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(807A)

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This instrument was prepared by and after recording, return to:
Stephen N. Cea, Attorney-at-Law
Chemical Bank, Legal Department
380 Madison Avenue
New York, New York 10017

Permanent Real Estate
Index Tax Number:
02-33-300-024 P1
10-35-330-003 f-D2
02-34-300-054 P3
E-A-2

f-2
f-D2

The premises described within this instrument are located in Cook County and DuPage County, Illinois.

Attention: Stephen N. Cea
Vice President and Assistant General Counsel
Legal Department - 9th fl.

Chemical Bank
380 Madison Avenue
New York, New York 10017

Location: 561 Randy Road,
Carol Stream, Illinois
6500 North Lincoln Road,
Lincjwood, Illinois
2300-2524 Hammond Drive,
Schauamburg, Illinois

Dated: December 30, 1986

MORTGAGE
(FEE)

CHEMICAL BANK

TO

CHICAGO SUBURBAN INDUSTRIAL
PROPERTIES INVESTMENT COMPANY

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Property of Cook County Clerk's Office

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66265
(2)

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MORTGAGE

THIS MORTGAGE made the 30th day of December, 1986, between CHICAGO SUBURBAN INDUSTRIAL PROPERTIES INVESTMENT COMPANY, an Illinois limited partnership having its principal office and place of business c/o The Shidler Group, 200 West Madison Street, Suite 3040, Chicago, Illinois 60606 (hereinafter referred to as Mortgagor), to CHEMICAL BANK, a New York banking corporation having an office at The Real Estate Division, 633 Third Avenue, New York, New York 10017 (hereinafter referred to as Mortgagee).

WITNESSETH:

Mortgagor is justly indebted to Mortgagee in the principal sum of not more than FOUR MILLION THREE HUNDRED THOUSAND AND 00/100 (\$4,300,000.00) DOLLARS evidenced by a certain note (the "Note") of even date herewith in that amount, made by Mortgagor and payable to the order of and delivered to Mortgagee, in and by which Note Mortgagor promises to pay the said principal sum and interest in the manner and at the rates provided therein. The unpaid principal amount and all accrued and unpaid interest due under the Note, if not sooner paid, shall be due on January 1, 1992. All payments on account of the indebtedness evidenced by the Note shall be first applied to interest on the unpaid principal balance and the remainder to principal and all of said principal and interest being made payable at such place as the holder of the Note may from time to time in writing appoint, and in the absence of such appointment, then at the office of Mortgagee, 633 Third Avenue, New York, New York 10017, Attention: Real Estate Loan Accounting.

NOW, THEREFORE, Mortgagor, to secure the payment of said principal sum of money and said interest in accordance with the terms, provisions and limitations of this Mortgage, and of the Note secured hereby, together with any extensions, renewals or refinancings thereof, and the performance of the covenants and agreements herein contained by Mortgagor to be performed, and also in consideration of the sum of TEN DOLLARS (\$10.00) in hand paid, the receipt whereof is hereby acknowledged, does by these presents MORTGAGE, GRANT, REMISE, RELEASE, ALIEN AND CONVEY unto Mortgagee, its successors and assigns, the real estate and all of its estate, right, title and interest therein situate, located in Cook County and DuPage County, Illinois and legally described on attached Exhibit A which together with the property hereinafter described, is collectively referred to herein as the "Premises" and the buildings and improvements now or hereafter located thereon (hereinafter referred to as the Improvements);

TOGETHER WITH all right, title and interest of Mortgagor now owned, or hereafter acquired, in and to the following property, rights and interests (the Premises and the Improvements together with such property, rights and interests being hereinafter collectively called the Mortgaged Property):

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(a) all easements, rights-of-way, gores of land, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights and powers, and all estates, rights, titles, interests, privileges, liberties, tenements, hereditaments, and appurtenances of any nature whatsoever, in any way belonging, relating or pertaining to the Mortgaged Property and all land lying in the bed of any street, road or avenue, opened or proposed, in front of or adjoining the Premises to the center line thereof;

