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This instrument was prepared by: Pamela J. Cala, Esquire
Return after recording to: Colton and Boykin
1025 Thomas Jefferson St., N.W.
Suite 500
Washington, D.C. 20007

COLLATERAL ASSIGNMENT OF LEASES AND RENTS

THIS ASSIGNMENT, is made this 17th day of June, 1986, by CHICAGO TITLE AND TRUST COMPANY, an Illinois corporation, not individually but as Land Trustee under Trust Agreement dated November 7, 1984 and known as Trust Number 1086353 and SOUTHLAWN PALMS APARTMENTS, a Texas general partnership (collectively, the "Assignor"), to DRG FUNDING CORPORATION, a Delaware corporation (the "Assignee").

W I T N E S S E T H:

That the Assignor, for good and valuable consideration, receipt whereof is hereby acknowledged, hereby grants, transfers and assigns to the Assignee the Assignor's entire interest in and to all leases and all rents of certain premises commonly known as Martin Luther King, Jr. Plaza Apartments, the legal description of which is set forth in Exhibit "A" (the "Project"), attached hereto and incorporated herein by reference.

This Assignment is made for the purpose of securing:

A. The payment of the principal sum, interest and indebtedness evidenced by a certain Mortgage Note (the "Note"), dated of even date, in the original principal sum of Three Million Five Hundred Thousand and No/100 Dollars ($3,500,000.00), and any amendments, extensions or renewals thereof, made by the Assignor to the Assignee, and secured by a certain Mortgage (the "Mortgage"), dated of even date. The Mortgage encumbers the Project.

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B. Payment of all other sums, with interest thereon, becoming due and payable to the Assignee under the provisions of this Assignment or of the Note and Mortgage, executed in connection with the loan and dated of even date.

C. The performance and discharge of each and every obligation, covenant and agreement of the Assignor contained herein, and in the Note and Mortgage.

The Assignor covenants with the Assignee to observe and perform all of the obligations imposed upon the Assignor under leases assigned hereby and not to do or permit to be done anything to impair the security thereof; not to collect any of the rent, issues, income or profits arising from the Project more than thirty (30) days in advance of the time when the same shall become due without notice to Assignee; not to execute any other assignment of Assignor's interest in leases or assignments of rents of or from the Project; not to subordinate any leases or right to receive rents to any encumbrance, or permit, consent or agree to such subordination without Assignee's prior written consent; not to alter, modify or change the terms of any lease having an unexpired term of more than one (1) year, or give any consent or exercise any option required or permitted by such terms without prior written notice to Assignee, or cancel or terminate any such lease, or accept a surrender thereof, or convey or transfer, or suffer or permit a conveyance or transfer of, the Project demised thereby, or of any interest therein, so as to effect, directly or indirectly, proximately or remotely, a

merger of the estates and rights of, or a termination or diminution of the obligations of, any lessee thereunder; not to alter, modify or change the terms of any guaranty of any lease having an unexpired term of more than one (1) year, or cancel or terminate such guaranty without written notice to the Assignee; not to consent to any assignment or subletting under any lease having an unexpired term of more than one (1) year, whether or not in accordance with its terms, without written notice to the Assignee; at the Assignee's request to assign and transfer to the Assignee any and all subsequent leases upon all or any part of the Project, and to execute and deliver at the request of the Assignee all such further assurances and assignments as the Assignee shall from time to time require.

This Assignment is made on the following terms, covenants and conditions:

1. So long as there shall exist no default by the Assignor in the payment of the principal sum, interest and indebtedness secured hereby and by the Note and Mortgage, or in the performance of any obligation, covenant or agreement herein or in the Note and Mortgage contained on the part of the Assignor to be performed, the Assignor shall have the right to collect, at the time of, or not more than thirty (30) days in advance of (without notice to Assignee), the date provided for the payment thereof, all rents arising from the Project, and to retain, use and enjoy the same.

