment falling due hereunder and under the Note which this Mortgage secures.

37. Notices From Senior Mortgagee. Mortgagor covenants and agrees to promptly send to Mortgagee copies of any notices received by it from the holder of the Senior Mortgage.

38. Notices to Senior Mortgagee. Mortgagor shall, immediately at the request of the Mortgagee from time to time, notify and confirm to the holder of the Senior Mortgage in writing signed by the Mortgagor and sent to the holder of the Senior Mortgage by registered mail or by certified mail return receipt requested, with a counterpart of said notification delivered to the Mortgagee, (a) that the Mortgagor has entered into this Mortgage, describing the essence of this Mortgage so that the holder of the Senior

Mortgage will understand the same as it affects said holder, (b) that payment of the constant monthly payments under the Senior Mortgage as well as deposits for taxes, assessments and similar charges which are mentioned in the Senior Mortgage, as well as any prepayment under the Senior Mortgage, or payment after acceleration of the Senior Mortgage, shall be made by the holder of this Mortgage upon receipt of the same from the Mortgagor, (c) authorizing and directing the holder of the Senior Mortgage to accept the aforesaid payments, as well as the payment or performance of any other obligation contained in the Senior Mortgage on the part of the Mortgagor to be performed thereunder, by Mortgagee, with same effect as if paid or performed by the Mortgagor, (d) directing the holder of the Senior Mortgage to send and deliver to the holder of this Mortgage counterpart copies of all demands, notices and communications of defaults, payments due, or otherwise, required to be given or actually given to the Mortgagor, (e) requesting the holder of the Senior Mortgage to enter into an agreement with the holder of this Mortgage whereby the holder of this Mortgage shall be given notice of and opportunity to cure any default by the Mortgagor under the Senior Mortgage and (f) providing such other information and completing any forms or questionnaires requested by Mortgagee or the Senior Mortgage in connection with the foregoing.

39. Senior Mortgage Payments-When Due. Anything herein to the contrary notwithstanding all payments required to be made by Mortgagor, whether to the Mortgagee or to any other person, by the terms and provisions of the Senior Mortgage (except the payment of principal and interest and deposits of taxes and insurance premiums, under the Senior Mortgage, which the Mortgagee has hereunder agreed to pay) shall be due and payable at least five (5) days prior to the time such payments are required to be made by the provisions of the Senior Mortgage, except if a period of time more than five (5) days is required expressly by this Mortgage, the longer period shall be effective.

40. Conditions to Mortgagee's Payment of Senior Mortgage Debt Service. Anything herein to the contrary notwithstanding Mortgagee's obligation to make the payments on account of principal and interest, and deposits of taxes and insurance premiums, as and when due under the Senior Mortgage, is conditioned upon the following: (a) Mortgagor shall not be in default under the terms and provisions of this Mortgage; and (b) Mortgagor shall be in full compliance with all the terms and provisions of the Senior Mortgage other than with respect to the payments on account of principal and interest and deposits of taxes and insurance premiums.

41. Mortgagor's Duty to Cure Senior Mortgage Default. In the event the Mortgagor fails to perform any obligation under the Senior Mortgage which Mortgagor is required to perform hereunder, such as the requirement that Mortgagor cause performance of all of the obligations under the Senior Mortgage except for the obligations to make monthly payments on account of principal and interest, and tax and insurance premium deposits, which Mortgagee will make so long as Mortgagor is not in default hereunder, with the result that the holder of the Senior Mortgage declares a default thereunder, then and in that event the Mortgagor covenants and agrees that it will immediately cure such default and cause such declaration of default issued by the holder of the Senior Mortgage to be rescinded and shall cause any acceleration declared by the holder of the Senior Mortgage to be rescinded and shall cause the Senior Mortgage to be returned to a default-free condition and shall hold the Mortgagee harmless from its failure so to do or from any damages or liability which the Mortgagee sustains by reason of such default under the Senior Mortgage.