(b) all machinery, apparatus, equipment, fittings, fixtures and other property of every kind and nature whatsoever owned by Mortgagor, or in which Mortgagor has or shall have an interest, now or hereafter located upon the Mortgaged Property, or appurtenances thereto, and usable in connection with the present or future operation and occupancy of the Mortgaged Property and all building equipment, materials and supplies of any nature whatsoever owned by Mortgagor, or in which Mortgagor has or shall have an interest, now or hereafter located upon the Mortgaged Property (hereinafter collectively referred to as the Equipment), and the right, title and interest of Mortgagor in and to any of the Equipment which may be subject to any security agreements (as defined in the Uniform Commercial Code of the State in which the Mortgaged Property is located), superior in lien to the lien of this Mortgage;

(c) all awards or payments, including interest thereon, and the right to receive the same, which may be made with respect to the Mortgaged Property, whether from the exercise of the right of eminent domain (including any transfer made in lieu of the exercise of said right), or for any other injury to or decrease in the value of the Mortgaged Property;

(d) all leases and other agreements affecting the use or occupancy of the Mortgaged Property now or hereafter entered into (hereinafter referred to as the Leases) and the right to receive and apply the rents, issues and profits of the Mortgaged Property (hereinafter referred to as the Rents) to the payment of the Debt;

(e) all proceeds of and any unearned premiums on any insurance policies covering the Mortgaged Property, including, without limitation, the right to receive and apply the proceeds of any insurance, judgments, or settlements made in lieu thereof, for damage to the Mortgaged Property;

(f) the right, in the name and on behalf of Mortgagor, to appear in and defend any action or proceeding brought with respect to the Mortgaged Property and to commence any action or proceeding to protect the interest of Mortgagee in the Mortgaged Property.

TO HAVE AND TO HOLD the above granted and described Mortgaged Property unto and to the proper use and benefit of Mortgagee, and the successors and assigns of Mortgagee, forever.

PROVIDED, ALWAYS, and these presents are upon this express condition, if Mortgagor shall well and truly pay to Mortgagee the Debt at the time and in

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the manner provided in the Note and this Mortgage and shall well and truly abide by and comply with each and every covenant and condition set forth herein and in the Note, then these presents and the estate hereby granted shall cease, determine and be void.

AND Mortgagor covenants with and represents and warrants to Mortgagee as follows:

1. Payment of Debt. Mortgagor will pay the Debt at the time and in the manner provided for its payment in the Note and in this Mortgage.

2. Warranty of Title. Mortgagor warrants the title to the Premises, the Improvements and the Equipment, subject to the exceptions to title which are set forth in certificates of title issued by Lawyers Title Insurance Corporation, certified and redated as of the date of this Mortgage.

3. Insurance. Mortgagor (i) will keep the Improvements and the Equipment insured against loss or damage by fire, standard extended coverage perils and other such hazards, as Mortgagee shall from time to time require in amounts approved by Mortgagee, which amounts shall in no event be less than the outstanding principal balance of the Mortgage and the subordinate mortgages held by Mortgagee or exceed in the aggregate 100% of the full insurable value of the Improvements and the Equipment and shall be sufficient to meet all applicable co-insurance requirements, and (ii) will maintain rental insurance in an amount equal to one (1) years' gross rents and such other forms of insurance coverage with respect to the Mortgaged Property as Mortgagee shall from time to time reasonably require in amount approved by Mortgagee. All policies of insurance (hereinafter referred to as the Policies) shall be issued by an insurer lawfully doing business in New York and in Illinois and acceptable to Mortgagee and shall contain the standard mortgagee non-contribution clause endorsement or an equivalent endorsement satisfactory to Mortgagee naming Mortgagee as the person to which all payments made by such insurance company shall be paid. The Policies may at the option of Mortgagor be blanket Policies. Mortgagor shall pay the premiums for the Policies as the same become due and payable. At the request of Mortgagee, Mortgagor will deliver true copies of the Policies or certificates therefor to Mortgagee. Not later than thirty days prior to the expiration date of each of the Policies, Mortgagor will deliver to Mortgagee a renewal policy or policies or certificates marked "premium paid" or accompanied by other evidence of payment of premium satisfactory to Mortgagee. If at any time Mortgagee is not in receipt of written evidence that all insurance required hereunder is in force and effect, Mortgagee shall have the right without notice to Mortgagor to take such action as Mortgagee deems necessary to protect its interest in the Mortgaged Property, including, without limitation, the obtaining of such insurance coverage as Mortgagee in its sole discretion deems appropriate, and all expenses incurred by Mortgagee in connection with such action or in obtaining such insurance and keeping it in effect shall be paid by Mortgagor to Mortgagee upon demand. If the Mortgaged Property shall be damaged or destroyed, in whole or in part, by fire or other casualty Mortgagor will give prompt notice thereof to Mortgagee. Sums paid to Mortgagee by any insurer may be retained and applied by Mortgagee toward payment of the Debt whether or not then due and payable in such priority and proportions as Mortgagee in its discretion shall deem proper or, at the discretion of Mortgagee, the same may be paid, in whole or in part, to Mortgagor for such purposes as