2. Upon or at any time after default, which is not cured within the applicable cure periods, if any, in the payment of the principal sum, interest and indebtedness secured hereby and by the Note and Mortgage, or in the performance of any obligation, covenant or agreement herein or in the Note and Mortgage contained on the part of the Assignor to be performed, the Assignee, without in any way waiving such default, may, at its option, with notice and without regard to the adequacy of the security for the said principal sum, interest and indebtedness secured hereby and by the Note and Mortgage, either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court, take possession of the Project and have, hold, manage, lease and operate the same on such terms and for such period of time as the Assignee may deem proper and, either with or without taking possession of the Project in its own name, demand, sue for or otherwise collect and receive all rents of the Project, including those past due and unpaid, with full power to make from time to time all alterations, renovations, repairs or replacements thereto or thereof as may seem proper to the Assignee, and to apply such rents to the payment of: (a) all expenses of managing the Project, including, but not limited to, the salaries, fees and wages of a managing agent and such other employees as the Assignee may deem necessary or desirable, and all expenses of operating and maintaining the Project, including, but not limited to, all taxes, charges, claims, assessments, water rents, sewer

rents and any other liens, and premiums for all insurance which the Assignee may deem necessary or desirable, and the cost of all alterations, renovations, repairs or replacements, and all expenses incident to taking and retaining possession of the Project; and (b) the principal sum, interest and indebtedness secured hereby, by the Note and Mortgage, together with all costs and reasonable attorney's fees, in such order of priority as to any of the items mentioned in this paragraph numbered "2" as the Assignee in its sole discretion may determine, any statute, law, custom or use to the contrary notwithstanding. The exercise by the Assignee of the option granted them in this paragraph numbered "2" and the collection of the rents and the application thereof as herein provided, shall not be considered a waiver of any default by the Assignor under the Note or Mortgage or this Assignment.

3. The Assignee shall not be liable for any loss sustained by the Assignor resulting from the Assignee's failure to let the Project after default or from any other act or omission of the Assignee in managing the Project after default. Nor shall the Assignee be obligated to perform or discharge, nor does the Assignee hereby undertake to perform or discharge, any obligation, duty or liability under any assigned leases or under or by reason of this Assignment, and the Assignor shall, and does hereby agree to, indemnify the Assignee for and to hold the Assignee harmless from any and all liability, loss or damage which may or might be incurred under any assigned leases, or

under or by reason of this Assignment, and from any and all claims and demands whatsoever which may be asserted against the Assignee by reason of any alleged obligations or undertakings on their part to perform, or discharge any of the terms, covenants or agreements contained in any assigned leases. Should the Assignee incur any such liability under any assigned leases, or under or by reason of this Assignment, or in defense of any such claim or demand, the amount thereof, including costs, expenses and reasonable attorneys' fees, shall be secured hereby, and the Assignor shall reimburse the Assignee therefor immediately upon demand; and upon the failure of the Assignor so to do, the Assignee may, at its option, declare all sums secured hereby and by said Note and Mortgage immediately due and payable. It is further understood that this Assignment shall not operate to place responsibility for the control, care, management or repair of the Project upon the Assignee, nor for the carrying out of any of the terms and conditions in any assigned leases, nor shall it operate to make the Assignee responsible or liable for any waste committed on the property by the tenants, occupants or any other parties, or for any dangerous or defective condition of the Project, or for any negligence in the management, upkeep, repair or control of the Project, resulting in loss or injury or death to any tenant, occupant, licensee, employee or stranger.

4. Upon payment in full of the principal sum, interest and indebtedness secured hereby and by the Note and Mortgage, this Assignment shall become and be void and of no effect, but

the affidavit or certificate of any officer, agent or attorney of the Assignee, showing any part of said principal, interest or indebtedness to remain unpaid, shall be and constitute evidence of the validity, effectiveness and continuing force of this Assignment, and any person may, and is hereby authorized to, rely thereon. The Assignor hereby authorizes and directs the tenant or occupant of the Project, upon receipt from the Assignee of written notice to the effect that the Assignee is then the holder of the Note and Mortgage and that a default exists thereunder or under this Assignment, to pay over to the Assignee all rents arising or accruing from the Project, and to continue so to do until otherwise notified by the Assignee. The Assignor will facilitate in all reasonable ways the Assignee's collection of the rent and upon request will execute a written notice to each tenant or occupant directing payment to the Assignee.