42. Satisfaction of Senior Mortgage. In the event Mortgagee pays or satisfies the Senior Mortgage at any time, the Mortgagor agrees that the Mortgagee shall be entitled, if it so desires, to obtain from the holder of the Senior Mortgage, instead of a satisfaction and release thereof, an assignment of the Senior Mortgage to Mortgagee.

43. Financial Statements. Mortgagor covenants and agrees to furnish to Mortgagee within ninety (90) days of the end of each calendar year during the term of this Mortgage, a statement of income and expenses of the Premises in no less detail than the statement heretofore provided by Mortgagee to Mortgagor certified by Mortgagor's beneficiary being a true statement of the actual income and expenses of the Premises during the preceding calendar year, together with a current rent roll of the Premises. Mortgagor shall also promptly furnish a current rent roll upon request of Mortgagee. Any rent roll required to be furnished hereunder shall contain the following information as to each lease and tenant: lease date, expiration date, apartment building and unit number, amount of rent, amount of security deposit, and type of apartment i.e. studio, one bedroom, two or three bedroom and such further details as Mortgagee may reasonably request. In addition to the foregoing, the Mortgagor covenants and agrees that it will furnish hereunder all such reports, information, statements, and other materials which are required to be submitted to the Mortgagee under the Senior Mortgage at least fifteen (15) days prior to the date required under the Senior Mortgage.

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44. Mortgagee's Right to Comply with Prior Liens. In the event of default hereunder by Mortgagor, in addition to any other rights and remedies available to Mortgagee, Mortgagee may, but need not, make any payment or perform any act herein required of Mortgagor in any form and manner deemed expedient, and may, but need not, make full or partial payments of principal or interest on the Senior Mortgage, other prior encumbrances, if any, and purchase, discharge, compromise or settle the Senior Mortgage, any tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting the Premises or contest any tax or assessment. All moneys paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' fees, and any other money 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 without notice and with interest thereon at the rate set forth in Article 5 hereof until paid. 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.

45. Limitation on Rent Prepayment. Mortgagor covenants and agrees that it will not accept prepayment of installments of rent of more than one month to become due under existing leases or any other leases which affect the Premises.

46. Mortgagor's Additional Duties to Maintain the Premises. Mortgagor covenants and agrees to keep the buildings and improvements on the Premises in good repair and shall neither suffer nor commit any waste on or to the Premises, and if Mortgagor fails to make any such repairs or suffers or commits waste, Mortgagee may elect to make such repairs or eliminate such waste, and the cost thereof shall be so much additional indebtedness secured hereby, and shall become immediately due and payable without notice and with interest thereon at the rate set forth in Article 5 hereof until paid. In addition, Mortgagor shall not suffer nor permit any mechanic's lien or other liens to attach to or be against the Premises, the same being deemed a default hereunder, unless Mortgagor shall in good faith and with due diligence, contest the same or the validity thereof by appropriate legal proceeding which shall have the effect of preventing the collection of such lien or liens so contested; provided that, pending any such legal proceedings Mortgagor shall give Mortgagee such security as may be deemed satisfactory to Mortgagee to insure payment of the amount of such lien or liens and all interest and penalties thereon. If, at any time during the continuance of such contest, the Premises or any part thereof is, in the judgment of Mortgagee, in imminent danger of being forfeited or lost, Mortgagee may use such security for the payment of such lien or liens.

47. Duty to Replace Fixtures and Equipment. Mortgagor shall replace all broken glass with glass of the same size and quality as that broken, and will replace all damaged heating, plumbing, electrical and air-conditioning fixtures and equipment with other of equal quality and will keep the Premises in clean and healthful condition according to all applicable governmental regulations and ordinances and the direction of the proper public officers pending final payment to Mortgagee. Mortgagor further agrees to promptly replace with items of equal quality, any and all items of personal property, including stoves, refrigerators, carpeting and air-conditioning units sold by Mortgagee to Mortgagor at the closing of the purchase of the Premises, that wear out during the course of the term of this Mortgage. Mortgagor shall keep the Premises free from any and all dwelling code violations and shall promptly correct or commence to correct with due diligence the same within thirty (30) days after notice of any such violations. Mortgagor further agrees that any items used by Mortgagor in replacement of any of the foregoing items of personal property, fixtures or equipment shall be new and shall be fully paid upon installation and shall not be purchased or leased under any title retention contract or agreement whatsoever. All such replacement items shall be subject to the lien of this Mortgage and Mortgagee shall have a security interest in all such replacement items.