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Mortgagee shall designate. If Mortgagee shall receive and retain any insurance proceeds, the lien of the Mortgage shall be reduced only by the amount thereof received and retained by Mortgagee and actually applied by Mortgagee in reduction of the Debt. Anything contained in this paragraph 3 to the contrary notwithstanding and provided that no default shall then exist hereunder beyond the expiration of any applicable grace period specified herein within which to cure such default, in the event that not more than 15% of a parcel comprising the Mortgaged Property is damaged or destroyed by fire or by other casualty and the proceeds of insurance are received at least six months prior to the Maturity Date (as defined in the Note) and Mortgagor elects to repair and restore the remainder of the parcel, then Mortgagee shall deliver to Mortgagor the proceeds of insurance from time to time as the work progresses for repair and restoration of the Mortgaged Property on such terms and subject to such conditions as Mortgagee shall in its sole and absolute discretion determine and Mortgagor warrants and represents to Mortgagee that Mortgagor shall fund any and all deficiencies so that at all times the funds held by Mortgagee and remaining to be disbursed for purposes of repair and restoration shall be sufficient to complete the work; in all other instances the other provisions of this paragraph 3 shall continue to apply with full force and effect.

4. Payment of Taxes, etc. Mortgagor shall pay all taxes, assessments, water rates, sewer rents and other charges, including vault charges and license fees for the use of vaults, churches and similar areas adjoining the Premises, now or hereafter levied or assessed against the Mortgaged Property (hereinafter referred to as the Taxes) prior to the date upon which any fine, penalty, interest or cost may be added thereto or imposed by law for the nonpayment thereof. Mortgagor shall deliver to Mortgagee, upon request, receipted bills, cancelled checks and other evidence satisfactory to Mortgagee evidencing the payment of the Taxes prior to the date upon which any fine, penalty, interest or cost may be added thereto or imposed by law for the nonpayment thereof.

5. Escrow Fund. Mortgagor will, at the option of Mortgagee, pay to Mortgagee, on the first day of each calendar month one-twelfth of an amount (hereinafter referred to as the Escrow Fund) which would be sufficient to pay the Taxes payable, or estimated by Mortgagee to be payable, during the ensuing twelve (12) months. Mortgagee will apply the Escrow Fund to the payment required to be paid by Mortgagor pursuant to the provisions of this mortgage. If the amount of the Escrow Fund shall exceed the amount of the Taxes payable by Mortgagor pursuant to the provisions of this Mortgage, Mortgagee shall, in its discretion, (a) return any excess to Mortgagor, or (b) credit such excess against future payments to be made to the Escrow Fund. In allocating such excess, Mortgagee may deal with the person shown on the records of Mortgagee to be the owner of the Mortgaged Property. If the Escrow Fund is not sufficient to pay the Taxes, as the same become payable, Mortgagor shall pay to Mortgagee, upon request, an amount which Mortgagee shall estimate as sufficient to make up the deficiency. Until expended or applied as above provided, any amounts in the Escrow Fund may be commingled with the general funds of Mortgagee and shall constitute additional security for the Debt and shall not bear interest. Notwithstanding the foregoing, Mortgagee will not require the Escrow Fund unless there exists a pattern of delinquencies or until the occurrence of a default hereunder beyond the expiration of the applicable grace period herein specified within which to cure such default.

