THIS DOCUMENT IS BEING RE-RE-RECORDED TO INSERT DOCUMENT NUMBERS WHERE REQUIRED.

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THIS IS A RE-RECORDING to INSERT DOCUMENT NOS. WHERE NECESSARY

MORTGAGE

86309165 86197613 86378954

THIS MORTGAGE made this 1st day of May, 1986, by

First National Bank of Skokie not personally but solely as Trustee under Trust Agreement dated April 30, 1986 and known as Trust No. 52109T

(herein, whether one or more, and if more than one jointly and severally, called the "Mortgagor"), whose address is

c/o 1098 Plaza Partnership, 2451 East Dempster Street, Suite 201, Des Plaines, Illinois 60016

to

Skokie Federal Savings and Loan Association

(herein, together with its successors and assigns, including each and every from time to time holder of the Note hereinafter referred to, called the "Mortgagee"), whose address is

4747 West Dempster Street
Skokie, Illinois 60076

WHEREAS, the Mortgagor has, concurrently herewith, executed and delivered to the Mortgagee, the Mortgagor's installment note (herein called the "Note") dated the date hereof, in the principal sum of

ONE MILLION FOUR HUNDRED FIFTY THOUSAND DOLLARS ($1,450,000.00)

bearing interest at the rate specified therein, on installments and in any event on May 1, 1996, subject to extension as more fully provided in the Note

payable to the order of the Mortgagee, and otherwise in the form of Note attached hereto as Exhibit A and incorporated herein and made a part hereof by this reference with the same effect as if set forth at length; and

WHEREAS, the indebtedness evidenced by the Note, including the principal thereof and interest and premium, if any, thereon, and any extensions and renewals thereof, in whole or in part, and any and all other sums which may be at any time due or owing or required to be paid as herein or in the Note provided, are herein called the "Indebtedness Hereby Secured."

NOW, THEREFORE, THIS MORTGAGE WITNESSETH:

That to secure the payment of the principal of and interest and premium, if any, on the Note according to its tenor and effect and to secure the payment of all other Indebtedness Hereby Secured* and the performance and observance of all the covenants, provisions and agreements herein and in the Note contained (whether or not the Mortgagor is personally liable for such payment, performance and observance) and in consideration of the premises and Ten Dollars ($10) in hand paid by the Mortgagee to the Mortgagor, and for other good and valuable considerations, the receipt and sufficiency of all of which is hereby acknowledged by the Mortgagor, the Mortgagor does hereby GRANT, RELEASE, REMISE, ALIEN, MORTGAGE and CONVEY unto the Mortgagee all and sundry rights, interests and property hereinafter described (all herein together called the "Premises"):

(a) All of the real estate (herein called the "Real Estate") described in Exhibit B attached hereto and made a part hereof;

(b) All buildings and other improvements now or at any time hereafter constructed or erected upon or located at the Real Estate, together with and including, but not limited to, all fixtures, equipment, machinery, appliances and other articles and attachments now or hereafter forming part of, attached to or incorporated in any such buildings or improvements (all herein generally called the "Improvements");

(c) All privileges, reservations, allowances, hereditaments, tenements and appurtenances now or hereafter belonging or pertaining to the Real Estate or Improvements;

(d) All leasehold estates, right, title and interest of Mortgagor in any and all leases, subleases, arrangements or agreements relating to the use and occupancy of the Real Estate and Improvements or any portion thereof, now or hereafter existing or entered into (all herein generally called "Leases"), together with all cash or security deposits, advance rentals and other deposits or payments of similar nature given in connection with any Leases;

(e) All rents, issues, profits, royalties, income, avails and other benefits now or hereafter derived from the Real Estate and Improvements, under Leases or otherwise (all herein generally called "Rents"), subject to the right, power and authority given to the Mortgagor in the Assignment hereinafter referred to, to collect and apply the rents;

(f) All right, title and interest of Mortgagor in and to all options to purchase or lease the Real Estate or Improvements, or any portion thereof or interest therein, or any other rights, interests or greater estates in the rights and properties comprising the Premises, now owned or hereafter acquired by Mortgagor;

(g) Any interests, estates or other claims, both in law and in equity, which Mortgagor now has or may hereafter acquire in the Real Estate and Improvements or other rights, interests or properties comprising the Premises now owned or hereafter acquired;

(h) All right, title and interest of Mortgagor now owned or hereafter acquired in and to (i) any land or vaults lying within the right-of-way of any street or alley, open or proposed, adjoining the Real Estate; (ii) any and all alleys, sidewalks, strips and gores of land adjacent to or used in connection with the Real Estate and Improvements; (iii)

*not to exceed, in the aggregate $150,000,000.00

THIS INSTRUMENT WAS PREPARED BY: Howard S. Beder, Rosenthal and Schanfield
55 East Monroe Street, Suite 4620
Chicago, Illinois 60603

(MN/RAS 1/1/84)

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any and all rights and interests of every name or nature forming part of or used in connection with the Real Estate and/or the operation and maintenance of the Improvements; (iv) all easements, rights-of-way and rights used in connection with the Real Estate or Improvements or as a means of access thereto, and (v) all water rights and shares of stock evidencing the same;

(i) All right, title and interest of Mortgagor in and to all tangible personal property (herein called "Personal Property"), owned by Mortgagor and now or at any time hereafter located in, on or at the Real Estate or Improvements or used or useful in connection therewith, including, but not limited to:

(i) all furniture, furnishings and equipment furnished by Mortgagor to tenants of the Real Estate or Improvements;

(ii) all building materials and equipment located upon the Real Estate and intended to be incorporated in the Improvements now or hereafter to be constructed thereon, whether or not yet incorporated in such Improvements;

(iii) all machines, machinery, fixtures, apparatus, equipment or articles used in supplying heating, gas, electricity, air-conditioning, water, light, power, sprinkler protection, waste removal, refrigeration and ventilation, and all fire sprinklers, alarm systems, electronic monitoring equipment and devices;

(iv) all window or structural cleaning rigs, maintenance equipment and equipment relating to exclusion of vermin or insects and removal of dust, refuse or garbage;

(v) all lobby and other indoor and outdoor furniture, including tables, chairs, planters, desks, sofas, shelves, lockers and cabinets, wall beds, wall safes, and other furnishings;

(vi) all rugs, carpets and other floor coverings, draperies, drapery rods and brackets, awnings, window shades, venetian blinds and curtains;

(vii) all lamps, chandeliers and other lighting fixtures;

(viii) all recreational equipment and materials;

(ix) all office furniture, equipment and supplies;

(x) all kitchen equipment, including refrigerators, ovens, dishwashers, range hoods and exhaust systems and disposal units;

(xi) all laundry equipment, including washers and dryers;

(xii) all tractors, mowers, sweepers, snow removal equipment and other equipment used in maintenance of exterior portions of the Real Estate; and

(xiii) all maintenance supplies and inventories;

provided that the enumeration of any specific articles of Personal Property set forth above shall in no way exclude or be held to exclude any items of property not specifically enumerated; **but provided that there shall be excluded from and not included within the term "Personal Property" as used herein and hereby mortgaged and conveyed, any equipment, trade fixtures, furniture, furnishings or other property of tenants of the Premises;**

(j) All the estate, interest, right, title or other claim or demand which Mortgagor now has or may hereafter have or acquire with respect to (i) the proceeds of insurance in effect with respect to the Premises and (ii) any and all awards, claims for damages and other compensation made for or consequent upon the taking by condemnation, eminent domain or any like proceeding, or by any proceeding or purchase in lieu thereof, of the whole or any part of the Premises, including, without limitation, any awards and compensation resulting from a change of grade of streets and awards and compensation for severance damages (all herein generally called "Awards").

TO HAVE AND TO HOLD all and sundry the Premises hereby mortgaged and conveyed or intended so to be, together with the rents, issues and profits thereof, unto the Mortgagee forever, free from all rights and benefits under and by virtue of the Homestead Exemption Laws of the State of Illinois (which rights and benefits are hereby expressly released and waived), for the uses and purposes herein set forth, together with all right to retain possession of the Premises after any default in the payment of all or any part of the Indebtedness Hereby Secured, or the breach of any covenant or agreement herein contained, or upon the occurrence of any Event of Default as hereinafter defined.

FOR THE PURPOSE OF SECURING:

(a) Payment of the indebtedness with interest thereon evidenced by the Note and any and all modifications, extensions and renewals thereof, and all other Indebtedness Hereby Secured;

~~(b) Performance and observance by Mortgagor of all of the terms, provisions, covenants and agreements on Mortgagor's part to be performed and observed under the Construction Loan Agreement referred to in Section 18 hereof;~~

(c) Performance and observance by Mortgagor of all of the terms, provisions, covenants and agreements on Mortgagor's part to be performed and observed under the Assignment referred to in Section 25 hereof;

(d) Performance by any Guarantor of its obligations under any Guaranty or other instrument given to further secure the payment of the Indebtedness Hereby Secured or the performance of any obligation secured hereby.

PROVIDED, NEVERTHELESS, and these presents are upon the express condition that if all of the Indebtedness Hereby Secured shall be duly and punctually paid and all the terms, provisions, conditions and agreements herein contained on the part of the Mortgagor to be performed or observed shall be strictly performed and observed, then this Mortgage and the estate, right and interest of the Mortgagee in the Premises shall cease and become void and of no effect.

AND IT IS FURTHER AGREED THAT:

1. **Payment of Indebtedness.** The Mortgagor will duly and promptly pay each and every installment of the principal of and interest and premium, if any, on the Note, and all other Indebtedness Hereby Secured, as the same become due, and will duly perform and observe all of the covenants, agreements and provisions herein or in the Note provided on the part of the Mortgagor to be performed and observed.

2. **Maintenance, Repair, Restoration, Prior Liens, Parking.** The Mortgagor will:

(a) promptly repair, restore or rebuild any Improvements now or hereafter on the Premises which may become damaged or be destroyed whether or not proceeds of insurance are available or sufficient for the purpose;

(b) keep the Premises in good condition and repair, without waste, and free from mechanics', materialmen's or like liens or claims or other liens or claims for lien not expressly subordinated to the lien hereof;

(c) pay, when due, any indebtedness which may be secured by a lien or charge on the Premises on a parity with or superior to the lien hereof, and upon request exhibit satisfactory evidence of the discharge of such lien to the Mortgagee;

(d) complete, within a reasonable time, any Improvements now or at any time in the process of erection upon the Premises;

(e) comply with all requirements of law, municipal ordinances or restrictions and covenants of record with respect to the Premises and the use thereof;

(f) make no material alterations in the Premises, except as required by law or municipal ordinance;

(g) suffer or permit no change in the general nature of the occupancy of the Premises without the Mortgagee's prior written consent;

(h) pay when due all operating costs of the Premises;

(i) initiate or acquiesce in no zoning reclassification with respect to the Premises, without the Mortgagee's prior written consent;

(j) provide, improve, grade, surface and thereafter maintain, clean, repair, police and adequately light parking areas within the Premises of sufficient size to accommodate not less than all standard-size American-made automobiles or as may be required by law, ordinance or regulation (whichever may be greater), together with any sidewalks, aisles, streets, driveways and sidewalk cuts and sufficient paved areas for ingress, egress and right-of-way to and from the adjacent public thoroughfares necessary or desirable for the use thereof;

(k) reserve and use all such parking areas solely and exclusively for the purpose of providing ingress, egress and parking facilities for automobiles and other passenger vehicles of Mortgagor and tenants of the Premises and their invitees and licensees; and

(l) not reduce, build upon, obstruct, redesignate or relocate any such parking areas, sidewalks, aisles, streets, driveways, sidewalk cuts or paved areas or rights-of-way or lease or grant any rights to use the same to any other person except tenants and invitees of tenants of the Premises without the prior written consent of the Mortgagee.

3. **Taxes.** The Mortgagor will pay when due and before any penalty attaches, all general and special taxes, assessments, water charges, sewer charges, and other fees, taxes, charges and assessments of every kind and nature whatsoever (all herein generally called "Taxes"), whether or not assessed against the Mortgagor, if applicable to the Premises or any interest therein, or the Indebtedness Hereby Secured, or any obligation or agreement secured hereby; and Mortgagor will, upon written request, furnish to the Mortgagee duplicate receipts therefor; provided that the Mortgagor may contest the amount or propriety of any Taxes in accordance with the provisions of Section 29 hereof; provided that (a) in the event that any law or court decree has the effect of deducting from the value of land for the purposes of taxation any lien thereon, or imposing upon the Mortgagee the payment in whole or any part of the Taxes or liens herein required to be paid by Mortgagor, or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or the interest of the Mortgagee in the Premises or the manner of collection of Taxes, so as to affect this Mortgage or the Indebtedness Hereby Secured or the holder thereof, then, and in any such event, the Mortgagor upon demand by the Mortgagee, will pay such Taxes, or reimburse the Mortgagee therefor and (b) nothing in this Section 3 contained shall require the Mortgagor to pay any income, franchise or excise tax imposed upon the Mortgagee, excepting only such which may be levied against such income expressly as and for a specific substitute for Taxes on the Premises, and then only in an amount computed as if the Mortgagee derived no income from any source other than its interest hereunder.