48. Hold Harmless. Mortgagor covenants and agrees that it will protect and save and keep Mortgagee forever harmless and indemnified against and from any penalty or damages or charges imposed for any violation of any laws or ordinances, whether occasioned by the neglect of Mortgagor or those holding under Mortgagor, and that Mortgagor will at all times protect, indemnify and save and keep harmless Mortgagee against and from any and all loss, cost, damage, liability or expense arising out of or from any accident or other occurrence on or about the Premises, causing injury to any person or property whatsoever or whatsoever, and will protect, indemnify and save and keep harmless Mortgagee against and from any and all claims and against and from any and all loss, cost, damage, liability or expense arising out of the failure of Mortgagor in any respect to comply with and perform any of the requirements and provisions hereof.

49. Tenant Security Deposits. Mortgagor covenants and agrees to make prompt payment of any amount of security deposit for which Mortgagor has received credit from Mortgagee, as the tenants of the Premises become entitled thereto, and hereby agrees to indemnify and hold Mortgagee harmless against any claim or liability therefor made by any such tenants.

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50. Performance of Lessor's Duties and Compliance With Documents of Record. Mortgagor covenants and agrees that it will faithfully observe and perform all obligations to be observed and performed by the lessor under any lease assigned to the Mortgagor or Mortgagor's beneficiaries at closing, including all residence leases and all laundry leases, and all service contracts and concession agreements. Mortgagor further covenants and agrees that Mortgagor will observe and perform all obligations to be observed and performed by the owner of the Premises under any document or instrument which may be from time to time of record and which may affect title to the Premises except for the obligation of the Mortgagee to make the payments due on account of principal and interest and tax and insurance premium deposits required to be made under the terms of the mortgages or trust deeds currently affecting the Premises and replacements or refinancings thereof. In the event the Mortgagor for any reason fails to observe and perform any of such obligations, the Mortgagee may, but need not, perform same and the cost incurred by the Mortgagee in so doing shall constitute so much additional indebtedness secured hereby and shall become immediately due and payable without notice and with interest thereon at the rate set forth in Article 5 hereof until paid.

51. Assignment of Leases and Rents. Mortgagor shall execute and deliver to Mortgagee on the date hereof, and from time to time hereafter upon written request, an assignment of leases and rents to Mortgagee, which assignment shall be to Mortgagee's satisfaction and shall be effective only in the event Mortgagor is in default of any of the terms, conditions and covenants contained herein or contained in the Note. Mortgagor hereby agrees not to lease the Premises or any part thereof for any purpose without Mortgagee's written consent, except residential apartments leases consistent with the type, rate and term currently existing.

52. Security Agreement and UCC Financing Statements. At the request of Mortgagee, Mortgagor shall execute and deliver, in form and substance satisfactory to Mortgagee, a Security Agreement and Uniform Commercial Code Financing Statements, in multiple counterparts, covering the fixture, chattels, and articles of personal property subject to the lien of this Mortgage.

53. Litigation Expenses. Mortgagor shall pay to Mortgagee all costs and expenses, including attorney's fees, incurred by Mortgagee in any action or proceeding to which Mortgagee may be made a party by reason of being a party to this Mortgage, and Mortgagor will pay to Mortgagee all costs and expenses, including attorney's fees, incurred by Mortgagee in enforcing any of the covenants and provisions of this Mortgage or the Note and incurred in any action brought by Mortgagee against Mortgagor on account of the provisions hereof or of the Note, and all such costs, expenses and attorney's fees may be included in and form a part of any judgment entered in any proceeding brought by Mortgagee against Mortgagor on or under this Mortgage. Mortgagor shall not be required to pay Mortgagee for any expenses, including attorney's fees, incurred by Mortgagee in defending an action brought against Mortgagee by Mortgagor in which Mortgagor is the successful litigant.

