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MORTGAGE AND SECURITY AGREEMENT

#32.00

THIS MORTGAGE AND SECURITY AGREEMENT is dated as of September 19, 1986, and is made between Mid-Missouri Sanitation Company, a Missouri Corporation, individually and doing business as North Suburban Public Utility Company ("Mortgagor"), and The First National Bank of Des Plaines, a national banking association ("Mortgagee") located at 701 Lee Street, Des Plaines, Illinois 60016.

WITNESS: Vernon L. Stump, Robert B. Schwermann and Gregory Mattli (hereinafter collectively referred to as "Debtor") have executed a promissory note ("Note") dated as of the date of this Mortgage, payable to the order of the Mortgagee in the principal amount of $3,200,000.00, plus interest at the per annum rate of ten and one-half percent (10½%), and after DEFAULT or MATURITY (as defined in the Note) at the per annum rate of twelve and one-half percent (12½%). The Note is payable in 59 monthly consecutive installments of $31,949.00 each including interest beginning November 1, 1986 and continuing on the same day of each month thereafter, and a final installment of the balance of the unpaid principal and interest on October 1, 1991. Mortgagor has executed a guaranty ("Guaranty") dated the date of this Mortgage guaranteeing payment of the Note and the Liabilities (defined below) of the Debtor owing to the Mortgagee, together with all expenses including attorneys fees, paralegals fees, court costs relating in any manner to the protection of the Mortgagee's rights and interests hereunder under the Note and Guaranty, and the enforcement and collection or attempted enforcement of collection of any of the Debtor's and Guarantor's Liabilities (as defined below).

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GRANT OF MORTGAGE AND SECURITY INTEREST

1.1 To secure payment of the liabilities, obligations and indebtedness evidenced by the Note, Guaranty and the Liabilities (defined below) and the performance of the covenants and agreements of Mortgagor hereunder, including any and all renewals and extensions of the Note, Mortgagor does by these presents CONVEY and MORTGAGE unto Mortgagee, and hereby grant upon Mortgagee a security interest in and collaterally assigns all of Mortgagor's estate, right, title and interest in the real estate situated, lying and being in the County of Cook, and State of Illinois, legally described on attached Exhibit A and made part hereof, which is referred to herein as the "Premises", together with all improvements, buildings, tenements, hereditaments, appurtenances, water, water wells, gas, oil, minerals, and easements, including but not limited to those easements described on attached Exhibit B made part hereof located in, on, over or under the Premises, and all types and kinds of fixtures, apparatus, machinery and equipment, including without limitation, water well and waste water system tanks, equipment, furniture, fixtures, pipes, pumps, parts, supplies, chemicals, personal property of every kind and nature, water and waste water lines, water and waste water meters, water and waste water valves, water and waste water services, fire hydrants, sewer lines, manholes, including but not limited to those items described on attached Exhibit C, and any and all other assets, goods, fixtures, general intangibles and personal property used in connection with providing water and waste water utility services in the County of Cook, State of Illinois, whether now on or in the Premises or hereafter erected, installed or

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placed on or in the Premises, and whether or not physically attached to the Premises and CONVEYS and ASSIGNS to Mortgagee all easements located in, on, over or under the Premises including but not limited to those easements described on attached Exhibit B. (All of the property whether real, personal or fixtures and property rights and easements described in Paragraph 1.1 herein may be collectively referred to as "Property").

1.2 Further, Mortgagor does hereby pledge, assign, transfer, deliver and grant to Mortgagee, all leases, written or verbal, rents, issues and profits of the Premises and Property, including without limitation, all rents, issues, profits, revenues, royalties, bonuses, rights and benefits due, payable or accruing, and all deposits of money as advance rent or for security, under any and all present and future leases of the Property, together with the right, but not the obligation, to collect, receive, demand, sue for and recover the same when due or payable. Mortgagee by acceptance of this Mortgage and Security Agreement agrees, as a personal covenant applicable to Mortgagor only, and not as a limitation or condition hereof and not available to anyone other than Mortgagor, that until a Default shall occur or an event shall occur which under the terms hereof Mortgagor may collect, receive and enjoy such avails.

1.3 Further, Mortgagor does hereby expressly waive and release all rights and benefits under and by virtue of the Homestead Exemption Laws of the State of Illinois.

MORTGAGOR COVENANTS and REPRESENTATIONS

While any of the Liabilities remain outstanding, Mortgagor represents, warrants, covenants and agrees as follows:

2.1 Mortgagor shall (a) promptly repair, restore or rebuild any Property which may become damaged or be destroyed; (b) keep the Property in good condition and repair, without waste, and, except for this Mortgage, free from any encumbrances, security interests, liens, mechanics' liens or claims for lien and any other claims or demands against Mortgagor's title to the Property; (c) pay when due any indebtedness which may be secured by a lien or charge on the Property and upon request exhibit satisfactory evidence of the discharge of such lien or charge to Mortgagee; (d) comply with all requirements of all laws or municipal ordinances with respect to the Premises and Property and the use of the Premises and Property; (e) make no material alterations in the Premises and Property, except as required by law or municipal ordinance, unless such alterations have been previously approved in writing by Mortgagee; (f) refrain from impairing or diminishing the value of the Premises and Property.

2.2 Mortgagor shall pay, when due and before any penalty attaches, all general taxes, special taxes, special assessments, water taxes or charges, drainage taxes or charges, sewer service taxes or charges, and other taxes, assessments or charges against the Property. Mortgagor shall, upon written request, furnish to Mortgagee duplicate paid receipts for such taxes, assessments and charges. To prevent Default hereunder, Mortgagor shall pay in full under protest, in the manner provided by statute, any tax, assessment or charge which Mortgagor may desire to contest prior to such tax, assessment or charge becoming delinquent.