6. Condemnation. Notwithstanding any taking by any public or quasi-public authority through eminent domain or otherwise, Mortgagor shall continue to pay the Debt at the time and in the manner provided for its payment in the Note and in this Mortgage and the Debt shall not be reduced until any award or payment therefor shall have been actually received and applied by Mortgagee to the discharge of the Debt. Mortgagee may apply any such award or payment to the discharge of the Debt whether or not then due and payable in such priority and proportions as Mortgagee in its discretion shall deem proper. If the Mortgaged Property is sold, through foreclosure or otherwise, prior to the receipt by Mortgagee of such award or payment, Mortgagee shall have the right, whether or not a deficiency judgment on the Note shall have been sought, recovered or denied, to receive said award or payment, or a portion thereof sufficient to pay the Debt, whichever is less. Mortgagor shall file and prosecute its claim or claims for any such award or payment in good faith and with due diligence and cause the same to be collected and paid over to Mortgagee, and hereby irrevocably authorizes and empowers Mortgagee, in the name of Mortgagor or otherwise to collect and receipt for any such award or payment and to file and prosecute such claim or claims, and although it is hereby expressly agreed that the same shall not be necessary in any event, Mortgagor shall, upon demand of Mortgagee, make, execute and deliver any and all assignments and other instruments sufficient for the purpose of assigning any such award or payment to Mortgagee, free and clear of any encumbrances of any kind or nature whatsoever. Anything contained in this paragraph 6 to the contrary notwithstanding and provided that no default shall then exist hereunder beyond the expiration of any applicable grace period specified herein within which to cure such default, in the event that not more than 15% of a parcel comprising the Mortgaged Property shall be taken by eminent domain and the proceeds or award are received by Mortgagee at least six months prior to the Maturity Date and Mortgagor elects to repair and restore the remainder of the parcel, then Mortgagee shall deliver to Mortgagor the award or payment from time to time as the work progresses for repair and restoration of the remainder of the Mortgaged Property on such terms and subject to such conditions as Mortgagee shall in its sole and absolute discretion determine and Mortgagor warrants and represents to Mortgagee that Mortgagor shall fund any and all deficiencies so that at all times the funds held by Mortgagee and remaining to be disbursed for purposes of repair and restoration shall be sufficient to complete the work; in all other instances the other provisions of this paragraph 6 shall continue to apply with full force and effect.

7. Leases and Rents. Subject to the terms of this paragraph, Mortgagee waives the right to enter the Mortgaged Property for the purpose of collecting the Rents, and grants Mortgagor the right to collect the Rents. Mortgagor shall hold the Rents, or an amount sufficient to discharge all current sums due on the Debt, in trust for use in payment of the Debt. The right of Mortgagor to collect the Rents may be revoked by Mortgagee upon any default by Mortgagor under the terms of the Note or this Mortgage by giving notice of such revocation to Mortgagor. Following such notice Mortgagee may retain and apply the Rents toward payment of the Debt in such priority and proportions as Mortgagee in its discretion shall deem proper, or to the operation, maintenance and repair of the Mortgaged Property. Mortgagor shall not, without the consent of Mortgagee, make, or suffer to be made, any Leases or cancel or modify any Leases or accept

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prepayments of installments of the Rents for a period of more than one (1) month in advance or further assign the whole or any part of the Rents. Mortgagor shall (a) fulfill or perform each and every provision of the Leases on the part of Mortgagor to be fulfilled or performed, (b) promptly send copies of all notices of default which Mortgagor shall send or receive under the Leases to Mortgagee, and (c) enforce, short of termination of the Leases, the performance or observance of the provisions thereof by the tenants thereunder. In addition to the rights which Mortgagee may have herein, in the event of any default under this Mortgage, Mortgagee, at its option, may require Mortgagor to pay monthly in advance to Mortgagee, or any receiver appointed to collect the Rents, the fair and reasonable rental value for the use and occupation of such part of the Mortgaged Property as may be in possession of Mortgagor. Upon default in any such payment, Mortgagor will vacate and surrender possession of the Mortgaged Property to Mortgagee or to such receiver and, in default thereof, Mortgagor may be evicted by summary proceedings or otherwise. Nothing contained in this paragraph shall be construed as imposing on Mortgagee any of the obligations of the lessor under the Leases. Anything contained in this paragraph 7 to the contrary notwithstanding and provided that Mortgagor is not in default beyond the expiration of any applicable grace period specified herein within which to cure such default Mortgagor shall have the right to terminate or modify any existing Lease provided that the replacement Lease shall be at rental rates which exceed the rental payable under the existing Lease and with a tenant at least as credit worthy as the tenant under the existing Lease and upon such other terms and conditions as are comparable for buildings of like character in the area in which the Mortgaged Property is situate and is by its express terms expressly subject and subordinate to this Mortgage - Mortgagor will furnish to Mortgagee on request a report of leasing activities.