4. **Insurance Coverage.** The Mortgagor will insure and keep insured the Premises and each and every part and parcel thereof against such perils and hazards as the Mortgagee may from time to time require, and in any event including:

(a) Insurance against loss to the Improvements caused by fire, lightning and risks covered by the so-called "all perils" endorsement and such other risks as the Mortgagee may reasonably require, in amounts (but in no event less than the initial stated principal amount of the Note) equal to the full replacement value of the Improvements, plus the cost of debris removal, with full replacement cost endorsement;

(b) Comprehensive general public liability insurance against bodily injury and property damage in any way arising in connection with the Premises with such limits as the Mortgagee may reasonably require and in any event not less than $3,000,000 single limit coverage;

(c) Rent and rental value insurance (or, at the discretion of Mortgagee, business interruption insurance) in amounts sufficient to pay during any period of up to one (1) year in which the Improvements may be damaged or destroyed (i) all rents derived from the Premises and (ii) all amounts (including, but not limited to, all taxes, assessments, utility charges and insurance premiums) required herein to be paid by the Mortgagor or by tenants of the Premises;

(d) Broad form boiler and machinery insurance on all equipment and objects customarily covered by such insurance (if any thereof are located at the Premises), providing for full repair and replacement cost coverage, and other insurance of the types and in amounts as the Mortgagee may reasonably require, but in any event not less than that customarily carried by persons owning or operating like properties;

(e) During the making of any alterations or improvements to the Premises (i) insurance covering claims based on the owner's contingent liability not covered by the insurance provided in subsection (b) above and (ii) Workmen's Compensation insurance covering all persons engaged in making such alterations or improvements;

(f) Federal Flood Insurance in the maximum obtainable amount up to the amount of the Indebtedness Hereby Secured evidenced by the Note, if the Premises is in a "flood plain area" as defined by the Federal Insurance Administration pursuant to the Federal Flood Disaster Protection Act of 1973, as amended;

(g) If any part of the Premises is now or hereafter used for the sale or dispensing of beer, wine, spirits or any other alcoholic beverages, so-called "dram shop" or "innkeeper's liability" insurance against claims or liability arising directly or indirectly to persons or property on account of such sale or dispensing of beer, wine, spirits or other alcoholic beverages, including in such coverage loss of means of support, all in amounts as may be required by law or as the Mortgagee may specify, but in no event less than $3,000,000 single limit coverage.

5. **Insurance Policies.** All policies of insurance to be maintained and provided as required by Section 4 hereof shall

(a) be in forms, companies and amounts reasonably satisfactory to Mortgagee, and all policies of casualty insurance shall have attached thereto mortgagee clauses or endorsements in favor of and with loss payable to Mortgagee;

(b) contain endorsements that no act or negligence of the insured or any occupant and no occupancy or use of the Premises for purposes more hazardous than permitted by the terms of the policies will affect the validity or enforceability of such policies as against Mortgagee;

(c) be written in amounts sufficient to prevent Mortgagor from becoming a co-insurer; and

(d) provide for thirty (30) days' prior written notice of cancellation to Mortgagee;

and Mortgagor will deliver all policies, and including additional and renewal policies to Mortgagee, and in case of insurance policies about to expire, the Mortgagor will deliver renewal policies not less than thirty (30) days prior to the respective dates of expiration.

6. **Deposits for Taxes and Insurance Premiums.** In order to assure the payment of Taxes and insurance premiums payable with respect to the Premises as and when the same shall become due and payable:

(a) The Mortgagor shall deposit with the Mortgagee on the first day of each and every month, commencing with the date the first payment of interest and/or principal and interest shall become due on the Indebtedness Hereby Secured, an amount equal to:

(i) One-Twelfth (1/12) of the Taxes next to become due upon the Premises; provided that, in the case of the first such deposit, there shall be deposited in addition an amount as estimated by Mortgagee which, when added to monthly deposits to be made thereafter as provided for herein, shall assure to Mortgagee's satisfaction that there will be sufficient funds on deposit to pay Taxes as they come due; plus

(ii) One-Twelfth (1/12) of the annual premiums on each policy of insurance upon the Premises; provided that with the first such deposit there shall be deposited in addition, an amount equal to one-twelfth (1/12) of such annual insurance premiums multiplied by the number of months elapsed between the date premiums on each policy were last paid to and including the date of deposit;

provided that the amount of such deposits (herein generally called "Tax and Insurance Deposits") shall be based upon Mortgagee's reasonable estimate as to the amount of Taxes and premiums of insurance next to be payable; and all Tax and Insurance Deposits shall be held by the Mortgagee without any allowance of interest thereon.

(b) The aggregate of the monthly Tax and Insurance Deposits, together with monthly payments of interest and/or principal and interest payable on the Note shall be paid in a single payment each month, to be applied to the following items in the order stated:

(i) Taxes and insurance premiums;

(ii) Indebtedness Hereby Secured other than principal and interest on the Note;

(iii) Interest on the Note;

(iv) Amortization of the principal balance of the Note.

(c) The Mortgagee will, out of the Tax and Insurance Deposits, upon the presentation to the Mortgagee by the Mortgagor of the bills therefor, pay the insurance premiums and Taxes or will, upon presentation of receipted bills therefor, reimburse the Mortgagor for such payments made by the Mortgagor. If the total Tax and Insurance Deposits on hand shall not be sufficient to pay all of the Taxes and insurance premiums when the same shall become due, then the Mortgagor shall pay to the Mortgagee on demand any amount necessary to make up the deficiency. If the total of such Deposits exceed the amount required to pay the Taxes and insurance premiums, such excess shall be credited on subsequent payments to be made for such items.

(d) In the event of a default in any of the provisions contained in this Mortgage or in the Note, the Mortgagee may, at its option, without being required so to do, apply any Tax and Insurance Deposits on hand on any of the Indebtedness Hereby Secured, in such order and manner as the Mortgagee may elect. When the Indebtedness Hereby Secured has been fully paid, then any remaining Tax and Insurance Deposits shall be paid to the Mortgagor. All Tax and Insurance Deposits are hereby pledged as additional security for the Indebtedness Hereby Secured, and shall be held in trust to be irrevocably applied for the purposes for which made as herein provided, and shall not be subject to the direction or control of the Mortgagor.

(e) Notwithstanding anything to the contrary herein contained, the Mortgagee shall not be liable for any failure to apply to the payment of Taxes and insurance premiums any amounts deposited as Tax and Insurance Deposits unless the Mortgagor, while no default exists hereunder and within a reasonable time prior to the due date, shall have requested the Mortgagee in writing to make application of such Deposits on hand to the payment of the particular Taxes or insurance premiums for the payment of which such Deposits were made, accompanied by the bills therefor.

7. **Proceeds of Insurance.** The Mortgagor will give the Mortgagee prompt notice of any damage to or destruction of the Premises, and:

(a) In case of loss covered by policies of insurance, the Mortgagee (or, after entry of decree of foreclosure, the purchaser at the foreclosure sale or decree creditor, as the case may be) is hereby authorized at its option either (i) to settle and adjust any claim under such policies without the consent of the Mortgagor, or (ii) allow the Mortgagor to agree with the insurance company or companies on the amount to be paid upon the loss; provided that the Mortgagor may itself adjust losses aggregating not in excess of Five Thousand Dollars ($5,000), and provided further that in any case the Mortgagee shall, and is hereby authorized to, collect and receipt for any such insurance proceeds; and the expenses incurred by the Mortgagee in the adjustment and collection of insurance proceeds shall be so much additional Indebtedness Hereby Secured, and shall be reimbursed to the Mortgagee upon demand;

(b) In the event of any insured damage to or destruction of the Premises or any part thereof (herein called an "Insured Casualty") and if, in the reasonable judgment of the Mortgagee, the Premises can be restored to an architectural and economic unit of the same character and not less valuable than the same was prior to the Insured Casualty, and adequately securing the outstanding balance of the Indebtedness Hereby Secured and the insurers do not deny liability to the insureds, then, if no Event of Default as hereinafter defined shall have occurred and be then continuing, the proceeds of insurance shall be applied to reimburse the Mortgagor for the cost of restoring, repairing, replacing or rebuilding (herein generally called "Restoring") the Premises or any part thereof subject to Insured Casualty, as provided for in Section 9 hereof;

(c) If in the reasonable judgment of Mortgagee the Premises cannot be restored to an architectural and economic unit as provided for in Subsection (b) above, then at any time from and after the Insured Casualty, upon thirty (30) days' written notice to Mortgagor, Mortgagee may declare the entire balance of the Indebtedness Hereby Secured to be, and at the expiration of such thirty (30) day period the Indebtedness Hereby Secured shall be and become immediately due and payable;

(d) Except as provided for in Subsection (b) of this Section 7, Mortgagee shall apply the proceeds of insurance (including amounts not required for Restoring effected in accordance with Subsection (b) above) consequent upon any Insured Casualty upon the Indebtedness Hereby Secured, in such order or manner as the Mortgagee may elect; provided that no premium or penalty shall be payable in connection with any prepayment of the Indebtedness Hereby Secured made out of insurance proceeds as aforesaid;

(e) In the event that proceeds of insurance, if any, shall be made available to the Mortgagor for the Restoring of the Premises, Mortgagor hereby covenants to Restore the same to be of at least equal value and of substantially the same character as prior to such damage or destruction; all to be effected in accordance with plans and specifications to be first submitted to and approved by the Mortgagee;

(f) Any portion of the insurance proceeds remaining after payment in full of the Indebtedness Hereby Secured shall be paid to Mortgagor or as ordered by a court of competent jurisdiction;

(g) No interest shall be payable by Mortgagee on account of any insurance proceeds at any time held by Mortgagee.

8. Condemnation. The Mortgagor will give Mortgagee prompt notice of any proceedings, instituted or threatened, seeking condemnation or taking by eminent domain or any like process (herein generally called a "Taking"), of all or any part of the Premises, including damages to grade; and:

(a) Mortgagor hereby assigns, transfers and sets over unto Mortgagee the entire proceeds of any Award consequent upon any Taking;

(b) If in the reasonable judgment of the Mortgagee the Premises can be restored to an architectural and economic unit of the same character and not less valuable than the Premises prior to such Taking and adequately securing the outstanding balance of the Indebtedness Hereby Secured, then if no Event of Default, as hereinafter defined, shall have occurred and be then continuing, the Award shall be applied to reimburse Mortgagor for the cost of Restoring the portion of the Premises remaining after such Taking, as provided for in Section 9 hereof;

(c) If in the reasonable judgment of Mortgagee the Premises cannot be restored to an architectural and economic unit as provided for in Subsection (b) above, then at any time from and after the Taking, upon thirty (30) days' written notice to Mortgagor, Mortgagee may declare the entire balance of the Indebtedness Hereby Secured to be, and at the expiration of such thirty (30) day period the Indebtedness Hereby Secured shall be and become immediately due and payable;

(d) Except as provided for in Subsection (b) of this Section 8, Mortgagee shall apply any Award (including the amount not required for Restoration effected in accordance with Subsection (b) above) upon the Indebtedness Hereby Secured in such order or manner as Mortgagee may elect; provided that no premium or penalty shall be payable in connection with any prepayment of the Indebtedness Hereby Secured made out of any Award as aforesaid;

(e) In the event that any Award shall be made available to the Mortgagor for Restoring the portion of the Premises remaining after a Taking, Mortgagor hereby covenants to Restore the remaining portion of the Premises to be of at least equal value and of substantially the same character as prior to such Taking, all to be effected in accordance with plans and specifications to be first submitted to and approved by Mortgagee;

(f) Any portion of any Award remaining after payment in full of the Indebtedness Hereby Secured shall be paid to Mortgagor or as ordered by a court of competent jurisdiction;

(g) No interest shall be payable by Mortgagee on account of any Award at any time held by Mortgagee.

9. Disbursement of Insurance Proceeds and Condemnation Awards. In the event the Mortgagor is entitled to reimbursement out of insurance proceeds or any Award held by the Mortgagee, such proceeds shall be disbursed from time to time upon the Mortgagee being furnished with satisfactory evidence of the estimated cost of completion of the Restoring, with funds (or assurances satisfactory to the Mortgagee that such funds are available) sufficient in addition to the proceeds of insurance or Award, to complete the proposed Restoring, and with such architect's certificates, waivers of lien, contractor's sworn statements and such other evidences of cost and of payment as the Mortgagee may reasonably require and approve; and the Mortgagee may, in any event, require that all plans and specifications for such Restoring be submitted to and approved by the Mortgagee prior to commencement of work. No payment made prior to the final completion of the Restoring shall exceed ninety percent (90%) of the value of the work performed from time to time; funds other than proceeds of insurance or the Award shall be disbursed prior to disbursement of such proceeds; and at all times the undisbursed balance of such proceeds remaining in the hands of the Mortgagee, together with funds deposited for the purpose or irrevocably committed to the satisfaction of the Mortgagee by or on behalf of the Mortgagor for the purpose, shall be at least sufficient in the reasonable judgment of the Mortgagee to pay for the cost of completion of the Restoring, free and clear of all liens or claims for lien.

10. Stamp Tax. If, by the laws of the United States of America, or of any state having jurisdiction over the Mortgagor, any tax is due or becomes due in respect of the issuance of the Note, the Mortgagor shall pay such tax in the manner required by such law.

11. Prepayment Privilege. At such time as the Mortgagor is not in default under the terms of the Note, or under the terms of this Mortgage, the Mortgagor shall have the privilege of making prepayments on the principal of the Note (in addition to the required payments thereunder) in accordance with the terms and conditions, if any, set forth in the Note, but not otherwise.