2.3 Upon the request of Mortgagee, Mortgagor shall deliver to Mortgagee all original leases of all or any portion of the Premises and Property, together with assignments of such leases from Mortgagor to Mortgagee, which assignments shall

be in form and substance satisfactory to Mortgagee; Mortgagor shall not, without Mortgagee's prior written consent, procure, permit or accept any prepayment, discharge or compromise of any rent or release any tenant from any obligation at any time while the Liabilities secured hereby remains unpaid.

2.4 Any award of damages resulting from condemnation proceedings, exercise of the power of eminent domain, or the taking of the Premises and Property for public use are hereby transferred, assigned and shall be paid to Mortgagee; and such awards or any part thereof may be applied by Mortgagee, after the payment of all of Mortgagee's expenses, including costs and attorneys' and paralegals' fees, to the reduction of the indebtedness secured hereby in such order of application as Mortgagee may elect, and Mortgagee is hereby authorized, on behalf and in the name of Mortgagor, to execute and deliver valid acquittances and to appeal from any such award.

2.5 Mortgagor shall keep the Property and all of Mortgagor's improvements now or hereafter situated on the Premises and Property insured against loss or damage by fire, lightning, windstorm, vandalism and malicious damage and such other hazards as may from time to time be designated by Mortgagee. Each insurance policy shall be for an amount sufficient to pay in full the cost of replacing or repairing the Property and improvements on the Premises and Property. Mortgagor shall obtain liability insurance with respect to the Premises and Property in an amount which is acceptable to Mortgagee. All policies shall be issued by companies satisfactory to Mortgagee. Each insurance policy shall be payable, in case of loss or damage, to Mortgagee. Each insurance policy shall contain a lender's loss payable clause or endorsement in form and substance satisfactory to Mortgagee. In the event of any loss, Mortgagor shall give immediate notice thereof to Mortgagee and any appropriate insurers. The Mortgagee may make any proof of loss to any insurer, if the Mortgagor fails to immediately make a proof of loss to any such insurer. Mortgagor shall deliver all insurance policies, including additional and renewal policies, to Mortgagee. In case of insurance about to expire, Mortgagor shall deliver to Mortgagee renewal policies not less than ten days prior to the respective dates of expiration. Each insurance policy shall not be cancellable by the insurance company without at least 60 days' prior written notice to Mortgagee.

2.6 Notwithstanding any other provisions of this Mortgage, no sale, lease, mortgage, trust deed, or grant by Mortgagor of an encumbrance of any kind, conveyance, transfer of occupancy or possession, contract to sell, or transfer of the Premises or Property, shall be made without the prior written consent of Mortgagee.

2.7 Unless otherwise agreed to in writing, Mortgagor covenants and agrees to deposit at the place as Mortgagee may, from time to time, in writing appoint and, in the absence of appointment, then at the office of Mortgagee commencing with the first interest payment pursuant to the Note secured hereby, and on each and every interest payment date thereafter until the Liabilities secured by this Mortgage is fully paid, a sum equal to the last total annual taxes and assessments for the last ascertainable year (general and special) with respect to the Property divided by the number of annual interest payments due hereunder. Concurrent with the initial disbursement of the Note, Mortgagor will also deposit with Mortgagee an amount based upon the taxes and assessments so ascertainable or so

estimated by Mortgagee, as the case may be, for taxes and assessments with respect to the Property on an accrual basis for the period from January 1, immediately following the year for which all taxes and assessments have been fully paid to and including the date of the first installment tax and assessment deposit hereinabove mentioned. The deposits are to be held in trust without allowance of interest and are to be used for the payment of taxes and assessments (general and special) on the Property next due and payable when they become due. If the funds so deposited are insufficient to pay any of the taxes or assessments (general or special) for any year when the same shall become due and payable, Mortgagor shall, within ten days after receipt of a notice and demand from Mortgagee deposit the additional funds as may be necessary to pay such taxes and assessments (general and special). Any excess shall be applied to subsequent deposits for taxes and assessments.

2.8 Upon request by Mortgagee, concurrent with and in addition to the deposits for general and special taxes and assessments pursuant to the terms of Section 2.7 of this Mortgage and Security Agreement, Mortgagor will deposit with Mortgagee a sum equal to the premiums that will next become due and payable on any insurance policies required hereunder, divided by the number of annual interest payments due hereunder so that such payments are sufficient to pay the insurance premiums when they become due and payable. All sums deposited hereunder shall be held in trust without interest for the purpose of paying the insurance premiums.

2.9 Mortgagor is the sole owner of the Property free from any lien, encumbrance or claim, except this Mortgage and Security Agreement.

MORTGAGEE RIGHTS

3.1 No remedy or right of Mortgagee hereunder shall be exclusive. Each right or remedy of Mortgagee with respect to the Liabilities, this Mortgage and Security Agreement or the Premises and Property shall be in addition to every other remedy or right now or hereafter existing at law or in equity. No delay by Mortgagee in exercising, or omitting to exercise, any remedy or right accruing on Default shall impair any such remedy or right, or shall be construed to be a waiver of any such Default, or acquiescence therein, or shall affect any subsequent Default of the same or a different nature. Every such remedy or right may be exercised concurrently or independently, and when and as often as may be deemed expedient by Mortgagee.

3.2 If Mortgagee makes any payment authorized by this Mortgage and Security Agreement relating to taxes, assessments, charges, liens, security interests or encumbrances, Mortgagee may do so according to any bill, statement or estimate received from the appropriate party claiming such funds without inquiry into the accuracy or validity of such bill, statement or estimate or into the validity of the lien, encumbrance, security interest, tax, assessment, sale, forfeiture, tax lien or title or claim thereof.

3.3 Mortgagee shall have the right to inspect the Property at all reasonable times and access thereto shall be permitted for that purpose.