8. Maintenance of the Mortgaged Property. Mortgagor shall cause the Mortgaged Property to be maintained in good condition and repair and will not commit or suffer to be committed any waste of the mortgaged Property. The Improvements and the Equipment shall not be removed, demolished or materially altered (except for normal replacement of the Equipment), without the consent of Mortgagee. Mortgagor shall promptly comply with all laws, orders and ordinances affecting the Mortgaged Property, or the use thereof, and shall promptly repair, replace or rebuild any part of the Mortgaged Property which may be damaged or destroyed by any casualty (including any casualty for which insurance was not obtained or obtainable) or which may be affected by any taking by any public or quasi-public authority through eminent domain or otherwise, and shall complete and pay for, within a reasonable time, any structure at any time in the process of construction or repair on the Premises. If such casualty shall be covered by the Policies, Mortgagor's obligation to repair, replace or rebuild such portion of the Mortgaged Property shall be contingent upon Mortgagee paying Mortgagor the proceeds of the Policies, or such portion thereof as shall be sufficient to complete such repair, replacement, or rebuilding, whichever is less. Mortgagor will not, without obtaining the prior consent of Mortgagee, initiate, join in or consent to any private restrictive covenant, zoning ordinance, or other public or private restrictions, limiting or defining the uses which may be made of the Mortgaged Property or any part thereof.

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9. Estoppel Certificates. Mortgagor within ten (10) days after request by Mortgagee and at its expense, will furnish Mortgagee with a statement, duly acknowledged and certified, setting forth the amount of the Debt and the offsets or defenses thereto, if any.

10. Transfer or Encumbrance of the Mortgaged Property. No part of the Mortgaged Property or any interest therein shall in any manner, by operation of law or otherwise, whether directly or indirectly, be further encumbered, sold, transferred or conveyed, or permitted to be further encumbered, sold, transferred or conveyed without the consent of Mortgagee, except as otherwise expressly provided in this Mortgage. The provisions of this paragraph shall apply to each and every such further encumbrance, sale, transfer or conveyance, regardless of whether or not Mortgagee has consented to, or waived by its action or inaction its rights hereunder with respect to any such previous further encumbrance, sale, transfer or conveyance. Anything contained in this paragraph to the contrary notwithstanding, Mortgagee will consent to a transfer or conveyance of the Mortgaged Property to a partnership or other entity so long as such partnership or other entity is owned and controlled to the extent of at least a direct 51% interest by Jay H. Shidler (it being understood and agreed that notwithstanding any such transfer, the guaranties this day executed and delivered by Michael T. Tomasz in favor of Mortgagee shall nevertheless continue in full force and effect).

11. Notice. Any notice, demand, statement, request or consent made hereunder shall be in writing and shall be by registered or certified mail, return receipt requested, or by air courier, and shall be deemed given when postmarked and addressed as follows:

If to Mortgagor:

Chicago Suburban Industrial
Properties Investment Company
200 West Madison Street
Suite 3040
Chicago, Illinois 60606

Attention: Michael T. Tomasz

with a copy to:

Nagelberg & Resnick, P.C.
200 South Wacker Drive
Twenty-Ninth Floor
Chicago, Illinois 60606

Attention: Bruce D. Goodman, Esq.

with a copy to:

The Shidler Group
733 Bishop Street, Suite 2700
Honolulu, Hawaii 96813

Attention: Kris Nielsen

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If to Mortgagee:

Chemical Bank
633 Third Avenue
New York, New York 10017

Attention: Real Estate Division,
District 1

with a copy to:

Chemical Bank
Legal Department
380 Madison Avenue
New York, New York 10017

Attention: Real Estate Counsel

Each party may designate a change of address by notice to the other party, which shall become effective at the time stated in such notice, but in no event less than fifteen (15) days after the giving of such notice.