54. Late Payments-Mortgagee's Rights. If Mortgagor is more than three (3) days late in the making of any payment due under the Note secured hereby, Mortgagee shall have the right to increase the interest rate under the Note to eighteen percent (18%) per annum from the date such payment is due until the default in payment is cured, charge a late payment equal to five percent (5%) of the delinquent payment and accelerate the principal balance and all accrued interest due under the Note.

55. Continuation of Mortgagor's Obligations. The obligations of Mortgagor under this Mortgage, and the Note it secures shall continue until the entire debt evidenced hereby and all other amounts that may become due hereunder, is paid, notwithstanding any action or actions of partial foreclosure which may be brought to recover any amount or amounts for installments of principal, interest, taxes, assessments, water rates, or insurance premiums or other payments due and payable under the terms and provisions of this Mortgage.

56. Due on Sale and Due on Further Encumbrance Provisions, Additional Causes for Acceleration. The whole of the principal sum together with accrued interest thereon and any additional sums, which this Mortgage secures shall also become immediately due and payable, at the option of the Mortgagee (a) If the Premises or any part thereof or any interest therein is conveyed, sold (including a sale on an installment basis or pursuant to so-called "articles of agreement"), transferred, leased, (except upon customary residence leases of individual apartment units to individual persons who intend to reside in such apartment units), encumbered or assigned in any manner whether voluntarily or involuntarily without the prior written consent of the Mortgagee; or (b) If the Mortgagor is a land trust, in the event that the beneficial interest ("Beneficial Interest") or any part thereof or interest therein is conveyed, sold (including a sale on an installment basis or pursuant to so-called "articles of agreement"), transferred, leased, encumbered or assigned, in any manner whether voluntarily or involuntarily without the prior written

consent of the Mortgagee; or (c) If within sixty (60) days of the death, incompetency, or discharge of any party personally liable for payment of the Note secured hereby, whether as a maker or guarantor, if there is not delivered to the Mortgagee an unconditional guaranty of the Note and this Mortgage prepared on a form approved by the Mortgagee, of a person whose financial reliability has been demonstrated to and approved by the Mortgagee; or (d) Mortgagor, its beneficiary, or any person, firm or corporation at any time guaranteeing all or any part of the indebtedness hereby secured (a "Guarantor") becomes insolvent or bankrupt or admits in writing its inability to pay its debts as they mature or makes an assignment for the benefit of creditors or applies for or consents to the appointment of a trustee, custodian or receiver for the major part of its property or such a trustee, custodian or receiver is appointed for Mortgagor or a Guarantor or for the major part of the properties of any of them and is not discharged within forty-five (45) days after such appointment, or if bankruptcy, reorganization, arrangement, insolvency, readjustment, liquidation, dissolution or other proceedings for relief under any present or future bankruptcy law or laws or other statute, law or regulation for the relief of debtors are instituted by or against Mortgagor or any Guarantor and if instituted against any such party are consented to or acquiesced in or are not dismissed within forty-five (45) days after such institution, or if Mortgagor or any Guarantor takes any action in contemplation of or furtherance of any of the foregoing; or (e) Any event occurs or condition exists which is specified as an event of default in any separate assignment of leases and/or rents securing the Note or of any other instrument or document securing the Note or relating thereto; or (f) Any financial or other information submitted by any Guarantor or Mortgagor to Mortgagee proves untrue in any material respect; or (g) The Premises is abandoned; or (h) Mortgagor's beneficiary is dissolved; or (i) The individual or individuals, entity or entities comprising the controlling general partner(s) of Mortgagor's beneficiary, as of the date hereof, cease to be controlling general partner(s) of the beneficiary other than by death or adjudicated incompetence. For the purposes of this Mortgage, the Premises or the Beneficial Interest therein shall be deemed to have been sold, transferred, assigned or conveyed in the event that more than fifty percent (50%) of the equity interest in Mortgagor or its beneficiary shall be sold, transferred, assigned or conveyed, subsequent to the date hereof, whether voluntarily or involuntarily, whether in one or a series of related or unrelated transactions.