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DEFAULT AND RIGHTS ON DEFAULT

4.1 Upon Default, at the sole option of Mortgagee, the Note and/or any other Liabilities shall become immediately due and payable, and Mortgagor shall pay all expenses of Mortgagee including attorneys' and paralegals' fees and expenses incurred in connection with this Mortgage and Security Agreement and all expenses incurred in the enforcement of Mortgagee's rights in the Premises and Property and other costs incurred in connection with the disposition of the Premises and Property. The term "Default" when used in this Mortgage means any one or more of the events, conditions or acts defined as a "DEFAULT" in the Note or Guaranty, or the failure of Debtor or Guarantor to pay and perform the Note or Guaranty or Liabilities in accordance with their terms, or failure of Mortgagor to comply with or to perform in accordance with any representation, warranty, term, provision, condition, covenant or agreement contained in this Mortgage and Security Agreement, or any instrument, agreement or writing securing any Liabilities to which the Mortgagor and Mortgagee are parties. Any DEFAULT under the Note or Guaranty shall be Default under this Mortgage and Security Agreement.

4.2 Upon any Default hereunder, Mortgagee may, but need not, make any payment or perform any act required of Mortgagor hereunder 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 any encumbrances, liens or security interests affecting the Premises and Property and Mortgagee may purchase, discharge, compromise or settle any tax lien or other lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting the Property 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' and paralegals' fees, and any other funds advanced by Mortgagee to protect the Premises and Property or the lien hereof, plus reasonable compensation to Mortgagee for each matter concerning which action herein authorized may be taken, shall be so much additional indebtedness secured hereby and shall become immediately due and payable without notice and with interest thereon at a per annum rate equivalent to the post maturity rate set forth in the Note. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to Mortgagee on account of any Default hereunder.

4.3 When the indebtedness secured hereby shall become due whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien of this Mortgage and Security Agreement. In any suit to foreclose the lien of this Mortgage and Security Agreement, there shall be allowed and included as additional indebtedness in the judgment of foreclosure all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorneys' and paralegals' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and costs of procuring all abstracts of title, title searches and examinations, title insurance policies, Torrens certificates, tax and lien searches, and similar data and assurances with respect to title as Mortgagee may deem to be reasonably necessary either to prosecute the foreclosure suit or to evidence to bidders at any foreclosure sale. All of the foregoing items, which may be expended after entry of the foreclosure judgment, may be estimated by Mortgagee. All expenditures and expenses mentioned in this paragraph, when incurred or paid by Mortgagee shall become additional indebtedness secured hereby and shall be immediately due and payable,

with interest thereon at a rate equivalent to the post maturity interest rate set forth in the Note. This paragraph shall also apply to any expenditures or expenses incurred or paid by Mortgagee or on behalf of Mortgagee in connection with (a) any proceeding, including without limitation, probate and bankruptcy proceedings, to which Mortgagee shall be a party, either as plaintiff, claimant or defendant, by reason of this Mortgage and Security Agreement or any indebtedness secured hereby; or (b) any preparation for the commencement of any suit for the foreclosure of this Mortgage and Security Agreement after accrual of the right to foreclose whether or not actually commenced or preparation for the commencement of any suit to collect upon or enforce the provisions of the Note, Guaranty or any instrument which secures the Note or Guaranty after Default, whether or not actually commenced; or (c) any preparation for the defense of any threatened suit or proceeding which might affect the Premises and Property or the security hereof, whether or not actually commenced.

4.4 Upon or at any time after the filing of a complaint to foreclose this Mortgage and Security Agreement , the court in which such suit is filed may appoint a receiver of the Premises and Property. The receiver's appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of Mortgagor at the time of application for the receiver and without regard to the then value of the Premises and Property or whether the Premises and Property shall be then occupied as a homestead or not. Mortgagee may be appointed as the receiver. Such receiver shall have power to collect the rents, issues and profits of the Premises and Property and operate the business of the Mortgagor during the pendency of the foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, if any, whether there be redemption or not, as well as during any further times when Mortgagor, except for the intervention of the receiver, would be entitled to collect the rents, issues and profits. Such receiver shall also have all other powers which may be necessary or are usual for the protection, possession, control, management and operation of the Premises and Property. The court in which the foreclosure suit is filed may from time to time authorize the receiver to apply the net income in the receiver's hands in payment in whole or in part of the indebtedness secured hereby, or secured by any judgment foreclosing this Mortgage and Security Agreement , or any tax, special assessment or other lien or encumbrance which may be or become superior to the lien hereof or of the judgment, and the deficiency judgment against Mortgagor or any guarantor of the Note in case of a foreclosure sale and deficiency.

4.5 When any of the Liabilities of Debtor or Mortgagor are due and payable and are unpaid in whole or in part, Mortgagee shall, in addition to all of Mortgagee other rights and remedies, have all rights and remedies of a secured party under the Illinois Uniform Commercial Code (regardless of whether the Illinois Uniform Commercial Code is the law of the jurisdiction where the rights or remedies are asserted). Any requirement of the Illinois Uniform Commercial Code for reasonable notice to Debtor and Mortgagor shall be met if such notice is mailed, postage prepaid, to Debtor and Mortgagor at the address shown at the end of this agreement, or such other address of Debtor and Mortgagor as may then appear on the records of the Mortgagee at least 5 days before the time of the sale, disposition or other event or thing giving rise to the required notice. Mortgagee may enter upon any premises on which the Property may be situated and remove the same therefrom without legal process. Mortgagee may require Mortgagor to assemble the Property and make it available to Mortgagee at a place designated by Mortgagee which is reasonably convenient.

4.6 Debtor and Mortgagor hereby waive all rights of Debtor and Mortgagor and all other persons or entities claiming by, under or through Debtor and Mortgagor to any appraisal, valuation, redemption and exemption laws, and any obligation of the Mortgagee to obtain any appraisal or valuation of the Property.