5. The Assignee may take or release other security for the payment of said principal sum, interest and indebtedness, may release any party primarily or secondarily liable therefor, and may apply any other security held by them to the satisfaction of such principal sum, interest or indebtedness, without prejudice to any of its rights under this Assignment.

6. The term "lease," as used herein, means any lease, rental arrangement, or other letting or rental hereby assigned, or, at the option of the Assignee, any extension or renewal thereof, and any lease or other rental arrangement subsequently executed during the term of this Assignment covering the Project or any part thereof.

7. Nothing contained in this Assignment, and no act done or omitted by the Assignee pursuant to the powers and rights granted it hereunder, shall be deemed to be a waiver by the Assignee of its rights and remedies under the Note and Mortgage, and this Assignment is made and accepted without prejudice to any of the rights and remedies possessed by the Assignee under the terms of the Note and Mortgage. The right of the Assignee to collect said principal sum, interest and indebtedness and to enforce any other security therefor held by it may be exercised by the Assignee either prior to, simultaneously with, or subsequent to any action taken by it hereunder.

8. It is understood that the Assignee may assign this instrument and upon such assignment the recipient and subsequent Assignee(s) shall have all of the rights and remedies with respect to the Assignor and the collateral as the original Assignee hereunder.

9. In the case of any conflict between the terms of this instrument and the terms of the Mortgage, the terms of the Mortgage shall prevail.

10. The term "default," as used herein, shall mean a default as that term may be defined in the Mortgage.

11. This Assignment, together with the covenants and warranties herein contained, shall inure to the benefit of the Assignee, and any subsequent holder of the Note and Mortgage, and shall be binding upon the Assignor, its successors and assigns, and any subsequent owner of the Project.

12. The obligations of the Assignor hereunder are subject to the limitations on personal liability of the Assignor and its general and limited partners as set forth in the Note and Mortgage.

See Rider attached hereto and made a part hereof.

IN WITNESS WHEREOF, the Assignor and Assignee have caused this Assignment to be executed, effective as of the date first above written.

ASSIGNOR:

CHICAGO TITLE AND TRUST COMPANY, an Illinois corporation, not individually but as Trustee under Land Trust Number 1086353.

ATTEST:

Assistant Secretary

By: Monica Sanders

Its: ASST. VICE PRESIDENT

WITNESS:

SOUTHLAWN PALMS APARTMENTS, a Texas general partnership

By: ABI, LTD., a California general partnership, General Partner

By: Paul Becker
PAUL BECKER
General Partner

ASSIGNEE:

DRG FUNDING CORPORATION, a Delaware corporation

ATTEST:

CALVIN W. TROUP
Assistant Secretary

By: James C. Latta, Jr.
JAMES C. LATTA, JR.
Executive Vice President

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It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the warranties, indemnities, representations, covenants, undertakings and agreements herein made on the part of the Trustee while in form purporting to be warranties, indemnities, representations, covenants, undertakings and agreements of said Trustee are nevertheless each and every one of them, made and intended not as personal warranties, indemnities, representations, covenants, undertakings and agreements by the Trustee or for the purpose or with the intention of binding said Trustee personally but are made and intended for the purpose of binding only that portion of the trust property specifically described herein, and this instrument is executed and delivered by said trustee not in its own right, but solely in the exercise of the powers conferred upon it as such Trustee; and that no personal liability or personal responsibility is assumed by nor shall at any time be asserted or enforceable against the Chicago Title and Trust Company or any of the beneficiaries under said Trust Agreement, on account of this instrument or on account of any warranty, indemnity, representation, covenant, undertaking or agreement of the said Trustee in this instrument contained, either expressed or implied, all such personal liability, if any, being expressly waived and released.

DISTRICT OF COLUMBIA) ss:

I Hereby Certify That on this 16th day of June, 1986, before me, the subscriber, a Notary Public of the District of Columbia, personally appeared James C. Latta, Jr., who acknowledged himself to be the Executive Vice President of DRG Funding Corporation, a corporation, and on behalf of said corporation did acknowledge that he, as such Executive Vice President being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Executive Vice President.

As Witness: my hand and notarial seal.