12. Effect of Extensions of Time, Amendments on Junior Liens and Others. If the payment of the Indebtedness Hereby Secured, or any part thereof, be extended or varied, or if any part of the security be released, all persons now or at any time hereafter liable therefor, or interested in the Premises, shall be held to assent to such extension, variation or release, and their liability, if any, and the lien, and all provisions hereof, shall continue in full force and effect; the right of recourse against all such persons being expressly reserved by the Mortgagee, notwithstanding any such extension, variation or release. Any person, firm or corporation taking a junior mortgage or other lien upon the Premises or any interest therein, shall take the said lien subject to the rights of the Mortgagee herein to amend, modify and supplement this Mortgage, the Note and the Assignment and Construction Loan Agreement hereinafter referred to, and to vary the rate of interest and the method of computing the same, and to impose additional fees and other charges, and to extend the maturity of the Indebtedness Hereby Secured, in each and every case without obtaining the consent of the holder of such junior lien and without the lien of this Mortgage losing its priority over the rights of any such junior lien. Nothing in this Section contained shall be construed as waiving any provision of Section 17 hereof which provides, among other things, that it shall constitute an Event of Default if the Premises be sold, conveyed or encumbered.

13. Effect of Changes in Tax Laws. In the event of the enactment after the date hereof by any legislative authority having jurisdiction of the Premises of any law deducting from the value of land for the purposes of taxation, any lien thereon, or imposing upon the Mortgagee the payment of the whole or any part of the taxes or assessments or charges or liens herein required to be paid by the Mortgagor, or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or the Mortgagee's interest in the Premises, or the method of collecting taxes, so as to affect this Mortgage or the Indebtedness Hereby Secured or the holder thereof, then, and in any such event, the Mortgagor, upon demand by the Mortgagee, shall pay such taxes or assessments, or reimburse the Mortgagee therefor; provided that if in the opinion of counsel for the Mortgagee the payment by Mortgagor of any such taxes or assessments shall be unlawful, then the Mortgagee may, by notice to the Mortgagor, declare the entire principal balance of the Indebtedness Hereby Secured to be due and payable on a date specified in such notice not less than 180 days after the date of such notice, and the Indebtedness Hereby Secured shall then be due and payable without premium or penalty on the date so specified in such notice.

14. Mortgagee's Performance of Mortgagor's Obligations. In case of default therein, the Mortgagee either before or after acceleration of the Indebtedness Hereby Secured or the foreclosure of the lien hereof and during the period of redemption, if any, may, but shall not be required to, make any payment or perform any act herein or ~~in the Construction Loan Agreement hereinafter referred to,~~ which is required of the Mortgagor (whether or not the Mortgagor is personally liable therefor) in any form and manner deemed expedient to the Mortgagee; and the Mortgagee may, but shall not be required to, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting the Premises, or contest any tax or assessment, and may, but shall not be required to, complete construction, furnishing and equipping of the Improvements upon the Premises and rent, operate and manage the Premises and such Improvements and pay operating costs and expenses, including management fees, of every kind and nature in connection therewith, so that the Premises and Improvements shall be operational and usable for their intended purposes. All monies paid for any of the purposes herein authorized, and all expenses paid or incurred in connection therewith, including attorney's fees and any other monies advanced by the Mortgagee to protect the Premises and the lien hereof, or to complete construction, furnishing and equipping or to rent, operate and manage the Premises and such Improvements or to pay any such operating costs and expenses thereof or to keep the Premises and Improvements operational and usable for their intended purposes, shall be so much additional Indebtedness Hereby Secured, whether or not they exceed the amount of the Note, and shall become immediately due and payable without notice, and with interest thereon at the Default Rate specified in the Note (herein called the "Default Rate"). Inaction of the Mortgagee shall never be considered a waiver of any right accruing to it on account of any default on the part of the Mortgagor. The Mortgagee, in making any payment hereby authorized (a) relating to taxes and assessments, may do so according to any bill, statement or estimate, without inquiry into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof; (b) for the purchase, discharge, compromise or settlement of any other prior lien, may do so without inquiry as to the validity or amount of any claim for lien which may be asserted; or (c) in connection with the completion of construction, furnishing or equipping of the Improvements or the Premises or the rent, operation or management of the Premises or the payment of operating costs and expenses thereof, Mortgagee may do so in such amounts and to such persons as Mortgagee may deem appropriate and may enter into such contracts therefor as Mortgagee may deem appropriate or may perform the same itself.

15. Inspection of Premises. The Mortgagee shall have the right to inspect the Premises at all reasonable times, and access thereto shall be permitted for that purpose.

16. Financial Statements. The Mortgagor will, within ninety (90) days after the end of each fiscal year of Mortgagor furnish to the Mortgagee at the place where interest thereon is then payable, financial and operating statements of the Premises for such fiscal year, all in reasonable detail and in any event including such itemized statements of receipts and disbursements as shall enable Mortgagee to determine whether any default exists hereunder or under the Note. Such financial and operating statements shall be prepared and certified at the expense of Mortgagor in such manner as may be acceptable to the Mortgagee, and the Mortgagee may, by notice in writing to the Mortgagor, require that the same be prepared and certified, pursuant to audit, by a firm of independent certified public accountants satisfactory to Mortgagee, in which case such accountants shall state whether or not, in their opinion, any default or Event of Default exists hereunder or under the Note. If the statements furnished shall not be prepared in accordance with generally accepted accounting principles consistently applied, or if Mortgagor fails to furnish the same when due, Mortgagee may audit or cause to be audited the books of the Premises and/or the Mortgagor, at Mortgagor's expense, and the costs of such audit shall be so much additional Indebtedness Hereby Secured bearing interest at the Default Rate until paid, and payable upon demand.

by the general partners of the Partnership, hereinafter defined

not to exceed one percent (1%) of the outstanding principal balance of the Note

based upon the credit, financial and property management expertise of any such proposed transferor,

17. **Restrictions on Transfer.** It shall be an immediate Event of Default and default hereunder if, without the prior written consent of the Mortgagee, any of the following shall occur, and in any event Mortgagee may condition its consent upon ~~such increase in rate of interest payable upon the Indebtedness Hereby Secured, change in monthly payments thereon, change in maturity thereof and/or~~ the payment of a fee all as Mortgagee may in its sole discretion require:

(a) If the Mortgagor shall create, effect, contract for, commit to or consent to or shall suffer or permit any conveyance, sale, assignment, transfer, lien, pledge, mortgage, security interest or other encumbrance or alienation of the Premises or any part thereof, or interest therein, excepting only sales or other dispositions of Collateral as defined in Section 18 (herein called "Obsolete Collateral") no longer useful in connection with the operation of the Premises, provided that prior to the sale or other disposition thereof, such Obsolete Collateral has been replaced by Collateral, subject to the first and prior lien hereof, of at least equal value and utility;

(b) If the Mortgagor is a trustee, then if any beneficiary of the Mortgagor shall create, effect, contract for, commit to or consent to, or shall suffer or permit, any sale, assignment, transfer, lien, pledge, mortgage, security interest or other encumbrance or alienation of such beneficiary's beneficial interest in the Mortgagor;

(c) If the Mortgagor is a corporation, or if any corporation is a beneficiary of a trustee mortgagor, then if any shareholder of such corporation shall create, effect contract for, commit to or consent to or shall suffer or permit any sale, assignment, transfer, lien, pledge, mortgage, security interest or other encumbrance or alienation of any such shareholder's shares in such corporation; provided that if such corporation is a corporation whose stock is publicly traded on a national securities exchange or on the "Over The Counter" market, then this Section 17(c) shall be inapplicable;

(d) If the Mortgagor is a partnership or joint venture, or if any beneficiary of a trustee Mortgagor is a partnership or joint venture, then if any general partner or joint venturer in such partnership or joint venture shall create, effect or consent to or shall suffer or permit any sale, assignment, transfer, lien, pledge, mortgage, security interest or other encumbrance or alienation of any part of the partnership interest or joint venture interest, as the case may be, of such partner or joint venturer; or

(e) If there shall be any change in control (by way of transfers of stock ownership, partnership interests or otherwise) in any general partner which directly or indirectly controls or is a general partner of a partnership or joint venture beneficiary as described in subsection 17(d) above;

in each case whether any such conveyance, sale, assignment, transfer, lien, pledge, mortgage, security interest, encumbrance or alienation is effected directly, indirectly, voluntarily or involuntarily, by operation of law or otherwise; provided that the foregoing provisions of this Section 17 shall not apply (i) to liens securing the Indebtedness Hereby Secured, (ii) to the lien of current taxes and assessments not in default, or (iii) to any transfers of the Premises, or part thereof, or interest therein, or any beneficial interests, or shares of stock or partnership or joint venture interests as the case may be, in the Mortgagor or any beneficiary of a Trustee Mortgagor by or on behalf of an owner thereof who is deceased or declared judicially incompetent, to such owner's heirs, legatees, devisees, executors, administrators, estate, personal representatives and/or committee. The provisions of this Section 17 shall be operative with respect to, and shall be binding upon, any persons who, in accordance with the terms hereof or otherwise, shall acquire any part of or interest in or encumbrance upon the Premises, or such beneficial interest in, share of stock of or partnership or joint venture interest in the Mortgagor or any beneficiary of a Trustee Mortgagor.

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18. **Uniform Commercial Code.** This Mortgage constitutes a Security Agreement under the Uniform Commercial Code of the State in which the Premises is located (herein called the "Code") with respect to any part of the Premises which may or might now or hereafter be or be deemed to be personal property, fixtures or property other than real estate (all herein called "Collateral"); all of the terms, provisions, conditions and agreements contained in this Mortgage pertain and apply to the Collateral as fully and to the same extent as to any other property comprising the Premises, and the following provisions of this Section 18 shall not limit the generality or applicability of any other provision of this Mortgage but shall be in addition thereto:

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(a) The Mortgagor (being the Debtor as that term is used in the Code) is and will be the true and lawful owner of the Collateral, subject to no liens, charges or encumbrances other than the lien hereof.

(b) The Collateral is to be used by the Mortgagor solely for business purposes, being installed upon the Premises for Mortgagor's own use or as the equipment and furnishings furnished by Mortgagor, as landlord, to tenants of the Premises.

(c) The Collateral will be kept at the Real Estate and will not be removed therefrom without the consent of the Mortgagee (being the Secured Party as that term is used in the Code) by Mortgagor or any other person; and the Collateral may be affixed to such Real Estate but will not be affixed to any other real estate.

(d) The only persons having any interest in the Premises are the Mortgagor, Mortgagee and persons occupying the Premises as tenants only.

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(e) No Financing Statement covering any of the Collateral or any proceeds thereof is on file in any public office except pursuant hereto; and Mortgagor will at its own cost and expense, upon demand, furnish to the Mortgagee such further information and will execute and deliver to the Mortgagee such financing statement and other documents in form satisfactory to the Mortgagee and will do all such acts and things as the Mortgagee may at any time or from time to time reasonably request or as may be necessary or appropriate to establish and maintain a perfected security interest in the Collateral as security for the Indebtedness Hereby Secured, subject to no adverse liens or encumbrances; and the Mortgagor will pay the cost of filing the same or filing or recording such financing statements or other documents, and this instrument, in all public offices wherever filing or recording is deemed by the Mortgagee to be necessary or desirable.

(f) Upon any default or Event of Default hereunder (regardless of whether the Code has been enacted in the jurisdiction where rights or remedies are asserted) and at any time thereafter (such default not having previously been cured), the Mortgagee at its option may declare the Indebtedness Hereby Secured immediately due and payable, all as more fully set forth in Section 19 hereof, and thereupon Mortgagee shall have the remedies of a secured party under the Code, including without limitation the right to take immediate and exclusive possession of the Collateral, or any part thereof, and for that purpose may, so far as the Mortgagor can give authority therefor, with or without judicial process, enter (if this can be done without breach of the peace) upon any place which the Collateral or any part thereof may be situated and remove the same therefrom (provided that if the collateral is affixed to real estate, such removal shall be subject to the conditions stated in the Code); and the Mortgagee shall be entitled to hold, maintain, preserve and prepare the Collateral for sale, until disposed of, or may propose to retain the Collateral subject to the Mortgagor's right of redemption in satisfaction of the Mortgagor's obligations as provided in the Code. The Mortgagee without removal may render the Collateral unusable and dispose of the Collateral on the Premises. The Mortgagee may require the Mortgagor to assemble the Collateral and make it available to the Mortgagee for its possession at a place to be designated by Mortgagee which is reasonably convenient to both parties. The Mortgagee will give Mortgagor at least five (5) days' notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is made. The requirements of reasonable notice shall be met if such notice is mailed, by certified mail or equivalent, postage prepaid, to the address of Mortgagor determined as provided in Section 37 hereof, at least five (5) days before the time of the sale or disposition. The Mortgagee may buy at any public sale, and if the Collateral is a type customarily sold in a recognized market or is of a type which is the subject of widely distributed standard price quotations, Mortgagee may buy at any private sale. Any such sale may be held as part of and in conjunction with any foreclosure sale of the Real Estate comprised within the Premises, the Collateral and Real Estate to be sold as one lot if Mortgagee so elects. The net proceeds realized upon any such disposition, after deduction for the expenses of retaking, holding, preparing for sale, selling or the like and the reasonable attorneys' fees and legal expenses incurred by Mortgagee, shall be applied in satisfaction of the Indebtedness Hereby Secured. The Mortgagee will account to the Mortgagor for any surplus realized on such disposition.

(g) The remedies of the Mortgagee hereunder are cumulative and the exercise of any one or more of the remedies provided for herein or under the Code shall not be construed as a waiver of any of the other remedies of the Mortgagee, including having the Collateral deemed part of the realty upon any foreclosure thereof so long as any part of the Indebtedness Hereby Secured remains unsatisfied.

(h) The terms and provisions contained in this Section 18 shall, unless the context otherwise requires, have the meanings and be construed as provided in the Code.