57. Mortgagee's Right to Make New Mortgages. Mortgagee reserves the right at any time and from time to time during the term of this Mortgage to place a new mortgage or mortgages (or trust deeds) and related documents on the Premises and/or to refinance the Senior Mortgage in an amount of not more than the unpaid balance due under the Note. Such new mortgage or mortgages shall be deemed to be mortgages which are included within the term "Senior Mortgage" as herein defined and the Mortgagor shall comply with all the terms and provisions thereof except that the Mortgagee shall be responsible for making the monthly payments of principal and interest and deposit for taxes and insurance premiums as herein provided. The proceeds of such new mortgage or mortgage shall be utilized to pay off any one or more of the Senior Mortgages with any excess payable to Mortgagee, it being expressly understood that in no event shall any part of such new mortgage loan proceeds shall be payable to Mortgagor or its beneficiary. Mortgagor agrees to furnish all information, such as financial statements and credit history and evidence of management ability and experience and all other information that may be required to obtain such financing and Mortgagor agrees to execute any and all documents necessary to subject title to the Premises to the new mortgage or mortgages (and related documents) and to execute and to cause its beneficiaries to execute and deliver to the Mortgagee the documents (except personal guarantees) which may be necessary in order to effectuate such further encumbering or refinancing.

58. Necessary Refinancing of Senior Mortgage. The Mortgagor recognizes that the Mortgages constituting the Senior Mortgage become due on or about November 30, 1987 and that it will be necessary for the Mortgagee to refinance the Premises in order to make the final payment which is due on such Mortgages. Mortgagee covenants and agrees that it will effectuate such refinancing and such further refinancing as may from time to time be necessary to make all payments which may from time to time fall due on the underlying financing and the Mortgagee agrees to hold the Mortgagor harmless from its failure so to do. Mortgagee acknowledges that the Senior Mortgage contains a clause which may prohibit the alienation of any interest in the Premises or of the beneficial interests in Mortgagor. In the event the holder of any Senior Mortgage exercises the rights provided in such clause as a result of this transaction or for any reason caused by Mortgagee, then in such event Mortgagee shall be obligated to pay off or refinance such Senior Mortgage or cause any acceleration of the debts secured by the Senior Mortgage to be rescinded, and Mortgagee shall hold Mortgagor and Mortgagor's beneficiary harmless from any and all loss or damage which may be sustained by Mortgagor or Mortgagor's beneficiary in connection with such acceleration. Mortgagor covenants and agrees that it will cooperate with the Mortgagee in connection with any efforts which the Mortgagee may make or may be required to make in connection with any such refinancing and, in particular, the Mortgagor recognizes and reaffirms the Mortgagor's obligation to execute and cause execution of all instruments evidencing and securing such refinancing and to deliver same to the Mortgagee

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without delay. The terms of such refinancing shall comply with the requirements set forth in Article 59 hereof, and Mortgagor's beneficiary shall not be required to guarantee any such refinancings.

59. Right to Prepay Seller's Equity. The difference between the amount due under the Note secured hereby and the amount due under the Senior Mortgage (or any mortgage which may be substituted therefor pursuant to this Mortgage), may be prepaid at any time, without any prepayment penalties or premiums, and in such event the holder of the Note shall pay off its Seller's Equity to Inland Real Estate Corporation under this Mortgage and the Mortgagee's interest in the real estate shall remain subject to the Senior Mortgage.

60. Subordination to Senior Mortgage. The rights of Mortgagee hereunder shall be subject to and subordinate to the rights of the holder of the Senior Mortgage.

61. Notices. Any notice request or demand to be given hereunder shall be conclusively deemed to have been given when placed in the United States mail, with proper registered or certified postage prepaid, return receipt requested, addressed to the party concerned at the address shown below and shall be effective the date of mailing:

To Mortgagee:

c/o Inland Real Estate Corporation
2100 Clearwater Drive
Oak Brook, Illinois 60521
Attn: Robert H. Baum
General Counsel

To Mortgagor:

33 North LaSalle Street
Chicago, Illinois 60602
Attn: Land Trust Department

provided, however, that each of the foregoing addresses for notice may be changed from time to time by notice given to the other party, in the manner herein provided for, or when such notice shall have been personally delivered to such party.