Linda T. Drustrup
Notary Public

(SEAL)

My Commission Expires:

LINDA T. DRUSTRUP
NOTARY PUBLIC
My Commission Expires July 14, 1989

STATE OF ILLINOIS)
) SS:
COUNTY OF Cook)

I, Jo Anne M Bennis, a Notary Public, in and for said County, in the State aforesaid, do hereby certify that PAUL BECKER personally known to me to be the same person whose name is subscribed to the foregoing instrument as a General Partner of ABI, LTD. a California general partnership, a General Partner of Southlawn Apartments, a Texas general partnership appeared before me this day in person and acknowledged that he, being thereunto duly authorized, signed and delivered the said instrument as the free and voluntary act of said general partnership, as General Partner of Southlawn Palms Apartments, and as his own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal, this 17 day of June, 1986.

Jo Anne M Bennis
Notary Public

My commission expires:
11/2/87

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STATE OF ILLINOIS, }
COUNTY OF COOK } SS.

I, the undersigned, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY, that the above named Assistant Vice President and Assistant Secretary of the CHICAGO TITLE AND TRUST COMPANY, Grantor, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Assistant 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 for the uses and purposes therein set forth; and the said Assistant Secretary then and there acknowledged that said Assistant Secretary, as custodian of the corporate seal of said Company, caused the corporate seal of said Company to be affixed to said instrument as said Assistant Secretary's own free and voluntary act and as the free and voluntary act of said Company for the uses and purposes therein set forth.

JUN 17 1986

Given under my hand and Notarial Seal Date

86246314

Notary Public

My Commission Expires

Form 1329

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RIDER TO
COLLATERAL ASSIGNMENT OF LEASES AND RENTS
DATED: June 17, 1986

Attached to and made a part of that instrument executed by CHICAGO TITLE AND TRUST COMPANY, an Illinois corporation, as Trustee under Trust Agreement dated November 7, 1984 and known as Trust No. 1086353.

This Document is executed by CHICAGO TITLE AND TRUST COMPANY, not personally, but as Trustee under Trust Agreement dated November 7, 1984 and known as Trust No. 1086353, in the exercise of the power and authority conferred upon and vested in said Trustee as such, and it is expressly understood and agreed that nothing contained in this Instrument shall be construed as creating any monetary liability on said Trustee personally to pay any indebtedness accruing thereunder, or any personal monetary liability on said Trustee with respect to the performance of any warranty or covenant, either expressed or implied in said Instrument (all such personal monetary liability, if any, being expressly waived by the parties hereto and by every person now or hereafter claiming any right or security thereunder) except that the said Trustee shall be liable for funds or property of the project coming into its hands which, by the provisions of the Regulatory Agreement of even date among CHICAGO TITLE AND TRUST COMPANY (Trustee), SOUTHLAWN PALMS APARTMENTS (Beneficiary) and DRG FUNDING CORPORATION, it is not entitled to retain.

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EXHIBIT A

PARCEL 1:

LOTS 26 THROUGH 36 (EXCEPT THE SOUTH 10 FEET OF SAID LOTS 26 THROUGH 36) IN BLOCK 4 IN PECK'S SUBDIVISION RECORDED AS DOCUMENT 47861 OF THE WEST 19.48 ACRES OF THAT PART OF THE SOUTH EAST 1/4 OF THE SOUTH EAST 1/4 OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTH OF LAKE STREET IN COOK COUNTY, ILLINOIS.

ALSO

PARCEL 2:

LOTS 1 THROUGH 5 (EXCEPT THE SOUTH 10 FEET OF SAID LOTS 1 THROUGH 5) IN PETER FAHRNEY'S SUBDIVISION RECORDED AS DOCUMENT 3001583 OF LOTS 37 TO 40 IN BLOCK 4 OF PECK'S SUBDIVISION RECORDED AS DOCUMENT 47861 IN THE SOUTH EAST 1/4 OF THE SOUTH EAST 1/4 OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13, IN COOK COUNTY, ILLINOIS.