19. **Events of Default.** If one or more of the following events (herein called "Events of Default") shall occur:

(a) If default is made in the due and punctual payment of the Note or any installment thereof, either principal or interest, as and when the same is due and payable, or if default is made in the making of any payment of monies required to be made hereunder or under the Note and any applicable period of grace specified in the Note shall have elapsed; or

(b) If an Event of Default pursuant to Section 17 hereof shall occur and be continuing without notice or period of grace of any kind; or

(c) If default is made in the maintenance and delivery to Mortgagee of insurance required to be maintained and delivered hereunder, without notice or grace of any kind; or

(d) If (and for the purpose of this Section 19(d) only, the term Mortgagor shall mean and include not only Mortgagor but any beneficiary of a Trustee Mortgagor and each person who, as guarantor, co-maker or otherwise shall be or become liable for or obligated upon all or any part of the Indebtedness Hereby Secured or any of the covenants or agreements contained herein or in the Construction Loan Agreement),

(i) The Mortgagor shall file a petition in voluntary bankruptcy under the Bankruptcy Code of the United States or any similar law, state or federal, now or hereafter in effect, or

(ii) The Mortgagor shall file an answer admitting insolvency or inability to pay its debts, or

(iii) Within sixty (60) days after the filing against Mortgagor of any involuntary proceeding under such Bankruptcy Code or similar law, such proceedings shall not have been vacated or stayed, or

(iv) The Mortgagor shall be adjudicated a bankrupt, or a trustee or receiver shall be appointed for the Mortgagor or for all or the major part of the Mortgagor's property or the Premises, in any involuntary proceeding, or any court shall have taken jurisdiction of all or the major part of the Mortgagor's property or the Premises in any involuntary proceeding for the reorganization, dissolution, liquidation or winding up of the Mortgagor, and such trustee or receiver shall not be discharged or such jurisdiction relinquished or vacated or stayed on appeal or otherwise stayed within sixty (60) days, or

(v) The Mortgagor shall make an assignment for the benefit of creditors or shall admit in writing its inability to pay its debts generally as they become due or shall consent to the appointment of a receiver or trustee or liquidator of all or the major part of its property, or the Premises; or

(e) If any default shall exist under the provisions of Section 25 hereof or under the Assignment; or

(f) ~~If any default shall exist under the provisions of Section 30 hereof, or under the Construction Loan Agreement; or~~

(g) If default shall continue for fifteen (15) days after notice thereof by the Mortgagee to the Mortgagor in the due and punctual performance or observance of any other agreement or condition herein or in the Note contained, provided that if such default is not susceptible to cure within such 15-day initial period, Mortgagor shall have such additional time as may be reasonably necessary to cure such default provided Mortgagor initiates such cure within said initial 15-day period, Mortgagor diligently pursues such cure until completion and in all events, such default shall be completely cured to Mortgagor's satisfaction within 90 days from the occurrence of said default.

(i) If any representation or warranty made by or on behalf of Mortgagor or any beneficiary of Mortgagor or any guarantor of all or any part of the Indebtedness Hereby Secured in connection with the Indebtedness Hereby Secured shall prove untrue in any material respect; or

(j) If any default shall exist under that certain Security Agreement and Assignment, dated of even date herewith, made by 1098 Plaza Partnership (the "Partnership"), an Illinois general partnership, the owner and holder of 100% of the beneficial interest in Mortgagor, pledging to Mortgagee all of the Partnership's right, title and interest in and to the beneficial interest in Mortgagor;

then the Mortgagee is hereby authorized and empowered, at its option, and without affecting the lien hereby created or the priority of said lien or any right of the Mortgagee hereunder, to declare, without further notice all Indebtedness Hereby Secured to be immediately due and payable, whether or not such default is thereafter remedied by the Mortgagor, and the Mortgagee may immediately proceed to foreclose this Mortgage and/or exercise any right, power or remedy provided by this Mortgage, the Note, the Assignment or by law or in equity conferred.

20. Foreclosure. When the Indebtedness Hereby Secured, or any part thereof, shall become due, whether by acceleration or otherwise, the Mortgagee shall have the right to foreclose the lien hereof for such Indebtedness or part thereof. In any suit or proceeding 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, title insurance policies, and similar data and assurances with respect to title, as the Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at sales which may be had pursuant to such decree, the true conditions of the title to or the value of the Premises. All expenditures and expenses of the nature in this Section mentioned, and such expenses and fees as may be incurred in the protection of the Premises and the maintenance of the lien of this Mortgage, including the fees of any attorney employed by the Mortgagee in any litigation or proceedings affecting this Mortgage, the Note or the Premises, including probate and bankruptcy proceedings, or in preparation for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by the Mortgagor, with interest thereon at the Default Rate.

21. Proceeds of Foreclosure Sale. The proceeds of any foreclosure sale of the Premises shall be distributed and applied in the following order of priority: First, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in Section 20 hereof; Second, all other items which, under the terms hereof, constitute Indebtedness Hereby Secured additional to that evidenced by the Note, with interest on such items as herein provided; Third, to interest remaining unpaid upon the Note; Fourth, to the principal remaining unpaid upon the Note; and lastly, any overplus to the Mortgagor, and its successors or assigns, as their rights may appear.

22. Receiver. Upon, or at any time after the filing of a complaint to foreclose this Mortgage, the court in which such complaint is filed may appoint a receiver of the Premises. Such appointment may be made either before or after sale, without notice, without regard to 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; and the Mortgagee hereunder or any holder of the Note may be appointed as such receiver. Such receiver shall have the 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, if any, whether there be a redemption or not, as well as during any further times when the Mortgagor, except for the intervention of such receiver, would be entitled to collection of such rents, issues and profits, and 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. The court may, from time to time, authorize the receiver to apply the net income from the Premises in his hands in payment in whole or in part of:

(a) The Indebtedness Hereby Secured or the indebtedness secured by any decree foreclosing this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to the foreclosure sale; or

(b) The deficiency in case of a sale and deficiency.

23. Insurance Upon Foreclosure. In case of an insured loss after foreclosure proceedings have been instituted, the proceeds of any insurance policy or policies, if not applied in Restoring the Improvements, as aforesaid, shall be used to pay the amount due in accordance with any decree of foreclosure that may be entered in any such proceedings, and the balance, if any, shall be paid as the court may direct. In the case of foreclosure of this Mortgage, the court, in its decree, may provide that the Mortgagee's clause attached to each of the casualty insurance policies may be canceled and that the decree creditor may cause a new loss clause to be attached to each of said casualty insurance policies making the loss thereunder payable to said decree creditors; and any such foreclosure decree may further provide that in case of one or more redemptions under said decree, pursuant to the statutes in each such case made and provided, then in every such case each and every successive redemptor may cause the preceding loss clause attached to each casualty insurance policy to be canceled and a new loss clause to be attached thereto, making the loss thereunder payable to such redemptor. In the event of foreclosure sale, the Mortgagee is hereby authorized, without the consent of the Mortgagor, to assign any and all insurance policies to the purchaser at the sale, or to take such other steps as the Mortgagee may deem advisable to cause the interest of such purchaser to be protected by any of the said insurance policies.

24. Waiver. The Mortgagor hereby covenants and agrees that it will not at any time insist upon or plead, or in any manner whatever claim or take any advantage of, any stay, exemption or extension law or any so-called "Moratorium Law" now or at any time hereafter in force, nor claim, take or insist upon any benefit or advantage of or from any law now or hereafter in force providing for the valuation or appraisement of the Premises, or any part thereof, prior to any sale or sales thereof to be made pursuant to any provisions herein contained, or to decree, judgment or order of any court of competent jurisdiction; or after such sale or sales claim or exercise any rights under any statute now or hereafter in force to redeem the property so sold, or any part thereof, or relating to the marshalling thereof, upon foreclosure sale or other enforcement hereof. The Mortgagor hereby expressly waives any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage, on its own behalf and on behalf of each and every person, excepting only decree or judgment creditors of the Mortgagor acquiring any interest or title to the Premises or beneficial interest in Mortgagor subsequent to the date hereof, it being the intent hereof that any and all such rights of redemption of the Mortgagor and of all other persons are and shall be deemed to be hereby waived to the full extent permitted by the provisions of Chapter 110, Para. 12-124 and Para. 12-125 of the Illinois Statutes or other applicable law or replacement statutes. The Mortgagor will not invoke or utilize any such law or laws or otherwise hinder, delay or impede the execution of any right, power or remedy herein or otherwise granted or delegated to the Mortgagee, but will suffer and permit the execution of every such right, power and remedy as though no such law or laws had been made or enacted. If the Mortgagor is a trustee, Mortgagor represents that the provisions of this Section (including the waiver of redemption rights) were made at the express direction of Mortgagor's beneficiaries and the persons having the power of direction over Mortgagor and are made on behalf of the Trust Estate of Mortgagor and all beneficiaries of Mortgagor, as well as all other persons mentioned above.

25. Assignment. As further security for the Indebtedness Hereby Secured, the Mortgagor has, concurrently herewith, executed and delivered to the Mortgagee a separate instrument (herein called the "Assignment") dated as of the date hereof, wherein and whereby, among other things, the Mortgagor has assigned to the Mortgagee all of the rents, issues and profits and/or any and all leases and/or the rights of management of the Premises, all as therein more specifically set forth, which said Assignment is hereby incorporated herein by reference as fully and with the same effect as if set forth herein at length. The Mortgagor agrees that it will duly perform and observe all of the terms and provisions on its part to be performed and observed under the Assignment. The Mortgagor further agrees that it will duly perform and observe all the terms and provisions on lessor's part to be performed and observed under any and all leases of the Premises to the end that no default on the part of lessor shall exist thereunder. Nothing herein contained shall be deemed to obligate the Mortgagee to perform or discharge any obligation, duty or liability of lessor under any lease of the Premises, and the Mortgagor shall and does hereby indemnify and hold the Mortgagee harmless from any and all liability, loss or damage which the Mortgagee may or might incur under any lease of the Premises or by reason of the Assignment; and any and all such liability loss or damage incurred by the Mortgagee, together with the costs and expenses, including reasonable attorneys' fees, incurred by the Mortgagee in the defense of any claims or demands therefor (whether successful or not), shall be so much additional Indebtedness Hereby Secured, and the Mortgagor shall reimburse the Mortgagee therefor on demand, together with interest at the Default Rate from the date of demand to the date of payment.

26. Mortgagee in Possession. Nothing herein contained shall be construed as constituting the Mortgagee a mortgagee in possession in the absence of the actual taking of possession of the Premises by the Mortgagee.

27. Business Loan. It is understood and agreed that the loan evidenced by the Note and secured hereby is a business loan within the purview of Section 6404 of Chapter 17 of Illinois Revised Statutes (or any substitute, amended, or replacement statutes) transacted solely for the purpose of carrying on or acquiring the business of the Mortgagor or, if the Mortgagor is a trustee, for the purpose of carrying on or acquiring the business of the beneficiaries of the Mortgagor as contemplated by said Section.

28. INTENTIONALLY DELETED.

29. Contests. Notwithstanding anything to the contrary herein contained, Mortgagor shall have the right to contest by appropriate legal proceedings diligently prosecuted any Taxes imposed or assessed upon the Premises or which may be or become a lien thereon and any mechanics', materialmen's or other liens or claims for lien upon the Premises (all herein called "Contested Liens"), and no Contested Lien shall constitute an Event of Default hereunder, if, but only if:

(a) Mortgagor shall forthwith give notice of any Contested Lien to Mortgagee at the time the same shall be asserted;

(b) Mortgagor shall deposit with Mortgagee the full amount (herein called the "Lien Amount") of such Contested Lien or which may be secured thereby, together with such amount as Mortgagee may reasonably estimate as interest or penalties which might arise during the period of contest; provided that in lieu of such payment Mortgagor may furnish to Mortgagee a bond or title indemnity in such amount and form, and issued by a bond or title insuring company, as may be satisfactory to Mortgagee;

(c) Mortgagor shall diligently prosecute the contest of any Contested Lien by appropriate legal proceedings having the effect of staying the foreclosure or forfeiture of the Premises, and shall permit Mortgagee to be represented in any such contest and shall pay all expenses incurred by Mortgagee in so doing, including fees and expenses of Mortgagee's counsel (all of which shall constitute so much additional Indebtedness Hereby Secured bearing interest at the Default Rate until paid, and payable upon demand);

(d) Mortgagor shall pay such Contested Lien and all Lien Amounts together with interest and penalties thereon (i) if and to the extent that any such Contested Lien shall be determined adverse to Mortgagor, or (ii) forthwith upon demand by Mortgagee if, in the opinion of Mortgagee, and notwithstanding any such contest, the Premises shall be in jeopardy or in danger of being forfeited or foreclosed; provided that if Mortgagor shall fail so to do, Mortgagee may, but shall not be required to, pay all such Contested Liens and Lien Amounts and interest and penalties thereon and such other sums as may be necessary in the judgment of the Mortgagee to obtain the release and discharge of such liens; and any amount expended by Mortgagee in so doing shall be so much additional Indebtedness Hereby Secured bearing interest at the Default Rate until paid, and payable upon demand; and provided further that Mortgagee may in such case use and apply for the purpose monies deposited as provided in Subsection 29(b) above and may demand payment upon any bond or title indemnity furnished as aforesaid.

30. Title in Mortgagor's Successors. In the event that the ownership of the Premises or any part thereof becomes vested in a person or persons other than the Mortgagor, the Mortgagee may, without notice to the Mortgagor, deal with such successor or successors in interest of the Mortgagor with reference to this Mortgage and the Indebtedness Hereby Secured in the same manner as with the Mortgagor. The Mortgagor will give immediate written notice to the Mortgagee of any conveyance, transfer or change of ownership of the Premises, but nothing in this Section 30 contained shall vary or negate the provisions of Section 17 hereof.