4.7 Mortgagee is hereby authorized, but shall not have the obligation, to exercise any and all rights with respect to any Property as provided hereunder. Debtor and Mortgagor agree that the Mortgagee shall have no obligation to look to or realize upon the Property for payment of any of the Liabilities, or to protect, preserve or care for the Property including preserving any rights of prior parties in the Property in any manner whatsoever, or to marshall any assets for application in favor of the Debtor or Mortgagor or against any of the Liabilities, and that the Liabilities shall not be affected or impaired by the acceptance at any time by the Mortgagee of any additional Property for any of the Liabilities. The Mortgagee shall have no obligation to exercise any of its rights or remedies with regard to the Property or any other property of the Debtor or Mortgagor for the payment of any of the Liabilities.

4.8 The Mortgagee shall have no obligation at any time to resort to the Debtor or any Guarantor, other persons, corporations, their properties or estates, other security, property, liens or other rights or remedies prior to enforcing the rights of the Mortgagee hereunder against the Property.

4.9 Debtor and Mortgagor waive notice of the acceptance of this agreement; the existence or creation of any and all of the Liabilities; presentment, demand, notice of dishonor, protest, and any other notices; every defense, set-off and counterclaim which Debtor or Mortgagor have now or in the future against the Mortgagee in connection with the enforcement of this agreement; and all diligence by the Mortgagee in the collection, protection, or realization upon the Property or the Liabilities.

4.10 Mortgagee at any time and from time to time, without notice to anyone, may agree to, permit, take the following actions or omit to take the following actions, and in no manner shall the Liabilities or the rights of the Mortgagee in the Property be affected or impaired by, (i) any renewal, extension, waiver, release, indulgence, exchange, substitution, amendment, change, sale, pledge, subordination, compromise, surrender or other disposition of any of the Property or Liabilities, or both; (ii) acceptance of any Guarantor at any time; (iii) the Mortgagee's failure, omission or neglect to enforce or realize upon or exercise any of the Mortgagee rights or remedies under any of the Liabilities or the Property (iv) the Mortgagee's failure to protect, preserve, seize, or exercise any right to, or lien on, or security interest in any cash, credits, deposits, accounts, securities, dividends, distributions, instruments, documents, money or other property of the Debtor or Mortgagor or any Guarantor, in the possession, custody or control of the Mortgagee for purposes of reducing the Liabilities; (v) the Mortgagee's election of the application of Section 1111(b)(2) of the Mortgagee Code, as amended from time to time, (11 U.S.C. Sec. 101 et seq.) (the "Mortgagee Code"); (vi) any borrowing or grant of a security interest under Section 364 of the Mortgagee Code; (vii) set-off, appropriation and application without demand or notice to anyone, toward the payment of any of the Liabilities and in such order of application as the Mortgagee may from time to time elect, of any cash, credits, deposits, accounts, securities, dividends, distributions, instruments, documents, money or any other property of Debtor or Mortgagor or any Guarantor in the possession, custody or control of the Mortgagee for any purpose; or (viii) any other circumstances which might or would be a legal or equitable counterclaim, defense or discharge of Debtor or Mortgagor or any Guarantor.

4.11 The use of the word Debtor in the singular form shall include the plural form. Each such Debtor and Mortgagor shall be jointly and severally obligated hereunder. This agreement shall be binding upon each Debtor and Mortgagor and upon their respective heirs, estates, legal representatives, successors and assigns and shall inure to the benefit of the Mortgagee and its successors and assigns.

4.12 Debtor and Mortgagor acknowledge that this agreement is being accepted by the Mortgagee in partial consideration of Mortgagee's right to enforce in the State of Illinois, the County of Cook, the terms and provisions hereunder and all related documents and agreements delivered to Mortgagee in connection with the Liabilities; Debtor and Mortgagor consent to jurisdiction in, and construction under the laws of the State of Illinois and venue in the County of Cook for such purposes; Debtor and Mortgagor waive any and all rights to contest jurisdiction and venue of the State of Illinois, and County of Cook over Debtor or Mortgagor for the purposes of enforcing this agreement and any instruments or agreements delivered to Mortgagee in connection with the Liabilities. Debtor and Mortgagor waive any and all rights to commence any action, whether by complaint, counter-complaint or cross-complaint or counterclaim with respect to the Liabilities against the Mortgagee in any jurisdiction other than in the State of Illinois and in the County of Cook. The Debtor and Mortgagor waive all rights to trial by jury. Where the location of the Property requires the application of the procedural laws of any other state, territory or foreign country, the security interest granted Mortgagee by Mortgagor shall include all rights and interests allowed or required of Mortgagee in those locations. The security interest granted Mortgagee by Mortgagor shall be ongoing and continuous until this agreement is terminated as provided herein.

4.13 No delay or omission on the part of the Mortgagee in exercising any right or remedy hereunder shall operate as a waiver of such right or remedy. A waiver on any one occasion shall not be construed as a bar to or waiver of any such right or remedy in the future, and no waiver shall be deemed to have been made, unless such waiver is in writing and signed by an authorized officer of the Mortgagee No single or partial exercise of any right or remedy by the Mortgagee shall preclude the exercise of other rights or remedies, and all such rights and remedies may be exercised at such times and in such order as Mortgagee may determine and shall be cumulative and none mutually exclusive. No action or failure to act in any manner by the Mortgagee shall in any manner impair or affect the Liabilities. Mortgagor hereby irrevocably authorizes the Mortgagee to fill in at any time any blank spaces in this agreement, including the date of this agreement.

4.14 Wherever possible each provision of this agreement shall be interpreted in such manner as to be effective and valid under applicable law. If any provision of this agreement is prohibited by or determined to be invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without affecting or invalidating the remaining provisions of this agreement. This agreement may not be amended, altered, modified or changed, except in writing signed by the parties hereto.