ALSO

PARCEL 3:

THAT PART OF LOT 4 LYING SOUTH OF ALLEY (EXCEPT THE SOUTH 10 FEET OF SAID LOT) IN BABCOCK'S SUBDIVISION RECORDED AS DOCUMENT 38828 OF THE WEST 5 ACRES OF THE EAST 20 ACRES OF THAT PART OF THE SOUTH EAST 1/4 OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ALSO

PARCEL 4:

LOTS 3 AND 4 (EXCEPT THE SOUTH 10 FEET OF SAID LOTS) IN BLOCK 5 IN CASTLE'S SUBDIVISION RECORDED AS DOCUMENT 38827 OF THE EAST 15 ACRES OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN LYING SOUTH OF LAKE STREET IN COOK COUNTY, ILLINOIS.

ALSO

PARCEL 5:

LOTS 72 THROUGH 83 (EXCEPT THE EAST 17 FEET OF SAID LOT 83 ALSO EXCEPT THE SOUTH 10 FEET OF SAID LOTS 72 THROUGH 83) IN THE SUBDIVISION RECORDED AS DOCUMENT 184802 OF BLOCKS 9, 10, 12, 13 AND 14 AND PARTS OF BLOCKS 11, 15 AND 16 IN CASTLE'S SUBDIVISION RECORDED AS DOCUMENT 38827 OF THE EAST 15 ACRES OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

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PARCEL 6:

LOTS 1 THROUGH 8 (EXCEPT THE SOUTH 10 FEET OF SAID LOTS 1 THROUGH 8) IN THE RESUBDIVISION OF LOTS 1 TO 5 IN FREDERICK A. OSWALD'S SUBDIVISION RECORDED AS DOCUMENT 5293413 OF THAT PART OF BLOCK 4, LYING SOUTH OF ALLEY, IN CASTLE'S SUBDIVISION, ALSO THAT PART OF BLOCK 4, LYING NORTH OF ALLEY IN CASTLE'S SUBDIVISION, RECORDED AS DOCUMENT 38827 IN THE EAST 1/2 OF THE SOUTH EAST 1/4 OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13, IN COOK COUNTY, ILLINOIS.

ALSO

PARCEL 7:

LOTS 5 THROUGH 13 (EXCEPT THE NORTH 10 FEET OF SAID LOTS 5 THROUGH 13) IN GRANVILLE KIMBALL'S SUBDIVISION RECORDED AS DOCUMENT 35512 OF 20 ACRES, BEING THE WEST 1/2 OF THE NORTH EAST 1/4 OF THE NORTH EAST 1/4 OF SECTION 14, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ALSO

PARCEL 8:

LOTS 1 THROUGH 8 (EXCEPT THE NORTH 10 FEET OF LOTS 1, 2, 3, AND 4) IN BROPHY'S SUBDIVISION RECORDED AS DOCUMENT 1065094 OF LOTS 1, 2, 3, AND 4 IN THE SUBDIVISION OF LOTS 2, 3, AND 4, IN GRANVILLE KIMBALL'S SUBDIVISION RECORDED AS DOCUMENT 35512, IN THE WEST 1/2 OF THE NORTH EAST 1/4 OF SECTION 14, TOWNSHIP 39 NORTH, RANGE 13, (EXCEPT THE EAST 2.85 FEET OF LOT 1 AND THE EAST 2.6 FEET OF LOTS 5, 6, 7, AND 8) IN COOK COUNTY, ILLINOIS.

ALSO

PARCEL 9:

LOTS 1 THROUGH 6 AND THE EAST 16 FEET OF LOT 7 (EXCEPT THE NORTH 10 FEET OF SAID LOTS 1 THROUGH 6 AND THE EAST 16 FEET OF LOT 7) IN BLOCK 1 IN THE SUBDIVISION RECORDED AS DOCUMENT 488603 OF LOTS 14, 33 AND 52 IN GRANVILLE KIMBALL'S SUBDIVISION, RECORDED AS DOCUMENT 35512, IN THE WEST 1/2 OF THE NORTH EAST 1/4 OF SECTION 14, TOWNSHIP 39 NORTH, RANGE 13, ALL IN COOK COUNTY, ILLINOIS.

16-14-202-048 (5-13) TT all
16-14-202-050 (1-8) TT all
16-14-202-052 (1-6) TT all
16-11-415-071 (1-5) all TT
16-11-415-069 (26-36) all TT
16-11-415-073 (4) TT
16-11-415-075 (3,4) all TT
16-11-415-077 (1-8) all TT
16-11-415-079 (72-83) all TT

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