31. **Rights Cumulative.** Each right, power and remedy herein conferred upon the Mortgagee is cumulative and in addition to every other right, power or remedy, express or implied, given now or hereafter existing, at law or in equity, and each and every right, power and remedy herein set forth or otherwise so existing may be exercised from time to time as often and in such order as may be deemed expedient by the Mortgagee, and the exercise or the beginning of the exercise of one right, power or remedy shall not be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy; and no delay or omission of the Mortgagee in the exercise of any right, power or remedy accruing hereunder or arising otherwise shall impair any such right, power or remedy, or be construed to be a waiver of any default or acquiescence therein.

32. **Successors and Assigns.** This Mortgage and each and every covenant, agreement and other provision hereof shall be binding upon the Mortgagor and its successors and assigns (including, without limitation, each and every from time to time record owner of the Premises or any other person having an interest therein) and shall inure to the benefit of the Mortgagee and its successors and assigns. Wherever herein the Mortgagee is referred to, such reference shall be deemed to include the holder from time to time of the Note, whether so expressed or not; and each such from time to time holder of the Note shall have and enjoy all of the rights, privileges, powers, options, benefits and security afforded hereby and hereunder, and may enforce every and all of the terms and provisions hereof, as fully and to the same extent and with the same effect as if such from time to time holder was herein by name specifically granted such rights, privileges, powers, options, benefits and security and was herein by name designated the Mortgagee.

33. **Provisions Severable.** The unenforceability or invalidity of any provision or provisions hereof shall not render any other provision or provisions herein contained unenforceable or invalid.

34. **Waiver of Defenses.** No action for the enforcement of the lien or any provision hereof 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.

35. **Captions and Headings.** The captions and headings of the various sections of this Mortgage are for convenience only, and are not to be construed as confining or limiting in any way the scope or intent of the provisions hereof. Whenever the context requires or permits, the singular number shall include the plural, the plural shall include the singular and the masculine, feminine and neuter genders shall be freely interchangeable.

36. INTENTIONALLY DELETED.

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37. **Addresses and Notices.** Any notice which any party hereto may desire or may be required to give to any other party shall be in writing, and the personal delivery thereof or the passage of three days after the mailing thereof by registered or certified mail, return receipt requested, to the addresses initially specified in the introductory paragraph hereof, or to such other place or places as any party hereto may by notice in writing designate, shall constitute service of notice hereunder.

38. ***Mortgagor Will Not Discriminate.*** *Mortgagor covenants and agrees at all times to be in full compliance with provisions* of law prohibiting discrimination on the basis of race, color, creed or national origin including, but not limited to, the requirements of Title VIII of the 1968 Civil Rights Act, or any substitute, amended or replacement Acts.

39. **Interest at the Default Rate.** Without limiting the generality of any provision herein or in the Note contained, from and after the occurrence of any Event of Default hereunder, all of the Indebtedness Hereby Secured shall bear interest at the Default Rate specified in the Note.

40. Leasehold Mortgage Provisions

(a) With respect to the leases (the "Leases") more particularly described on Exhibit B attached hereto, Mortgagor and 1098 Plaza Partnership (the "Partnership"), owner and holder of 100% of the beneficial interest in Mortgagor, evidenced by the Partnership's direction to the Mortgagor to execute this Mortgage, hereby warrant and represent as follows: (i) the Leases are in full force and effect and have not been amended, altered or modified by any writing or otherwise (except as set forth on Exhibit B); (ii) all rent and other charges reserved in the Lease have been paid to the extent they are payable to the date hereof; (iii) the Lessees are not in default under any of the terms of the Leases and there are no circumstances which, alone or with the passage of time or the giving of notice, or both, would constitute an event of default under the Leases; (iv) the Landlord under the Leases are not in default under any of the terms or provisions thereof on the part of the landlord to be observed or performed; (v) Mortgagor enjoys the quiet and peaceful possession of the Leasehold Mortgage Premises; (vi) the term of the Leases expires on October 31, 2019, subject to options to extend the Leases for two (2) successive periods of twenty-five (25) years; and (vii) the execution and delivery of the Note, this Mortgage and the other instruments securing the Indebtedness Hereby Secured, and the performance by Mortgagor of its obligations thereunder, do not and will not cause or give rise to a default under the Leases.

(b) Further, with respect to the Leases, the Mortgagor and the Partnership, by its direction to the Mortgagor to execute this Mortgage, covenant and agree as follows: (i) to promptly and faithfully observe, perform and comply with all of the terms, covenants and provisions thereof on Lessee's part to be observed, performed and complied with, at the times set forth therein (without notice or period of grace except as otherwise specifically provided for in the Leases); (ii) not to do, permit, suffer or refrain from doing anything which may result in a default under or breach of any of the terms of the Leases; (iii) not to cancel, surrender, modify, amend or in any way alter or permit the alteration of any of the terms or provisions of the Leases; (iv) to give Mortgagee immediate notice of any default by anyone under the Leases and to promptly deliver to the Mortgagee a copy of each notice of default and all other notices, communications, plans, specifications and other similar instruments received or delivered by the Mortgagor or the Partnership in connection with the Leases; and (v) to furnish to the Mortgagee copies of such information and evidence as the Mortgagee may reasonably require concerning the Lessee's due observance, performance and compliance with the terms, covenants and provisions of the Leases.

(c) In the event of any default by the Lessee in the performance of any of its obligations under the Leases including, without limitation, any default in the payment of rent or other charges and impositions to be paid by the Lessee thereunder, and the passage of any grace period, then, in each and every case, the Mortgagee may, at its option and without notice, cause the default or defaults to be remedied and otherwise exercise any and all of the rights of the Lessee thereunder in the name of and on behalf of the Lessee. The Mortgagor shall promptly, on demand, reimburse the Mortgagee for all advances made and expenses incurred by the Mortgagee in curing any such default (including, without limitation, reasonable attorney's fess and expenses) together with interest thereon computed at the Default Rate provided for in the Note from the date that an advance is made to and including the date the same is paid. Notwithstanding anything to the contrary herein contained, Mortgagee shall have no liability under the Leases by reason of its acceptance of this Mortgage.

(d) It is hereby agreed that the fee title and the leasehold estate in the property demised by the Leases shall not merge but shall always be kept separate and distinct, notwithstanding the union of said estates in any person, whether by purchase or otherwise. If the Mortgagor acquires the fee title or any part thereof, the lien of

this Mortgage shall attach to, cover and be a lien upon such acquired estate, title or interest and the same shall thereupon be and become a part of the Premises with the same force and effect as if specifically encumbered herein. The Mortgagor agrees to execute all instruments and documents which the Mortgage may reasonably require to ratify, confirm and further evidence the Mortgagee's lien on the acquired estate, title or interest. Furthermore, the Mortgagor hereby appoints the Mortgagee as its true and lawful attorney-in-fact to execute and deliver all such instruments and documents in the name and on behalf of the Mortgagor. This power, being coupled with an interest, shall be irrevocable as long as any portion of the Indebtedness Hereby Secured remains unpaid.

(e) If the Leases are cancelled or terminated, and if the Mortgagee or its nominee shall acquire an interest in any new leases of the property demised thereby, the Mortgagor and the Partnership shall have no right, title or interest in or to the new leases or the leasehold estate created by such new leases.

(f) In addition to the deposits required to be made pursuant to Section 6 herein, Mortgagor hereby agrees to deposit with the Mortgagee on the first day of each and every month commencing with the date the first payment of principal and interest shall become due on the Indebtedness Hereby Secured the sum of $1,500.00 (which amount may be changed to reflect an increase or decrease in the estimated annual rent under this Lease); provided that, in the case of the first such deposit, there shall be deposited in addition to the amount set forth above an amount equal to $10,000.00 (the "Initial Deposit"). Such deposits (other than the Initial Deposit) shall be applied first for the payment of rent under the Leases and then in the manner and in the order as Mortgagee may, in its sole and absolute discretion, determine. The parties hereto hereby acknowledge and agree that the sums deposited pursuant to this Section 40(f) shall not bear interest for the benefit of Mortgagor and further acknowledge and agree that Mortgagee shall not be liable for any failure to apply such deposits to the payment of rents under the Leases unless the Mortgagor, while no default exists hereunder and within a reasonable time prior to such rentals are due, shall have requested the Mortgagee in writing to make application of such deposits to and for the payment of rent due under the Leases; provided, however, that the Mortgagee shall not apply the Initial Deposit to the payment of rent as they become due, but Mortgagee shall hold such Initial Deposit until the Indebtedness Hereby Secured shall be paid in full or an Event of Default has occurred hereunder.

41. Prior Lien. It is acknowledged and agreed by the parties hereto (and by the Partnership, as evidenced by its direction to the Mortgagor, to execute the Mortgage) as follows: (a) the lien of this Mortgage is subject and subordinate to the lien of those certain instruments (the "Prior Loan Documents", as more fully set forth heretofore) which secure that certain loan (the "Prior Loan") made by John Hancock Mutual Life Insurance Company ("Hancock") in the original principal amount of $600,000.00, which Prior Loan is evidenced by that certain promissory note (the "Prior Note") dated March 9, 1977 made by Central National Bank as trustee under Trust Agreement dated December 1, 1970 and known as Trust No. 17975 (the "Central Trust") and payable to the order of Hancock and secured by the following documents (herein called the "Prior Loan Documents"), each of which is dated March 9, 1977: (i) a mortgage made by American National Bank and Trust Company of Chicago as Trustee under Trust Agreement dated November 1, 1976 and known as Trust Number 39577 (the "American National Trust"), Motel Land Corporation ("Motel") and the Central Trust to Hancock, which mortgage was recorded in the office of the Cook County Recorder of Deeds (the "Recorder's Office") on March 11, 1977 as Document Number 23847686; and (ii) an Assignment of Rents made by the American National Trust, Motel and the Central Trust to Hancock, which Assignment of Rents was recorded in the Recorder's Office on March 11, 1977 as Document Number 23847685; (b) that the Prior Loan Documents shall be a permitted exception hereunder provided that the lien and the rights and interests of the holder or owner of the Prior Note shall be insured over to Mortgagee's satisfaction by a title insurance company (the "Title Insurer") acceptable to Mortgagee and licensed to do business in Illinois; (c) that as of the date hereof, all payments due under the Prior Note are current and in good standing

and no default or event of default or event or condition which itself or with th passage of time or the giving of notice or both would constitute a default or Event of default, and the Holder of the Prior Note has not purported to declare the Prior Loan due and payable or accelerate same or foreclose or otherwise realize upon the security of the Prior Loan Documents; (d) that the Mortgagor will duly and punctually perform, observe and pay all of the terms, provisions, conditions, obligations, liabilities, agreements and payments to be made, performed or observed by the Mortgagor pursuant to the Prior Loan Documents.

42. Additional Events of Default. It shall be an immediate Event of Default under Section 19 hereof, without notice or period of grace of any kind, if there shall occur any event or condition which alone or with the passage of time or the giving of notice or both would constitute (a) a Default by Lessee under the Leases or entitle the Lessor under the Leases to terminate either of the Leases; or (b) a Default or Event of Default under the Prior Loan Documents*; provided that curing by Mortgagee of any such Default shall not be deemed a waiver or cure of same as an Event of Default by Mortgagor hereunder.

43. Tax Deposits. Notwithstanding the provisions of Section 6 hereof, Mortgagor shall not be required to make monthly deposits for taxes as provided for herein so long as the owner and holder of the Prior Note shall collect such deposits, provided that Mortgagor hereby covenants and agrees to notify Mortgagee in the event that the owner and holder of the Prior Note shall no longer require such deposits and further provided that any lien arising or created as a result of the failure to pay such taxes when such taxes shall be due and payable shall be insured over by the Title Insurer to Mortgagee's satisfaction.

44. Construction Loan. The parties hereto hereby acknowledge that this is not a Construction Loan and all references to such term herein shall have no meaning and shall be given no force and effect.

* (c) default, after the periods of grace, if any, in the monthly payments of principal and interest or in the monthly payments of tax escrows to be paid pursuant to the terms of the Prior Loan Documents. JP

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This Mortgage is executed by First National Bank of Skokie, not personally but as Trustee aforesaid, in the exercise of the power and authority conferred upon and fixed in it as such Trustee, and it is expressly understood and agreed that nothing herein contained shall be constituted as creating any liability on said First National Bank of Skokie as Trustee as aforesaid, or on said Bank, personally, to pay 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, all such liability, if any, being expressly waived by the Mortgagee and by every person now or hereafter claiming any right or security hereunder, and that so far as First National Bank of Skokie, as Trustee as aforesaid, and its successors, and First National Bank of Skokie, personally, are concerned, the Mortgagee and the holder or holders of the Note and the owner or owners of the indebtedness accruing hereunder shall look solely to any one or more of (a) the Premises hereby conveyed for the payment thereof, by the enforcement of the lien hereby created, in the manner herein and in the Note provided, or (b) action to enforce the personal liability of any obligor, guarantor or co-maker or (c) enforcement of any other security or collateral securing the Indebtedness Hereby Secured.

IN WITNESS WHEREOF, First National Bank of Skokie, not personally but as Trustee as aforesaid, 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, all as of the day, month and year first above written.

First National Bank of Skokie
Not personally but solely as Trustee as aforesaid

By George Logan
Asst. Vice President

ATTEST:

Florence Pitella
ASSISTANT VICE PRESIDENT AND TRUST OFFICER

86197613

STATE OF Illinois
COUNTY OF } ss.:

I, Joseph F. Sobiecki a Notary Public in and for said County in the State aforesaid, do hereby certify that George J. Logan, Asst. Vice President of First National Bank of Skokie an, and Florence Pitella ASSISTANT VICE PRESIDENT AND TRUST OFFICER Assistant Secretary, of said Bank, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Bank's 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 acts, and as the free and voluntary act of said Bank, as Trustee, for the uses and purposes therein set forth; and the said Assistant Secretary did also then and there acknowledge that he, as custodian for the corporate seal of said Bank did affix the said instrument as his own free and voluntary act, and as the free and voluntary act of said Bank, as Trustee, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 15th day of May, 1986.