4.15 Debtor agrees to pay Mortgagee from time to time upon demand the reasonable cost to Mortgagee for supervising and servicing Debtor's Liabilities and the Property including employment of an outside servicing company, and the making and maintenance by Mortgagee or its designated agents of records in connection therewith, as well as the costs and fees incurred by Mortgagee in causing the books and records of Mortgagor to be reviewed by accountants

employed by Mortgagee in accordance with this agreement. Each such cost shall be considered Liabilities and shall be secured by the security interest herein granted. Debtor agrees to pay Mortgagee from time to time, upon demand, all attorneys' and paralegals' fees in connection with perfecting the Mortgagee's security interests and rights hereunder, advising the Mortgagee or drafting any documents at any time, which relate to the Liabilities or the Premises and Property.

4.16 Each and all of the terms hereof shall govern and apply to each and all of Debtor's and Mortgagor's Liabilities to Mortgagee previously incurred, and to any and all Property therefor, to the same extent as though such Liabilities had been made and the Property therefor assigned, transferred and delivered subsequent to the date of this Mortgage and Security Agreement.

4.17 The proceeds of any foreclosure sale 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 the items that are mentioned in the immediately preceding paragraph; second, all other items which under the terms of this Mortgage and Security Agreement constitute indebtedness secured by this Mortgage and Security Agreement additional to that evidenced by the Note, with interest thereon as herein provided; third, all principal and interest remaining unpaid on the Note and the Liabilities (first to interest and then to principal); fourth, any surplus to Mortgagor or Mortgagor's legal representatives, successors or assigns, as their rights may appear.

4.18 No action for the enforcement of the lien or of any provision of this Mortgage and Security Agreement shall be subject to any defense which would not be good and available to the party interposing the same in an action at law upon the Note.

DEFINITIONS

5.1. "Liabilities" means any and all liabilities, obligations and indebtedness of Mortgagor and of the Debtor or any Guarantor for the LIABILITIES (as defined in the Note), and of any other liabilities, obligations and indebtedness of the Mortgagor or the Debtor or any Guarantor to the Mortgagee, whether heretofore, now or hereafter owing or arising, due or payable, howsoever created, arising or evidenced, whether direct or indirect, absolute or contingent, primary or secondary, joint or several, whether existing or arising, through discount, overdraft, purchase, direct loan, by operation of law or otherwise, together with attorneys' and paralegals' fees relating to the Mortgagee's rights, remedies and security interests hereunder, including advising the Mortgagee or drafting any documents for the Mortgagee at any time.

5.2. This Mortgage and Security Agreement and all provisions hereof shall extend to and be binding upon Mortgagor and all persons or parties claiming by, under or through Mortgagor. The word "Mortgagee" includes the successors and assigns of Mortgagee.

MISCELLANEOUS

6.1 Mortgagee shall release this Mortgage and Security Agreement by a proper release after payment and satisfaction in full of the Note and all Liabilities.

6.2 IN THE EVENT THE MORTGAGOR IS A CORPORATE TRUSTEE OR A CORPORATION, MORTGAGOR HEREBY WAIVES ANY AND ALL RIGHTS OF REDEMPTION FROM SALE UNDER ANY ORDER OR JUDGMENT OF FORECLOSURE OF THIS MORTGAGE AND SECURITY AGREEMENT, ON ITS OWN BEHALF AND ON BEHALF OF EACH AND EVERY PERSON, EXCEPT JUDGMENT CREDITORS OF THE MORTGAGOR, ACQUIRING ANY INTEREST IN OR TITLE TO THE PREMISES AS OF OR SUBSEQUENT TO THE DATE OF THIS MORTGAGE AND SECURITY AGREEMENT.

6.3 In the event this Mortgage and Security Agreement is executed by a corporate land trustee, then this Mortgage and Security Agreement is executed by the undersigned, not personally, but as Trustee in the exercise of the power and authority conferred upon and vested in it as such Trustee, and insofar as said Trustee is concerned, is payable only out of the trust estate which in part is securing the payment hereof and through enforcement of the provisions of any other collateral or guaranty from time to time securing payment hereof; no personal liability shall be asserted or be enforceable against the undersigned, as Trustee, because or in respect of this Mortgage and Security Agreement or the making, issue or transfer thereof, all such personal liability of said Trustee, if any, being expressly waived in any manner.

6.4 This Mortgage and Security Agreement has been made, executed and delivered to Mortgagee in Des Plaines, Illinois and shall be construed in accordance with the laws of the State of Illinois. Wherever possible, each provision of this Mortgage and Security Agreement shall be interpreted in such manner as to be effective and valid under applicable law. If any provisions of this Mortgage and Security Agreement are prohibited by or determined to be invalid under applicable law, such provisions shall be ineffective to the extent of such prohibitions or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Mortgage and Security Agreement.

WITNESS the hand and seal of Mortgagor the day and year set forth above.

MID-MISSOURI SANITATION COMPANY,
a Missouri Corporation, individually, and
doing business as North Suburban Public
Utility Company

By: Vernon Stump
Its: President

Attest: Robert P. Stump
Its: Vice President

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Agreed to and Accepted this 19th day of September, 1986.

Vernon L. Stump
VERNON L. STUMP

Robert P. Schwermann
ROBERT P. SCHWERMANN

Gregory Mattli
GREGORY MATTLI

This Document was Prepared By:

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COOK COUNTY, ILLINOIS
FILED FOR RECORD

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STATE OF ILLINOIS

COUNTY OF Cook

I, PAULA A. HOPPE, a Notary Public in and for said County in the State aforesaid, do hereby certify that VERNON L STUMP ~~Vice~~ President of ~~The First National Bank of Des Plaines, a National Banking Association~~ SANITATION COMPANY and ROBERT P SCHUERMANN Vice President of ~~The First National Bank of Des Plaines~~ a national banking association, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such, respectfully 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 ~~The First National Bank of Des Plaines, as Trustee~~ CHICAGO SANITARY COMPANY, for the uses and purposes therein set forth.