62. Successors and Assigns. Whenever any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party; and all the covenants, promises and agreements in this Mortgage contained by or on behalf of Mortgagor, or by or on behalf of Mortgagee, shall bind and inure to the benefit of the respective successors and assigns of such parties, whether so expressed or not.

63. Headings. The headings in this instrument are for convenience of reference only and shall not limit or otherwise affect the meaning of any provision hereof.

64. Assignment by Mortgagee. This Mortgage may be assigned by the Mortgagee at any time and without notice to or prior approval of Mortgagor, its successors or assigns or grantees.

65. THIS MORTGAGE is executed by the American National Bank and Trust Company of Chicago, not personally but as Trustee as aforesaid in the exercise of the power and authority conferred upon and vested in it as such Trustee (and said American National Bank and Trust Company of Chicago, hereby warrants that it possesses full power and authority to execute this instrument), and it is expressly understood and agreed that nothing herein or in said Note contained shall be construed as creating any liability on the said Mortgagor or on said American National Bank and Trust Company of Chicago personally to pay the said Note or any interest that may accrue thereon, or any indebtedness accruing hereunder, or to perform any covenant either express or implied herein contained, and such liability, if any, being expressly waived by Mortgagee and by every person now or hereafter claiming any right or security hereunder, and that so far as the Mortgagor and its successors and said American National Bank and Trust Company of Chicago personally are concerned, the legal holder or holders of said Note and the owner or owners of any indebtedness accruing hereunder shall look solely to the Premises hereby conveyed for the payment thereof, by the enforcement of the lien hereby created, in the manner herein and in said Note provided or by action to enforce the personal liability of the guarantor, if any.

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IN WITNESS WHEREOF, American National Bank and Trust Company of Chicago, not personally but as Trustee under Trust No. 55919, has caused these presents to be signed by one of its Vice-Presidents, or Assistant Vice-Presidents, and its corporate seal to be hereunto affixed and attested by its Assistant Secretary, the day and year first above written.

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO
As Trustee under Trust No. 55919 and not personally,

BY: 
SECOND Vice President

ATTEST 
Assistant Secretary

Property of Cook County Clerk's Office

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STATE OF ILLINOIS)

COUNTY OF COOK)

I, FORBETTA M. SOVIENSKI, a Notary Public, in and for said County, in the State aforesaid, do hereby certify that Arthur H. Johnson, Vice President of the American National Bank and Trust Company of Chicago, and William J. [unclear], Assistant Secretary of said Company, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Vice President, and Assistant Secretary, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said Company, as Trustee as aforesaid, for the uses and purposes therein set forth; and the said Assistant Secretary then and there acknowledged that he, as custodian of the corporate seal of said Company, did affix the corporate seal of said Company to said instrument as his own free and voluntary act and as the free and voluntary act of said Company as Trustee as aforesaid, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal, this 11th day of NOV 1985 A.D.

Forbetta M. Sovienksi
Notary Public

This Instrument Prepared by
and Mail to Paul T. Swanicke
Associate Counsel
Inland Real Estate Corporation
2100 Clearwater Drive
Oak Brook, IL 60521

MY COMMISSION EXPIRES JUNE 27, 1988

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STATE OF ILLINOIS
NOTARY PUBLIC

NOV -8 PM 2:03

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EXHIBIT A

Legal Description of Premises

PARCEL 1:

UNITS 10-1A, 10-1B, 10-2A, 10-2B, 10-3A AND 10-3B IN PINE CREEK CONDOMINIUM, AS DELINEATED ON A PLAT OF SURVEY OF CERTAIN PORTIONS OF THE SOUTH EAST 1/4 OF SECTION 2, TOWNSHIP 42 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, WHICH PLAT OF SURVEY IS ATTACHED AS EXHIBIT "E" TO THE DECLARATION OF CONDOMINIUM OWNERSHIP FOR PINE CREEK CONDOMINIUM, RECORDED AS DOCUMENT 25781654, TOGETHER WITH THEIR UNDIV PERCENTAGE INTEREST IN THE COMMON ELEMENTS