Joseph F. Sobiecki
Notary Public

86309164

My Commission Expires:

9-24-89

86378954

Trustee Signature Page

(MN/RAS 1/1/84)

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R&S 298200-248
HSB 10-724
DOC. #17
(05/06/86)-6

86197613

PROMISSORY NOTE

$1,450,000.00 May 1, 1986

1. Agreement to Pay. FOR VALUE RECEIVED, the undersigned, FIRST NATIONAL BANK OF SKOKIE, not personally but solely as Trustee under Trust Agreement dated April 30, 1986 and known as Trust No. 52109T (herein called "Borrower") promises to pay to the order of SKOKIE FEDERAL SAVINGS AND LOAN ASSOCIATION (herein called "Skokie," and Skokie and each successive, from time to time, owner and holder of this Note being herein generally called the "Holder"), in the manner provided for herein and in the Mortgage, hereinafter referred to, the principal sum of

ONE MILLION FOUR HUNDRED FIFTY THOUSAND DOLLARS
($1,450,000.00)

together with interest on the balance of principal remaining from time to time unpaid at the rates provided for in Sections 3 and 4 hereof.

2. Maturity Date.

(a) The entire outstanding principal balance of this Note, together with all accrued and unpaid interest hereon and all other sums evidenced hereby or advanced pursuant to the Security Instruments, hereinafter referred to, shall be due and payable on or before May 31, 1996,

EXHIBIT A

Ass 1991100-1ee
Use 10-724
Doc. #17
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PROMISSORY NOTE

$1,450,000.00 May 1, 1988

1. Agreement to Pay. FOR VALUE RECEIVED, the undersigned, FIRST NATIONAL BANK OF BROKER, not personally but solely as Trustee under Trust Agreement dated April 10, 1988 and known as Trust No. 54287 (herein called "Borrower"), promises to pay to the order of BROKER FEDERAL SAVINGS AND LOAN ASSOCIATION (herein called "Bank") and Bank and each successive, from time to time, owner and holder of this Note (Bank and generally called the "Holder"), in the manner provided for herein and in the Mortgage, hereinafter referred to, the principal sum of

ONE MILLION FOUR HUNDRED FIFTY THOUSAND DOLLARS
($1,450,000.00)

together with interest on the balance of principal remaining from time to time unpaid at the rates provided for in sections 3 and 4 hereof.

2. Maturity Date.

(a) The entire outstanding principal balance of this Note, together with all accrued and unpaid interest thereon and all other sums evidenced hereby or advanced pursuant to the Security Instruments, hereinafter referred to, shall be due and payable on or before May 1, 1993.

EXHIBIT A

subject to acceleration on account of a default hereunder and further subject to the provisions of Section 2(b) hereof.

(b) If Borrower is not in default hereunder or an Event of Default has not occurred under the Security Instruments, hereinafter referred to, then Borrower may extend the Maturity Date until May 31, 2001 (the "Extended Maturity Date") provided Borrower shall give Holder written of Borrower's intent to so extend the Maturity Date, which notice must be given to Holder not more than one hundred twenty (120) days prior to the Maturity Date nor less than ninety (90) days prior to the Maturity Date.

3. Interest Rate Prior to Default.

(a) Outstanding principal balances hereof, prior to default or maturity, shall bear interest at the following rates (herein called the "Regular Rate"):

(i) during the period commencing on the date of the initial disbursement of all or any part of the loan evidenced hereby (herein called the "Disbursement Date") and ending on May 31, 1991, ten and one-half percent (10.50%) per annum (herein called the "Initial Regular Rate");

(ii) during the period commencing on June 1, 1991 (herein called the "First Adjustment Date") and

subject to acceleration on account of a default hereunder and further subject to the provisions of Section 5(b) hereof.

(b) If Borrower is not in default hereunder or an Event of Default has not occurred under the Security Instruments, hereinafter referred to, then Borrower may extend the Maturity Date until May 31, 2001 (the "Extended Maturity Date") provided Borrower shall give Holder written of Borrower's intent to so extend the Maturity Date, which notice must be given to Holder not more than one hundred twenty (120) days prior to the Maturity Date nor less than ninety (90) days prior to the Maturity Date.

3. Interest And Fees In Default.

(a) Outstanding principal balances hereof, prior to default or maturity, shall bear interest at the following rates (hereinafter called the "Regular Rate"):

(i) during the period commencing on the date of the initial disbursement of all or any part of the loan evidenced hereby (herein called the "Disbursement Date") and ending on July 31, 1991, ten and one-half percent (10.50%) per annum (herein called the "Initial Regular Rate");

(ii) during the period commencing on June 1, 1991 (herein called the "First Adjustment Date") and

ending on the Maturity Date, a rate (herein called the "First Adjusted Regular Rate") equal to (A) a rate (herein called the "First Computed Rate") which is 250 basis points in excess of the interest rate (herein called the "First CD Rate") quoted by Skokie on May 15, 1991 (herein called the "First Quote Date") with respect to Skokie's five-year certificate of deposit; provided that if, on the First Quote Date, the Holder is someone other than Skokie or Skokie does not offer a certificate of deposit with a five-year maturity, then the National Cost of Funds Index for five-year funds, as determined by the Federal Home Loan Bank Board, shall be substituted for the First CD Rate; and

(iii) if Borrower has extended the Maturity Date as more full provided for in Section 2(b) hereof, then during the period commencing June 1, 1996 (herein called the "Second Adjustment Date") and ending on the Extended Maturity Date, a rate (herein called the "Second Adjusted Regular Rate") equal to (A) a rate (herein called the "Second Computed Rate") which is 250 basis points in excess of the interest rate (herein called the "Second CD Rate") quoted by Skokie on May 15, 1996 (herein called the "Second Quote Date") with respect to Skokie's five-year certificate of deposit; provided that if, on the Second Quote Date, the Holder

ending on the maturity date, a rate (herein called the "First Adjusted Coupon Rate") equal to (A) a rate (herein called the "First Composed Rate") which is 250 basis points in excess of the interest rate (herein called the "First Coupon Rate") quoted by Shakie on May 15, 1991 (herein called the "First Quote Date") with respect to Shakie's five-year certificate of deposit, provided that if, on the First Quote Date, the Holder is someone other than Shakie or Shakie does not offer a certificate of deposit with a five-year maturity, then the National Cost of Funds Index for savings funds, as determined by the Federal Home Loan Bank Board, shall be substituted for the First Quote Date; and

(iii) if Borrower has exercised the maturity date extension provided for in section 2(b) hereof, then during the period commencing June 1, 1998 (herein called the "Second Adjustment Date") and ending on the Ultimate Maturity Date, a rate (herein called the "Second Adjusted Coupon Rate") equal to (A) a rate (herein called the "Second Composed Rate") which is 250 basis points in excess of the interest rate (herein called the "Second Coupon Rate") quoted by Shakie on May 15, 1998 (herein called the "Second Quote Date") with respect to Shakie's five-year certificate of deposit, provided that if, on the Second Quote Date, the Holder

is someone other than Skokie or Skokie does not offer a certificate of deposit with a five-year maturity, then the National Cost of Funds Index for five-year funds, as determined by the Federal Home Loan Bank Board, shall be substituted for the Second CD Rate.

(b) Interest, in each case, shall be computed on the basis of a 360-day year for each day all or any part of the principal balance hereof shall remain outstanding.

4. Default Rate. In the event that there shall occur (a) any default hereunder or any default or Event of Default under the Mortgage, Assignment, or BI Pledge, hereinafter referred to, or any other document evidencing or securing the indebtedness evidenced hereby, or (b) maturity of the indebtedness evidenced hereby, whether by passage of time, acceleration, declaration or otherwise, then and in any such event, the entire principal balance hereof and all indebtedness secured by the Mortgage shall thereafter bear interest at the rate (herein called the "Default Rate") equal to the greater of: (i) eighteen percent (18%) per annum; or (ii) two percent (2%) per annum in excess of the Regular Rate then in effect.

5. Late Charge. Without limiting the provisions of Section 4 hereof, in the event any installment of

is someone other than Grantor or Grantor does not offer a certificate of deposit with a five-year maturity, then the National cost of funds index for five-year funds, as determined by the Federal Home Loan Bank Board, shall be substituted for the Second CD Rate.

(d) Interest, in each case, shall be computed on the basis of a 360-day year for each day all or any part of the principal balance hereof shall remain outstanding.

4. Default Rate. In the event that there shall occur (a) any default hereunder or any default or Event of Default under the Mortgage, Assignment or Pledge, hereinafter referred to, or any other document evidencing or securing the indebtedness referred hereby, or (b) maturity of the indebtedness evidenced hereby, whether by passage of time, acceleration, declaration or otherwise, then and in any such event, the entire unpaid balance hereof and all indebtedness secured by the Mortgage shall thereafter bear interest (at the rate hereinafter called the "Default Rate") equal to the greater of: (i) eighteen percent (18%) per annum or (ii) two percent (2%) per annum in excess of the Regular Rate then in effect.

5. Late Charge. Without limiting the provisions of Section 4 hereof, in the event any installment of

interest and/or principal and interest is not paid within ten (10) days of the due date thereof, the Borrower promises to pay a late charge of 4% of the amount due to defray the expenses incident to handling any such delayed payment or payments.

6. Monthly Payments. Principal and interest at the applicable Regular Rate upon this Note shall be paid as follows:

(a) On the first day of June, 1986, accrued interest only at the Initial Regular Rate shall be paid upon the outstanding principal balance hereof;

(b) On the first day of July, 1986, and on the first day of each and every month thereafter to and including June 1, 1991, there shall be paid on account of principal and interest hereon at the Initial Regular Rate the sum of $13,702.50;

(c) On the first day of July, 1991, and on the first day of each month thereafter to and including June 1, 1996, there shall be paid on account of principal and interest hereon at the First Adjusted Regular Rate a sum sufficient to fully amortize the outstanding principal balance hereof as of the First Adjustment Date with interest at the First Adjusted Regular Rate by level monthly payments of principal and interest over a

interest and/or principal and interest is not paid within ten (10) days of the due date thereof, the borrower promises to pay a late charge of 1% of the amount due to defray the expenses incident to handling any such delayed payment or payments.

6. Monthly Payments. Principal and interest at the applicable Regular Rate upon this Note shall be paid as follows:

(a) On the first day of June, 1986, accrued interest only at the Initial Regular Rate shall be paid upon the outstanding principal balance hereof;

(b) On the first day of July, 1986, and on the first day of each and every month thereafter to and including June 1, 2011, there shall be paid on account of principal and interest hereon at the Initial Regular Rate the sum of $13,163.80;

(c) On the first day of July, 1991, and on the first day of each month thereafter to and including June 1, 2011, there shall be paid on account of principal and interest hereon at the first Adjusted Regular Rate a sum sufficient to fully amortize the outstanding principal balance hereof as of the first Adjustment Date with interest at the first Adjusted Regular Rate by level monthly payments of principal and interest over a

period, commencing on the First Adjustment Date, of twenty five (25) years;

(d) If Borrower has extended the Maturity Date to the Extended Maturity Date as more full provided for in Section 2(b) hereof, then on the first day of July, 1996, and on the first day of each month thereafter to and including June 1, 2001, there shall be paid on account of principal and interest hereon at the Second Adjusted Regular Rate a sum sufficient to fully amortize the outstanding principal balance hereof as of the Second Adjustment Date with interest at the Second Adjusted Regular Rate by level monthly payments of principal and interest over a period, commencing on the Second Adjustment Date, of twenty five (25) years;

(e) In all events on the Maturity Date or the Extended Maturity Date, if Borrower has extended the term hereof pursuant to the terms and conditions set forth in Section 2(b) hereof, the entire outstanding principal balance of this Note, together with all accrued and unpaid interest hereon, shall be due and payable. THIS IS A BALLOON NOTE requiring the payment of substantial unamortized principal sums at maturity;

(f) All payments on account of the indebtedness evidenced hereby shall be applied first to interest on the unpaid principal balance hereof at the applicable

period, commencing on the first Adjustment Date, of twenty five (25) years.

(d) If Borrower has extended the Maturity Date to the Extended Maturity Date as more full provided for in Section 3(b) hereof, then on the first day of July, 1996, and on the first day of each month thereafter, to and including June 1, 2001, there shall be paid on account of principal and interest hereon at the Second Adjusted Regular Rate a sum sufficient to fully amortize the outstanding principal balance hereof as of the Second Adjustment Date with interest at the Second Adjusted Regular Rate by fully monthly payments of principal and interest over a period commencing on the Second Adjustment Date of twenty five (25) years.

(e) In event prior to the Maturity Date or the Extended Maturity Date, if Borrower has extended the term hereof pursuant to the terms and conditions set forth in Section 3(b) hereof, the entire outstanding principal balance of this Note, together with all accrued and unpaid interest hereon, shall be due and payable. THIS IS A BALLOON NOTE requiring the payment of substantial commercial principal sums at maturity.

(f) All payments on account of the indebtedness evidenced hereby shall be applied first to interest on the unpaid principal balance hereof at the applicable

rates specified in Sections 3 and 4 hereof, and the remainder shall be applied to principal.

7. Method and Place of Payment. Payments upon this Note shall be made (a) in lawful money of the United States of America which shall be legal tender for public and private debts at the time of payment and (b) at such place as the Holder may from time to time in writing appoint, provided that in the absence of such appointment, all payments hereon shall be made at the offices of Skokie, 4747 West Dempster Street, Skokie, Illinois 60076.