GIVEN under my hand and notary seal this 19th day of September, 1986.

Paula A Hoppe
NOTARY PUBLIC

My Commission Expires: 1/19/90

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Beginning at a point in Township Forty-Two (42), Range Twelve (12) East of the Third Principal Meridian in the County of Cook in the State of Illinois which said point lies at the southwest corner of the intersection of Central Road with the right-of-way of the Chicago and Northwestern Railway running; thence West to the intersection of Central Road and East River Road; thence South on East River Road to the intersection of East River Road and Golf Road; thence East on Golf Road to the intersection of Golf Road and the Tri-State Highway (294); thence to University Street; thence East on University Street to the City Limits of Des Plaines; thence Southeasterly on the Des Plaines City Limits boundary to the intersection of Lyman Street and the Des Plaines City Limits; thence South on Lyman Street to the intersection of Lyman and Church Street; thence East on Church to the intersection of Good Avenue and Church Street; thence North on Good Avenue to the intersection of Good Avenue and Emerson; thence East on Emerson to the intersection of Emerson and Potter Road; thence South on Potter Road to the intersection of Potter Road and Dempster Street; thence West on Dempster Street to the intersection of Dempster Street and Greenwood Avenue; thence South on Greenwood Avenue to the intersection of Greenwood Avenue and Roseview Drive; thence East on Roseview Drive to the intersection of Roseview Drive and Cumberland Avenue; thence North on Cumberland Avenue to the intersection of Dempster Street, thence West on Dempster Street to the intersection of Dempster Street and Grace; thence North on Grace to the Northeast corner of the intersection of Grace and Oak Avenue; thence West on Oak Avenue to the intersection of Oak Avenue and Greenwood Avenue; thence North on Greenwood Avenue to the intersection of Greenwood Avenue and Ballard Road; thence East on Ballard Road to the intersection of Ballard Road and Cumberland Avenue; thence North on Cumberland Avenue to the intersection of Cumberland Avenue and Davis Street; thence West on Davis Street to the intersection of Davis Street and Chester Avenue; thence North on Chester Avenue to the intersection of Chester Avenue and Church Street; thence West on Church Street to the intersection of Church Street and Greenwood Avenue; thence North on Greenwood Avenue to the intersection of Greenwood Avenue and Golf Road; thence East on Golf Road to the intersection of Golf Road and Northwest boundary of the Northeast 1/4 of the Northeast 1/4 of the North 1/2 of Section 14, Township 41, and following said boundary to its intersection at Golf Road and Washington Avenue; thence East on Golf Road to the City Limits of Glenview; thence North and West on the Glenview City Limits, to the common intersection of the Glenview City Limits, Harrison Street and Crescent Drive; thence South on Crescent Drive to the intersection of Crescent Drive and Golf Road; thence West on Golf Road 667 feet more or less; thence North 1326 feet more or less;

EXHIBIT A

86448235

thence East on Maynard Road to the intersection of Maynard and Greenwood Avenue; thence South on Greenwood Avenue to the intersection of Maynard Road and Gregory Lane; thence Northwesterly on Gregory to the intersection of Gregory Avenue and North Shore; thence West on North Shore continuing westerly to the North-South center line of Section 10 in Township 41; thence North on the center line of Section 10, Township 41 to its intersection with Central Road; thence East on Central Road to the intersection of Central Road and Milwaukee Avenue; thence Northwest on Milwaukee Avenue to the intersection of Milwaukee Avenue and the right-of-way of the Chicago and Northwestern Railway; thence Southwesterly on the Chicago and Northwestern Railway to the point of beginning, all in Cook County, Illinois.

86448235

EXHIBIT A

DOMESTIC UTILITIES SERVICE COMPANY
RECORDED EASEMENTS

8 6 4 4 8 2 3

REFERENCE	GRANTOR	DATE RECORDED	RECORDING NUMBER
Oak Lane	Alvin & E. Barbara Nicpon	Nov. 14, 1979	25240638
Oak Lane	Marvin & Patricia Holman	Nov. 14, 1979	25240637
Oak Lane	Stanley M. & Blanche R. Orsi	Nov. 14, 1979	25240639
Glen Estates	FNB Des Plaines Trust #13771377	May 21, 1986	B3534593
Abbey Lake Townhouses	Ballard Square Limited	Dec. 9, 1985	B3534584
Bella Subdivision	Nick LaBellarte	Dec. 9, 1985	B3534585
Glen Ayre Subdivision	Glen Ayre Estates, Inc.	Dec. 9, 1985	B3534583
Zenith Drive	Paul W. Berezny, Jr.	Dec. 9, 1985	B3534582
Bob Evans Restaurant	Bob Evans Farms, Inc.	April 25, 1983	26581057
Bern Builders	Cosmopolitan National Bank of Chicago T/U/T 23238	Dec. 23, 1982	26447232
Triumvera	Triumvera, Inc.	Feb. 8, 1982	B3534498
Timberline Acres	Benedetto & Catherine Gumino	Sept. 17, 1976	23640369
Landings	Bern Builders, Inc.	April 21, 1976	23458455
Reding Sewer	Mary Ann Reding	April 5, 1976	B3534282
Green Lake Apts.	American National Bank & Trust #76772	April 5, 1976	B3534284
Dempster St. Apts.	V.B. Smigel & Assoc., Inc.	Dec. 16, 1974	22936750
LaCasa Blanco	Chicago Title & Trust	April 26, 1976	23461844
LaCasa Blanco	La Casa Blanco Estates	April 21, 1976	23458454
Carl Davis Apts.	National Bank of Austin Trust #4847	July 2, 1970	2510258
Ballard - Greenwood	Shoreline Builders, co.	May 29, 1957	17058932
Dempster 12" Line	Noel Foss	May 28, 1974	22730842
Hospital	Lutheran General & Deaconess Hospital	June 10, 1974	22743470
School Dist. #63	Trustees of School Dist. #63 Maine Township	July 17, 1973	22401199
J C Penney	J C Penney's Properties, Inc.	April 27, 1973	22303824
Commonwealth Edison	Commonwealth Edison Co.	Aug. 20, 1973	22444576