PARCEL 2:

EASEMENTS APPURTENANT TO AND FOR THE BENEFIT OF PARCEL 1 OVER OUT-LOT "C" IN "THE NURSERY" PLAT OF PLANNED UNIT DEVELOPMENT AFORESAID, AS SET FORTH IN THE DECLARATION RECORDED JUNE 26, 1978 AS DOCUMENT 24507143 AND AS CREATED BY DEED RECORDED JUNE 26, 1978 AS DOCUMENT 24507144 AND AS CREATED BY DEED RECORDED JUNE 26, 1978 AS DOCUMENT 24507145, FOR INGRESS AND EGRESS

PARCEL 3:

EASEMENTS APPURTENANT TO AND FOR FEET BENEFIT OF PARCEL 1 OVER OUTLOTS "A" AND "B" AS SET FORTH IN THE DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS FOR PINE CREEK HOMEOWNERS ASSOCIATION, RECORDED FEBRUARY 20, 1981 AS DOCUMENT 25781563, FOR INGRESS AND EGRESS, ALL IN COOK COUNTY, ILLINOIS.

PTN

02	02	400	061	1103
02	02	400	061	1104
02	02	400	061	1105
02	02	400	061	1106
02	02	400	061	1107
02	02	400	061	1108

Address: Units 10-1A, 10-1B, 10-2A, 10-2B, 10-3A & 10-3B
at 440 - 444 Osage Lane
Palatine, Illinois

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EXHIBIT B

Senior Mortgage

MORTGAGE DATED OCTOBER 26, 1982 AND RECORDED NOVEMBER 4, 1982 AS DOCUMENT 26401291 MADE BY AMERICAN NATIONAL BANK OF CHICAGO, AS TRUSTEE UNDER TRUST AGREEMENT DATED AUGUST 31, 1982 AND KNOWN AS TRUST NUMBER 55919 A CORPORATION OF THE UNITED STATES OF AMERICA TO THE TALMAN HOME FEDERAL SAVINGS AND LOAN ASSOCIATION OF ILLINOIS, A CORPORATION OF THE UNITED STATES OF AMERICA TO SECURE A NOTE FOR \$168,000.00.

ASSIGNMENT OF RENTS MADE BY AMERICAN NATIONAL BANK OF CHICAGO, AS TRUSTEE UNDER TRUST AGREEMENT DATED AUGUST 31, 1982 AND KNOWN AS TRUST NUMBER 55919 A CORPORATION OF THE UNITED STATES OF AMERICA TO THE TALMAN HOME FEDERAL SAVINGS AND LOAN ASSOCIATION OF ILLINOIS, A CORPORATION OF THE UNITED STATES OF AMERICA RECORDED NOVEMBER 4, 1982 AS DOCUMENT 26401292.

SECURITY INTEREST OF TALMAN HOME FEDERAL SAVINGS AND LOAN, SECURED PARTY, IN CERTAIN DESCRIBED CHATTELS ON THE LAND, AS DISCLOSED BY FINANCING STATEMENT EXECUTED BY DANIEL L. GOODWIN, DEBTOR, AND FILED ON NOVEMBER 4, 1982 AS NO. 82 U 42285.

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Mail to Paul Swonicko

Inland Real Estate

2100 Clearwater

Oak Brook, IL 60521

Property of Cook County Clerk's Office

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PART PURCHASE MONEY WRAPAROUND ILLINOIS MORTGAGE

THIS Mortgage, made the 1st day of November, 1985, between American National Bank and Trust Company of Chicago as Trustee under Trust Agreement dated August 31, 1982 and known as Trust No. 55919 hereinafter referred to as the Mortgagor, and Inland Real Estate Corporation having its principal offices at 2100 Clearwater Drive, Oak Brook, Illinois 60521, the Mortgagee.