8. Security. The payment of this Note is secured by certain instruments (herein collectively called the "Security Instruments"), including, without limitation, (a) a Leasehold Mortgage (herein called the "Mortgage"), bearing even date herewith, from Borrower, as mortgagor, to Skokie, as mortgagee, encumbering certain real estate in Cook County, Illinois (herein called the "Premises"), (b) an Assignment of Rents and Leases (herein called the "Assignment"), bearing even date herewith, made by Borrower, as assignor, to Skokie, as assignee, and joined in by 1099 Plaza Partnership, an Illinois general partnership (herein called the "Partnership"), assigning all of the leases, rents, issues and profits of and from the Premises and (c)a Security Agreement and Assignment (herein called the "BI

leases specified in Sections 3 and 4 hereof, and the remainder shall be applied to principal.

7. Method and Place of Payment. Payments upon this Note shall be made in lawful money of the United States of America which shall be legal tender for public and private debts at the time of payment and (b) at such place as the holder may from time to time in writing appoint, provided that in the absence of such appointment, all payments hereon shall be made at the offices of Bankers Trust Mortgage Corporation, Chicago, Illinois.

8. Security. The payment of this Note is secured by certain instruments (hereinafter collectively called the "Security Instruments") including, without limitation, (a) a Leasehold Mortgage (herein called the "Mortgage"), bearing even date herewith, from borrower, as mortgagor, to Bankers, as mortgagee, encumbering certain real estate in Cook County, Illinois (herein called the "Premises"), (b) an Assignment of Rents and Leases (herein called the "Assignment"), bearing even date herewith, made by borrower, as assignor, to Bankers, as assignee, and joined in by Lucas Entertainment, an Illinois general partnership (herein called the "Guarantor"), assigning all of the leases, rents, issues and profits of and from the Premises and (c) a Security Agreement and Assignment (herein called the "Se-

Pledge"), bearing even date herewith, made by the Partnership to Skokie, pledging all of the Partnership's right, title and interest in and to the beneficial interest in the Borrower. Reference is hereby made to the Mortgage, Assignment and BI Pledge, which are hereby incorporated herein by this reference as fully and with the same effect as if set forth herein at length, for a description of the Premises, a statement of the covenants and agreements of the Borrower and the Partnership, a statement of the rights, remedies and security afforded thereby, and all other matters therein contained.

9. Default and Acceleration. At the election of the Holder and without notice, the principal sum remaining unpaid hereon, together with accrued interest thereon, shall be and become at once due and payable at the place herein provided for payment (a) in the case of default in the payment of principal or interest when due in accordance with the terms and provisions hereof or (b) upon the occurrence of any Event of Default under the Mortgage or any of the other Security Instruments.

10. Prepayment Privilege.

(a) For the period commencing with the Disbursement Date and ending on the last day of the Fifth

ginde"), bearing even date herewith, made by the Partnership to Bank, pledging all of the Partnership's right, title and interest in and to the beneficial interest in the Mortgagor. Reference is hereby made to the Mortgage, Assignment and Pledge, which are hereby incorporated herein by this reference as fully and with the same effect as if set forth herein at length, for a description of the Premises, a statement of the covenants and agreements of the Mortgagor and the Partnership, a statement of the rights, remedies and security afforded thereby, and all other matters therein contained.

9. Default and Acceleration. At the election of the Holder and without notice the principal sum remaining unpaid hereon, together with accrued interest thereon, shall be and become at once due and payable at the place herein provided for payment (a) in the case of default in the payment of principal or interest when due in accordance with the terms and provisions hereof or (b) upon the occurrence of any Event of Default under the Mortgage or any of the other Security Instruments.

10. Prepayment Privilege.

(a) For the period commencing with the Commencement Date and ending on the last day of the fifth

Loan Year, hereinafter defined, this Note may not be prepaid in whole or in part.

(b) At any time following the Fifth Loan Year, Borrower may make partial prepayments of principal due hereunder without penalty or premium; provided that the aggregate of such prepayments (the "Permitted Prepayment") during any one Loan Year shall not exceed twenty percent (20%) of the outstanding principal balance due hereunder as of the first day of the Loan Year in which such prepayment is made.

(c) Prepayment of principal which, in any one Loan Year, exceed the Permitted Prepayment, may be made provided that the Borrower shall pay to the Holder, together with each such prepayments, a prepayment premium equal to one hundred eighty (180) days' advance interest at the then applicable Regular Rate.

(d) If, upon default by Borrower hereunder or under the Security Instruments and following the acceleration of maturity as herein provided, a tender of payment of the amount necessary to satisfy the indebtedness evidenced hereby is made by Borrower, its successors or assigns, or anyone on its or their behalf, prior to foreclosure sale, such tender shall constitute an evasion of the payment terms hereof and shall be

loan year, hereinafter defined, this Note may not be prepaid in whole or in part.

(b) At any time following the fifth loan year, Borrower may make partial prepayments of principal due hereunder without penalty or premium provided that the aggregate of such prepayments (the "Permitted Prepayment") during any one loan year shall not exceed twenty percent (20%) of the outstanding principal balance due hereunder as of the first day of the loan year in which such prepayment is made.

(c) Prepayment of principal which, in any one loan year, exceed the Permitted Prepayment, may be made provided that the Borrower shall pay to the Holder, together with such prepayment, a prepayment premium equal to one hundred eighty (180) days' advance interest at the then applicable Regular Rate.

(d) Upon default by Borrower hereunder or under any Security Instruments and following the acceleration of maturity as herein provided, a tender of payment of the amount necessary to satisfy the indebtedness evidenced hereby is made by Borrower, its successors or assigns, or anyone on its or their behalf, prior to foreclosure sale, such tender shall constitute an evasion of the payment terms hereof and shall be

deemed to be a voluntary prepayment hereunder and, notwithstanding anything to the contrary herein contained, any such prepayment, to the extent not specifically precluded by law, shall include a premium for such prepayment of TWENTY-FIVE PERCENT (25%) of the outstanding principal balance hereof. Borrower has agreed to pay the prepayment premium described in this Note as being payable if prepayment occurs after acceleration of maturity, having recognized that, in reliance upon the continuance of the loan, the Holder will forego the opportunity to make other project loans which might be equally or more profitable to it and, upon occurrence of the default which gives rise to the acceleration, the Holder's damages cannot readily be ascertained.

(e) The term "Loan Year" as used herein shall mean and refer to the twelve (12) month period beginning with the first day of the month following the Disbursement Date and each successive twelve (12) month period thereafter; provided, however, (i) if the Disbursement Date is on the first day of a month, the first Loan Year shall commence on the Disbursement Date and (ii) if the Disbursement Date is on a day other than the first day of a month, the period of time from the Disbursement Date to the end of said month shall be added to and be included within the first Loan Year.

deemed to be a voluntary prepayment hereunder and, notwithstanding anything to the contrary herein contained, any such prepayment, to the extent not specifically precluded by law, shall include a premium for such prepayment of twenty-five percent (25%) of the outstanding principal balance hereof. Borrower has agreed to pay the prepayment premium described in this Note as being payable if prepayment occurs after acceleration of maturity, having recognized that, in reliance upon the continuance of the loan, the Holder will forego the opportunity to make other greater loans which might be equally or more profitable to it and, upon occurrence of the default which gives rise to the acceleration, the Holder's damages cannot readily be ascertained.

(b) The term "loan year" as used herein shall mean and refer to the twelve (12) month period beginning with the first day of the month following the disbursement date and each successive twelve (12) month period thereafter provided, however, (i) if the disbursement date is on the first day of a month, the first loan year shall commence on the disbursement date and (ii) if the disbursement date is on a day other than the first day of a month, the period of time from the disbursement date to the end of said month shall be added to and be included within the first loan year.

(f) Any prepayments made hereon (except as provided for in Subsection (g) below) may be made only (i) after 30 days prior written notice of the intention to make the same, such notice to be directed to the Holder hereof at the place where payments hereon are then payable, and (ii) on a regular installment payment date; and all accrued interest hereon shall be payable and shall be paid on the date specified for prepayment.

(g) Notwithstanding the foregoing provisions of this Section 10, prepayments made out of proceeds of insurance or condemnation awards as provided for in the Mortgage, may be made at any time without premium.

(h) No partial prepayment made hereon shall operate to defer or reduce the scheduled monthly installment payments of principal and interest provided for in Section 6 hereof, and each and every such scheduled required monthly installment payment shall be paid in full when due until this Note shall have been paid in full.

11. Business Loan. Borrower represents that the loan evidenced hereby is a business loan within the purview and intent of the Illinois Interest Act, Ill. Rev. Stat. ch. 17 ¶ 6404, transacted solely for the purpose of owning and operating the business of the beneficiary of the Borrower, as contemplated by said Act.

(f) Any prepayments made hereon (except as provided for in Subsection (g) below) may be made only (a) after 30 days prior written notice of the intention to make the same, such notice to be directed to the Holder hereof at the place where payments hereon are then payable, and (b) on a regular installment payment date; and all accrued interest hereon shall be payable and shall be paid on the date specified for prepayment.

(g) Notwithstanding the foregoing provisions of this Section 10, prepayments made out of proceeds of insurance or condemnation awards as provided for in the Mortgage, may be made at any time without premium.

(h) No partial prepayment made hereon shall postpone or defer or reduce the scheduled monthly installment payments of principal and interest provided for in Section 9 hereof, and each and every such scheduled monthly installment payment shall be paid in full when due until this Note shall have been paid in full.

11. Business Loan. Borrower represents that the loan evidenced hereby is a business loan within the purview and scope of the Illinois Interest Act, 815 Rev. Stat. ch. 17 § 6404, transacted solely for the purpose of owning and operating the business of the beneficiary of the Borrower, as contemplated by said Act.

12. Costs of Enforcement. In the event that this Note is placed in the hands of an attorney-at-law for collection after maturity, or upon default, or in the event that proceedings at law, in equity, or bankruptcy, receivership or other legal proceedings are instituted or threatened in connection herewith, or if the Holder is made or is threatened with being made a party to any such proceeding, or in the event that this Note is placed in the hands of an attorney-at-law to enforce any of the rights or requirements contained herein or in the Mortgage, Assignment, BI Pledge or other instrument given as security for, or related to, the indebtedness evidenced hereby, Borrower hereby agrees to pay all costs of collecting or attempting to collect this Note, or protecting or enforcing such rights, or evaluating, prosecuting or defending any such proceeding, including, without limitation, attorneys' fees and legal expenses (whether or not suit is brought), in addition to all principal, interest and other amounts payable hereunder, and all such amounts shall be deemed to be and shall be secured by the Security Instruments.

13. Notices. All notices required or permitted to be given hereunder to Borrower or Skokie shall be given in the manner and to the place provided in the Mortgage for notices to mortgagor and mortgagee, respectively.

12. Costs of enforcement. In the event that this note is placed in the hands of an attorney-at-law for collection after maturity, or upon default, or in the event that proceedings at law, in equity, or bankruptcy, receivership or other legal proceedings are instituted or threatened in connection herewith, or if the holder is made or is threatened with being made a party to any such proceeding, or in the event that this note is placed in the hands of an attorney-at-law to enforce any of the rights or remedies contained herein or in the mortgage, assignment, or pledge or other instrument given as security for, or related to, the indebtedness evidenced hereby, borrower hereby agrees to pay all costs of collecting or attempting to collect this note, or proceeding or enforcing such rights, or evaluating, prosecuting or defending any such proceeding, including, without limitation, attorneys' fees and legal expenses (whether or not suit is brought). In addition to all principal, interest and other amounts payable hereunder, and all such amounts shall be deemed to be and shall be secured by the security instruments.

13. Notices. All notices required or permitted to be given hereunder to borrower or holder shall be given in the manner and to the place provided in the mortgage for notices to mortgagor and mortgagee, respectively.

14. Time. Time is of the essence of this Note and each of the provisions hereof and each of the Security Instruments and each of the provisions thereof.

15. Captions. The captions to the sections of this Note are for convenience only and shall not be deemed part of the text of the respective sections and shall not vary, by implication or otherwise, any of the provisions of this Note.

16. Disbursement. Funds representing the proceeds of the indebtedness evidenced hereby which are disbursed by Skokie or any Holder by mail, wire transfer or other delivery to the Borrower or to escrows or otherwise for the benefit of the Borrower, shall, for all purposes, be deemed outstanding hereunder and to have been received by Borrower as of the date of such mailing, wire transfer or other delivery, and interest shall accrue and be payable upon such funds from and after the date of such wire transfer, mailing or delivery and until repaid, notwithstanding the fact that such funds may not at any time have been remitted by such escrows to the Borrower or for its benefit.

17. Repair Holdback. The Borrower and Holder hereby acknowledge and agree that the sum of $5,000.00 (the "Repair Holdback") of the loan proceeds evidenced hereby and

14. Time. Time is of the essence of this Note and each of the provisions hereof and each of the Security Instruments and each of the provisions thereof.

15. Captions. The captions to the sections of this Note are for convenience only and shall not be deemed part of the text of the respective sections and shall not vary, by implication or otherwise, any of the provisions of this Note.

16. Disbursement. Funds representing the proceeds of the indebtedness evidenced hereby which are disbursed by check or any Holder by wire transfer or other delivery to the Borrower or to lenders or otherwise for the benefit of the Borrower shall, for all purposes, be deemed outstanding hereunder and to have been received by Borrower as of the date on which Holder wire transfer or other delivery, and interest shall accrue and be payable upon such funds from and after the date of such wire transfer, mailing or delivery and until repaid, notwithstanding the fact that such funds may not at any time have been credited by such Holder to the Borrower or for its benefit.