86448235

EXHIBIT B

REFERENCE	GRANTOR	DATE RECORDED	RECORDING NUMBER
Elms Garden Terrace	Elms Garden Estates Homeowners Association	July 6, 1973	22389233
"	" " "	April 11, 1973	22285262
"	" " "	May 7, 1973	22315380
"	" " "	June 12, 1973	22357339
"	" " "	April 2, 1973	22270939
"	" " "	April 2, 1973	22270936
"	" " "	June 12, 1973	22357338
"	" " "	May 7, 1973	22315381
"	" " "	June 12, 1973	22357337
"	" " "	April 2, 1973	22270937
"	" " "	April 11, 1973	22285261
"	" " "	July 6, 1973	22389235
"	" " "	April 18, 1973	22293870
"	" " "	July 6, 1973	22389234
"	" " "	April 2, 1973	22270938
"	" " "	July 6, 1973	22389427
	Investment Builders, Inc.	July 26, 1972	21989646
Ballard Acres	Ballard Acres Civic Assoc.	May 17, 1974	22720694
Ballard Acres	Ballard Acres Civic Assoc.	May 17, 1974	22720686
"	Glen & Wilma Wood	May 17, 1974	22270698
"	Ballard Acres Civic Assoc.	May 17, 1974	22720692
"	" "	May 17, 1974	22720693
"	" "	May 17, 1974	22720687
"	" "	May 17, 1974	22720697
"	" "	May 17, 1974	22270685
"	" "	May 17, 1974	22720688
"	" "	May 17, 1974	22720689
"	" "	May 17, 1974	22720695
"	" "	May 17, 1974	22720690
"	" "	May 17, 1974	22720696
"	" "	May 17, 1974	22720691
School Dist.	Board of Education District #63	March 16, 1971	21422481
	Golf Main Park District	Nov. 16, 1970	21317826
	Marcus & Irene Schmidt	May 17, 1972	21906183

86449235

EXHIBIT B

REFERENCE	GRANTOR	DATE RECORDED	RECORDING NUMBER
	Charles Rodgers	May 17, 1972	21906188
	Vernette & Elsa Peterson	May 17, 1972	21906184
	E. Koeg	May 17, 1972	21906187
	Kenneth Holgate	May 17, 1972	21906186
	Harry Gradolis	Nov. 12, 1965	19648526
	Harry Chaveriat	Feb. 5, 1965	19376162
	Fred & Helen Broberg	Nov. 16, 1970	21317827
	Joseph Bonadeo	May 17, 1972	21906185
	Arthur Viner Arkuba - Greenwood	Sept. 29, 1969	20970782
Interconnect	Commonwealth Edison Co.	Feb.22, 1971	21402296
Golf Park Terrace	M. Susor & Associates	Feb. 5, 1965	19376159
Chesterfield Glenview Homes	Chesterfield Glenview Homes, Inc.	Feb. 5, 1965	19376155
Glenview Terrace	Glenview Terrace Development Company	Feb. 5, 1965	19376158
Eugenia	Vicarr Developers, Inc.	April 22, 1971	21456484
Greenwood Ave.	Origer & Davis Builders, Inc.	Sept. 22, 1964	19251301
	Schroeder, Becker & Pfau	Dec. 4, 1964	19325281
William Alter Subdivision	George & Katherine Miller	May 8, 1963	18790758
9301 Potter Rd.	North Maine Fire Protection District	May 24, 1971	21532327
Villa Fontana	American National Bank	Sept. 14, 1973	22478711
Ballard Rd.	Bernard & Helen Kloepter	Nov. 12, 1965	19648537
Twin Oaks	Maine Township Sewer Co.	Nov. 12, 1965	19648532
"	" "	Nov. 12, 1965	19648533
Ballard Gardens	Shoreline Builders	Nov. 12, 1965	19648528
Meadow Ln.	Cosmopolitan National Bank	Nov. 6, 1964	19295793
Maine Manor	Shoreline Builders	Nov. 12, 1965	19648531
Meadows Ln.	Oak View Builders	Nov. 12, 1965	19648529
St. Francis Cabrini	Missionary Sisters of Sacred Heart	Aug. 5, 1965	19549086
Greenwood Ave. Sewer Co.	Greenwood Avenue Sewer Co.	Feb. 5,1 965	19376163
Maine Twnsp. Sewer Co.	Maine Township Sewer Co.	Nov. 12, 1965	19648539