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WITNESSETH, that to secure the payment when and as due and payable of an indebtedness in the sum of One Hundred Ninety Seven Thousand Eight Hundred Thirty Six and 35/100ths Dollars (\$197,836.35), in lawful money of the United States to be paid with interest thereon in installments, the last of which is due and payable on November 30, 1995, according to two certain notes or obligations (collectively the "Note") bearing even date herewith, one in the original principal amount of \$197,115.65 and the other in the original principal amount of \$720.70 (collectively the "Note"), the Mortgagor hereby grants, sells, ~~conveys~~, conveys, mortgages, ~~waives~~, pledges and assigns to the Mortgagee and to its successors and assigns:

All that certain lot, piece or parcel of land with all buildings and improvements of every kind and description, heretofore, or hereafter erected or placed thereon, situate, lying and being in the Village of Palatine, County of Cook, and State of Illinois, bounded and described in Exhibit A attached hereto and made a part hereof.

TOGETHER with all and singular the tenements, hereditaments privileges, easements, licenses and appurtenances therunto belonging or in any wise appertaining, and the reversion or reversions, remainders and remainders, rents, issues and profits thereof; and also all the estate, right, title, interest, property, claim and demand whatsoever of the Mortgagor, of, in and to the same and of, in and every part and parcel thereof.

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TOGETHER with all rights, title and interest of the Mortgagor, if any, in and to common areas and access roads on adjacent properties heretofore or hereafter granted to Mortgagor and in and to the land lying in the bed of any street, road, alley or avenue, opened or proposed, in front of or adjoining the above described real estate to the center line thereof.

TOGETHER with all machinery, apparatus, equipment, fittings, fixtures, and articles of personal property of every kind and nature whatsoever, other than consumable goods, now or hereafter located in or upon said real estate or any part thereof and used or useable in connection with any present or future operation of said real estate (hereinafter called "Equipment") and now owned or hereafter acquired by the Mortgagor, including, but without limiting the generality of the foregoing, all heating, lighting, laundry, incinerating, and power equipment engines, pipes, pumps, tanks, motors, conduits, switchboards, plumbing, lifting, cleaning, fire-prevention, fire-extinguishing, refrigerating, ventilating and communications apparatus and electronic monitoring equipment air-cooling and air-conditioning apparatus, elevators, escalators, shades, awnings, screens, storm doors and windows, stoves, wall beds, refrigerators, attached cabinets, partitions, ducts and compressors, all window and structural cleaning rigs, and all renewals or replacements thereof or articles in substitution therefor and all of the right, title and interest of the Mortgagor in and to any equipment which may be subject to any title retention or security agreement superior in lien to the lien of this Mortgage; provided, however, that Equipment shall not include machinery, apparatus, equipment fittings, fixtures, and articles or personal property used in the business of the Mortgagor whether the same are annexed to said real estate or not, unless the same are also used in the operation of any building located thereon. It is understood and agreed that all equipment is appropriated to the use of said real estate and, whether affixed or annexed or not, shall for the purposes of this Mortgage be deemed conclusively to be conveyed hereby. The Mortgagor agrees to execute and deliver from time to time, such further instruments as may be requested by the Mortgagee to confirm the lien of this Mortgage on any equipment.

TOGETHER with any and all awards or payments, judgments, settlements and other compensation hereafter made including interest thereon, and the right to receive the same, which may be made with respect to the Premises as a result of (a) the exercise of the right of eminent domain, or (b) the alteration of the grade of any street, or (c) any other injury to or decrease in the value of the Premises or any part thereof or any building or other improvement now or hereafter located thereon or easement or other appurtenance thereto to the extent of all amounts which may be secured by this Mortgage at the date of receipt of any such award or payment by the Mortgagee, and of the reasonable counsel fees, costs and disbursements incurred by the Mortgagee in connection with the collection of such award or payment. The Mortgagor agrees to execute and deliver, from time to time, such further instruments as may be requested by the Mortgagee to confirm such assignment to the Mortgagee of any such award or payment.