17. Repair Holdback. The Borrower and Holder hereby acknowledge and agree that the sum of $5,000.00 (the "Repair Holdback") of the loan proceeds evidenced hereby and

disbursed hereunder shall be retained by Skokie pending Borrower's repair of the Premise's black top parking lot, provided, that such repairs shall meet with Skokie's satisfaction, in its sole and absolute discretion, and further provided that Borrower deliver to the Holder a sworn owner's statement, a sworn contractor's statement and such lien waivers as would be sufficient to enable Intercounty Title Insurance Company of Illinois to issue an endorsement to the Holder's loan policy, issued in connection with this loan, insuring the Holder hereof against any liens or claims for liens arising in connection with such repairs. The Borrower and Holder further agree that if such repairs are not completed to Skokie's satisfaction, as aforesaid, and the documentation set forth above is not delivered to the Holder hereof on or before July 15, 1986, then Holder shall have no obligation to release the Repair Holdback and such sums shall be deemed a prepayment hereunder without penalty or premium, notwithstanding anything to the contrary herein contained.

18. Governing Law. This Note shall be governed by the laws of the State of Illinois.

19. Waivers. Borrower and all other persons liable or to become liable for all or any part of the indebtedness evidenced hereby jointly and severally waive diligence, presentment, protest, demand, notice of protest,

disbursed hereunder shall be retained by Holder pending Borrower's repair of the premises' place top parking lot, provided, that such repairs shall meet with Holder's satisfaction in its sole and absolute discretion, and further provided that Borrower deliver to the Holder a mechanic's assessment, a waiver contractor's statement and such lien waivers as would be sufficient to enable Intercounty Title Insurance Company of Illinois to issue an endorsement to the Holder's loan policy, issued in connection with this loan, insuring the Holder hereof against any liens or claims for liens arising in connection with such repairs. The Borrower and Holder further agree that such repairs are not completed to Holder's satisfaction, as aforesaid, and the documentation set forth above is not delivered to the Holder hereof on or before July 15, 1996, then Holder shall have no obligation to release the Repair Holdback and such sums shall be deemed a prepayment hereunder without penalty or premium, notwithstanding anything to the contrary herein contained.

10. Governing law. This Note shall be governed by the laws of the State of Illinois.

11. Waivers. Borrower and all other persons liable or to become liable for all or any part of the indebtedness evidenced hereby jointly and severally waive diligence, presentment, protest, demand, notice of protest,

notice of demand, notice of non-payment, notice of dishonor and maturity, and all other notices of every kind and nature in connection with this Note, and also waive recourse to surety defenses generally; and they and each of them also jointly and severally hereby consent to any and all renewals, extensions or modifications of the terms hereof, including the time for payment, and the release of all or any part of the security for the payment hereof or the release of any party liable for this obligation; and further agree that no such renewal, extension, or modification of the terms hereof nor the release or substitution of any security for the indebtedness evidenced hereby nor any other indulgences shall affect the liability of any of said parties; and all such renewals, modifications or extensions may be made without notice to any of said parties.

20. No Set-Offs. All amounts due hereunder shall be paid without deduction, set-off or counterclaim.

21. Acceptance of Payments. Acceptance by Holder of any payments after this Note shall become payable, as aforesaid, shall not constitute a waiver or cure of any default.

22. Exculpation. This Note is executed by Borrower, FIRST NATIONAL BANK OF SKOKIE, not personally but as

notice of demand, notice of non-payment, notice of dishonor and maturity, and all other notices of every kind and nature in connection with this note, and also waive recourse to surety defenses generally, and they and each of them also jointly and severally hereby consent to any and all renewals, extensions or modifications of the terms hereof, including the time for payment, and the release or sell or any part of the security for the payment hereof or the release of any party liable for this obligation and further agree that no such renewal, extension or modification of the terms hereof nor the release or substitution of any security for the indebtedness evidenced hereby nor any other indulgences shall affect the liability of any of said parties, and all such renewals, modifications or extensions may be made without notice to any of said parties.

20. No Set-Off. All amounts due hereunder shall be paid without deduction, set-off or counterclaim.

21. Acceptance of Payments. Acceptance by Holder of any payments after this Note shall become payable, as accelerated, shall not constitute a waiver or cure of any default.

22. Acceleration. This Note is executed by Borrower, FIRST NATIONAL BANK OF BROOKE, 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 is payable only out of the property specifically described in the Mortgage securing the payment hereof, by the enforcement of the provisions contained in the Mortgage, Assignment, and BI Pledge, and out of other property and security given for the indebtedness evidenced hereby. No personal liability shall be asserted or be enforceable against the Borrower because of or in respect of this Note, or the making, issue or transfer thereof, all such liability, if any, being expressly waived by each taker and Holder hereof, and each original and successive Holder of this Note accepts the same upon the express condition that no duty shall rest upon the undersigned to sequester the rents, issues and profits rising from the sale or other disposition thereof, but that in case of default in the payment of this Note or any installment thereof, the sole remedies of the Holder shall be by foreclosure of the Mortgage given to secure the indebtedness evidenced by this Note, in accordance with the terms and provisions of the Mortgage set forth, or by enforcement of the Assignment or BI Pledge, or by enforcement of or realization upon any other property and security given for such indebtedness, or by action to enforce the personal liability of any guarantor or any co-maker hereof. Nothing herein contained shall affect, limit

Trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee, and is payable only out of the property specifically described in the mortgage securing the payment hereof, by the enforcement of the provisions contained in the Mortgage, Assignment, and Bill Pledge, and one of other property and security given for the indebtedness evidenced hereby. No personal liability shall be asserted or be enforceable against the Borrower because of or in respect of this Note, or the making, issue or transfer thereof, all such liability, if any, being expressly waived by each taker and holder hereof, and each original and subsequent Holder of this Note accepts the same upon the express condition that no duty shall rest upon the undersigned to supervise the terms, issues and profits arising from the sale or other disposition thereof, but that in case of default in the payment of this Note or any installment hereof, the sole remedies of the Holder shall be by foreclosure of the Mortgage given to secure the indebtedness evidenced by this Note, in accordance with the terms and provisions of the Mortgage and Note, or by enforcement of the Assignment or Bill Pledge, or by enforcement of or realization upon any other property and security given for such indebtedness, or by action to enforce the personal liability of any guarantor of any or-der hereof. Nothing herein contained shall affect the

or impair the liability or obligation of any guarantor or other person who by separate instrument shall be or become liable upon any of the indebtedness evidenced hereby.

FIRST NATIONAL BANK OF SKOKIE,
not personally but as Trustee
as aforesaid

By: _____
Vice President

Attest:

_____
Assistant Secretary

or impair the liability or obligation of any guarantor or other person who by separate instrument shall be or become liable upon any of the indebtedness evidenced hereby.

FIRST NATIONAL BANK OF ROCKFORD,
not personally but as Trustee
as aforesaid

Attest:

Vice President

Assistant Secretary

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a Notary Public in and for the County and State aforesaid, do hereby certify that _____, Vice President of FIRST NATIONAL BANK OF SKOKIE ("Bank"), a national banking association, and _____, (Assistant) Secretary of said Bank, 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 in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary acts, and as the free and voluntary act of said Bank, for the uses and purposes therein set forth; and the said (Assistant) Secretary did also then and there acknowledge that he, as custodian for the corporate seal of said Bank, did affix the said instrument as his own free and voluntary act, and as the free and voluntary act of said Bank, for the uses and purposes therein set forth.

Given under my hand and notarial seal this ____ day of _____, 19__.

_____
Notary Public

My Commission Expires:

_____

STATE OF ILLINOIS)
) ss
COUNTY OF COOK)

I, _____, a Notary Public in and for the County and State aforesaid, do hereby certify that _____, Vice President of CHERT NATIONAL BANK OF DESERTE TRUST, a national banking association, and _____, Assistant Secretary of said Bank, 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 Bank, for the uses and purposes therein set forth.

Given under my hand and notarial seal this ____ day of _____, 19__.

_____
Notary Public

My Commission Expires:

_____

RECORDER'S STAMP

RECORDING FEE

PARCEL 1

Leasehold estate of the land described as follows:

That part of Lot 2 in George Strong's Subdivision of the Southeast 1/4 and the Northeast 1/4 of the Southwest 1/4 of Section 13, Township 42 North, Range 11, East of the Third Principal Meridian described as follows: Commencing at an angle corner of said Lot, being the point of intersection of the center line of Milwaukee Avenue and the most Southerly North line of said Lot, thence West along said North line 424.77 feet; thence South 25°- 31'-00" East along a line parallel with said center line of Milwaukee Avenue 231.48 feet to a point on a line drawn perpendicularly to said center line through a point on said center line 48.50 feet Southeasterly of the place of beginning (as measured along said center line); thence North 64° - 29'-00" East along said perpendicular line 383.338 feet to said center line; thence North 25° - 31'-00" West 48.50 feet to said place of beginning, all in Cook County, Illinois

created pursuant to that certain Fifty Year Ground Lease dated October 3, 1969 by and between George Priester and Veta Priester, as original lessors, and Beth Corporation, an Illinois Corporation, as original lessee, a memorandum of which was dated October 31, 1969 and recorded in the office of the Cock County, Illinois Recorder of Deeds (the "Recorder's Office") on March 2, 1971 as Document No. 21409526, the lessee's interest thereunder being assigned by (i) Beth Corporation to Central National Bank of Chicago as Trustee under a Trust Agreement dated December 1, 1970 and known as Trust No. 17975 by instrument dated December 1, 1970 and recorded in the Recorder's Office on March 2, 1971 as Document No. 21409528; and (ii) by the Central Trust to Glencoe National Bank as Trustee under Trust Agreement dated January 17, 1983 and known as Trust Number L-220 (the "Glencoe Trust") and (iii) by the Glencoe Trust to 1090 Plaza Partnership, an Illinois general partnership (the "Partnership"), pursuant to an Assignment of Lease dated as of January 9, 1984 and recorded in the Recorder's Office on August 16, 1984 as Document Number 27217437; and (iv) by the Partnership to First National Bank of Skokie as Trustee under Trust Agreement dated April 30, 1986 and known as Trust Number 52109T pursuant to that certain Assignment of Lease and dated as of MAY 1ST, 1986 and recorded in the Recorder's Office on May 18, 1986 as Document Number 86197614 AND RE-RECORDED JULY 22, 1986 AS DOCUMENT NUMBER 86-309166, and re-re-recorded on _____, 1986 as Document No. 86-309165

PARCEL 2

Leasehold estate of the land described as follows:

That part of Lot 1 in George Strong's Subdivision of the South East Quarter and the North East Quarter of the South West Quarter of Section 13, Township 42 North, Range 11 East of the Third Principal Meridian, described as follows:

Commencing at an angle corner of said Lot, being the point of intersection of the center line of Milwaukee Avenue with the South line of said Lot; thence West along said South line 232.14 feet to a point on a line drawn perpendicularly to said center line through a point on said center line 100.00 feet Northwesterly of the place of beginning (as measured along said center line); thence North 64 degrees 29 minutes 00 seconds East along said perpendicular line 209.50 feet to said center line; thence South 25 degrees 31 minutes 00 seconds East 100.00 feet to said place of beginning, all in Cook County, Illinois;

created pursuant to that certain Fifty Year Ground Lease dated October 31, 1969 by and between the Motel Land Corporation, an Illinois Corporation, as lessor, and Beth Corporation, as lessee, a memorandum of which was recorded in the Recorder's Office on March 2, 1971 as Document Number 21409527, the lessee's interest thereunder being assigned by (i) Beth Corporation to Central National Bank of Chicago as Trustee

86309165

86197613

03-13-401-001

under a Trust Agreement dated December 1, 1970 and known as Trust No. 17975 by instrument dated December 1, 1970 and recorded in the Recorder's Office on March 2, 1971 as Document No. 21409528; and (ii) by the Central Trust to Glencoe National Bank as Trustee under Trust Agreement dated January 17, 1983 and known as Trust Number L-220 (the "Glencoe Trust") and (iii) by the Glencoe Trust to 1098 Plaza Partnership, an Illinois general partnership (the "Partnership"), pursuant to an Assignment of Lease dated as of January 9, 1984 and recorded in the Recorder's Office on August 16, 1984 as Document Number 27217437; and (iv) by the Partnership to First National Bank of Skokie as Trustee under Trust Agreement dated April 30, 1986 and known as Trust Number 52109T pursuant to that certain Assignment of Lease and dated as of July 1, 1986 and recorded in the Recorder's Office on May 21, 1986 as Document Number 86197614 AND RE-RECORDED JULY 22, 1986 AS DOCUMENT NUMBER 86-309166 and re-re-recorded on _____, 1986 as Document No. 86-_____. Parcels 1 and 2 are herein collectively called the Property or the Premises.

Property Commonly Known As: 1098 Milwaukee Avenue
Wheeling, Illinois

Permanent Index Number: 3-03-400-016-0000

86309165

DEPT-01 RECORDING $45.25
T#1111 TRAN 0523 07/22/86 15:19:00
#1014 # C -86-309165
COOK COUNTY RECORDER

86378954

86197613

-86-309165

125

NAB

EXHIBIT B

-86-378954

DEPT-01 RECORDING $45.60
T#4444 TRAN 0382 08/27/86 13:22:00
#7464 # D *-86-378954
COOK COUNTY RECORDER

DEPT-01 RECORDING $45.60
T#4444 TRAN 0382 08/27/86 13:22:00
#7464 # D *-86-378954
COOK COUNTY RECORDER

NAM

45 55