EXHIBIT B

86448235

DOMESTIC UTILITIES SERVICE COMPANY

UNRECORDED EASEMENTS

REFERENCE	GRANTOR	DATE	DUSCO FILE NUMBER
Bay Colony	Thomas J. Driger	Dec. 5, 1978	190
	Edward Taley	Dec. 22, 1974	184
Golfwood Plz Shopping Cntr.	American National Bank & Trust #22779	Dec. 31, 1973	177
Dempster 12" Line	Saint Isaac Joques Parish	July 25, 1973	174
	Maine Township High School District 207	Feb. 18, 1971	159
	Roger Erickson	Sept. 4, 1970	155
Greenwood Terrace	Arthur Viner	July 31, 1969	154
Fairway Trace	Kassuba Development	March 21, 1972	152
Lake Mary Anne	John & Mary Anne Rering	June 10, 1967	139
	Trustees of Schools Twonship 41	Aug. 13, 1966	138
	Frank E. Lindblad Const. Co.	July 12, 1967	137
Goettsches Subdivision	Davis Builders, Inc.	May 4, 1967	136
	George Wroblaski	Sept. 1, 1958	87
	Joseph Terzo	June 6, 1967	84
	Jean & Jeanette Titus	Sept. 25, 1967	83
	Axel H. Swenson	July 9, 1958	82
	Doris Smith	May 3., 1957	81
	Laura & Ernest Simmons	Nov. 18, 1957	80
	Olga Schaetzke	Sept. , 1967	79
	Rudolph & Augusta Milo	Sept. 25, 1967	74
	Ralph Menotti & Alfred Testo	May 2, 1957	73
	Nancy Mendrys	Jan. 18, 1957	72
	Ingeborg & Magne Moi	Sept. 26, 1957	71
	W.J. & Clarissa Ludwig	Dec. 28, 1961	70
	Wallace E. & Margaret Krueger	Jan. 31, 1957	68
	Joseph Kot	Nov. 18, 1957	66
	Harry Keper	Jan. 31, 1957	65
	Walter & Edna Karnatz	July 8, 1958	64
	Erik & Grace Johnson	Sept. , 1967	63
	Francis Hansen	Sept. , 1967	62

EXHIBIT B

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REFERENCE	GRANTOR	DATE	DUSCO FILE NUMBER
	John & Lila Hangey	Sept. 25, 1967	61
	Oliver Dietrich	April 28, 1957	57
	Frank & Gladys Culhane	July 8, 1958	56
	John & Irene Cleybergh	Sept. , 1967	55
	Charles R. Brown	Jan. 31, 1957	54
	Raymond Blauw	Jan. 31, 1957	52
	M.C. Anderson	July 8, 1960	51
	Arthur Becker & Joseph Pfau	Nov. 27, 1964	114
	Dorothy & Martha Schroeder	Nov. 27, 1964	114
	Roy & Candace Simonson	Jan. 16, 1964	112
	John & Mary Bieniasz	Jan. 16, 1964	112
	Lawrence & Hazel Madary	Jan. 16, 1964	112
Ballard & Potter Rds.	Exchange National Bank	Dec. 31, 1969	146
Sherri Park West	Morris Suson	Dec. 12, 1966	132
North Shore Estates	North Shore Estates	Dec. 31, 1966	133
Sherri Park South	Morris Suson	Dec. 31, 9166	134
Sherri Park East	Morris Suson	Dec. 31, 1966	130
Key West Apts.	Morris Suson	Dec. 31, 1966	129
Colonial Ridge	Colonial Ridge Homes, Inc.	Dec. 31, 1965	126

86448235

EXHIBIT B

Water Well and Storage Facilities

Well 1 850 gpm Byron-Jackson submersible pump with
250 HP electric motor
50 HP booster pump
Chlorination system
Phosphate system
All associated valves, meters, pumps and buildings
1415 feet deep, 16" diameter, yield 1,224,000 gal/day

Well 2 1250 gpm Layne Western 14 stage pump with
400 HP electric motor
Chlorination system
Phosphate system
All associated valves, meters, pumps and buildings
1402 feet deep, 16" diameter, yield 1,800,000 gal/day

Well 3 1250 gpm Byron Jackson submersible pump with
300 HP electric motor
Chlorination system
Phosphate system
All associated valves, meters, pumps and buildings
1423 feet deep, 16" diameter, yield 1,800,000 gal/day

100,000 gal steel elevated storage tank, 135' tall, 28' diameter

250,000 gal ground storage tank, 35' high, 35' diameter with
booster pump

750,000 gal steel elevated storage tank 132' high, 64' diameter

EXHIBIT C

Equipment, Vehicles, Pipes, Parts, and Supplies

Equipment
- Ford Backhoe
- Compressor, trailer mounted
- 2 Homelite water pumps
- Hand tools located in vehicles in warehouse

Vehicles
- Van, Emergency Vehicles
- Ford Pickup
- Dump Truck

All Parts & Supplies

EXHIBIT C

Water Lines, Water Meters, Water Valves, Services and Fire Hydrants

Item	Size	Number
Meters & Services	3/4"	3152
	1"	36
	2"	159
	1 1/4"	19
	3"	50
	4"	18
	6"	7
	8"	1
	10"	1
Fire Hydrants	5"	495
Transmission Mains		
Cast Iron	12"	7925'
	8"	29615'
	6"	93050'
	4"	5284'
	3"	4858'
	2"	662'
Ductile Iron	16"	7434'
	12"	23093'
	10"	12560'
	8"	44767'
	6"	22731'
	4"	519'
	2"	660'

Combined total footage in miles = 47.95

Valves--all valves as shown on Domestic Utility Services Company Area Map.

Locations of valves and mains as shown in Domestic Utility Services Company Area Map.

All additional valves, transmission lines, fire hydrants, meters, and services added to DUSCO system from December 31, 1984 to time of closing.

EXHIBIT C

Sewer Lines and Manholes

Item	Size	Number
Reinforced Concrete	24"	3185
VCP extra strength	18"	6110
VCP extra strength	15"	365
VCP extra strength	12"	15198
VCP extra strength	10"	4892
VCP regular strength	8"	58221
VCP regular strength	6"	5490
Armco Truss Pipe	10"	827
Armco Truss Pipe	8"	3505
Armco Truss Pipe	6"	1184
Manholes	48"	397

Locations of sewer lines and manholes are as shown on Domestic Utility Services Company Sanitary Sewer System map.

All additional sewer lines and manholes added to DUSCO system from December 11, 1984 to time of closing.

EXHIBIT C