12. Sale of Mortgaged Property. If this Mortgage is foreclosed, the Mortgaged Property, or any interest therein, may, at the discretion of Mortgagee, be sold either as a single unit or separately or in several interests or portions and in any order or manner.

13. Effect of Changes in Laws Regarding Taxation. In the event of the enactment after this date of any law of the state in which the Mortgaged Property is located deducting from the value of the land for the purpose of taxation any lien thereon, or imposing upon Mortgagee the payment of the whole or any part of the taxes or assessments or charges 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 Mortgagee's interest in the Mortgaged Property, or the manner of collection of taxes, so as to affect this Mortgage or the debt secured hereby or the holders thereof, then, and in any event, Mortgagor, upon demand by Mortgagee, shall pay such taxes or assessments, or reimburse Mortgagee therefor; provided, however, that Mortgagor shall not be deemed to be required to pay any income or franchise taxes of Mortgagee. Notwithstanding the foregoing, if in the opinion of counsel for Mortgagee (a) it is unlawful to require Mortgagor to make such payment or (b) the making of such payment will result in the imposition of interest beyond the maximum amount permitted by law, then and in such event, Mortgagee may elect, by notice in writing given to Mortgagor, to declare all of the indebtedness secured hereby to be and become due and payable thirty (30) days from the giving of such notice.

14. No Credits on Account of the Debt. Mortgagor will not claim or demand or be entitled to any credit or credits on account of the Debt for any part of the Taxes assessed against the Mortgaged Property or any part thereof and no deduction shall otherwise be made or claimed from the taxable value of the Mortgaged Property, or any part thereof, by reason of this Mortgage or the Debt.

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15. Offsets, Counterclaims and Defenses. Any assignee of this Mortgage and the Note shall take the same free and clear of all offsets, counterclaims or defenses of any nature whatsoever which Mortgagor may have against any assignor of this Mortgage and the Note and no such offset, counterclaim or defense shall be interposed or asserted by Mortgagor in any action or proceeding brought by any such assignee upon this Mortgage and/or the Note and any such right to interpose or assert any such offset, counterclaim or defense in any such action or proceeding is hereby expressly waived by Mortgagor.

16. Other Security for the Debt. Mortgagor shall observe and perform all of the terms, covenants and provisions contained in the Note and in all other mortgages and other instruments or documents evidencing, securing or guaranteeing payment of the Debt, in whole or in part, or otherwise executed and delivered in connection with the Note, this Mortgage for the loan evidenced and secured thereby.

17. Documentary Stamps. If at any time the United States of America, any state thereof or any governmental subdivision of any such state, shall require revenue or other stamps to be affixed to the Note or this Mortgage, Mortgagor will pay for the same, with interest and penalties thereon, if any.

18. Right of Entry. Mortgagee and its agents shall have the right to enter and inspect the Mortgaged Property at all reasonable times.

19. Books and Records. Mortgagor will keep and maintain or will cause to be kept and maintained on a fiscal year basis proper and accurate books, records and accounts reflecting all of the financial affairs of Mortgagor and all items of income and expense in connection with the operation of the Mortgaged Property or in connection with any services, equipment or furnishings provided in connection with the operation of the Mortgaged Property, whether such income or expense be realized by Mortgagor or by any other person whatsoever excepting lessees unrelated to and unaffiliated with Mortgagor who have leased from Mortgagor portions of the Mortgaged Property for the purpose of occupying the same. Mortgagee shall have the right from time to time at all times during normal business hours and upon reasonable notice to Mortgagor to examine such books, records and accounts at the office of Mortgagor or other person maintaining such books, records and accounts and to make copies or extracts thereof as mortgagee shall desire. Mortgagor will furnish Mortgagee annually, within ninety (90) days next following the end of each fiscal year of Mortgagor, with (i) a complete executed copy of a financial statement prepared by Mortgagor covering the operation of the Mortgaged Property for such fiscal year and containing a fully itemized statement of profit and loss and of surplus and a balance sheet and (ii) a complete executed copy of a financial statement of Mortgagor or any Guarantor for such fiscal year prepared by a certified public accountant or other party acceptable to Mortgagee and containing a fully itemized statement of profit and loss and of surplus and a balance sheet, all in accordance with generally accepted accounting principles applied to real estate on a consistent basis. Within ninety (90) days after the end of each fiscal year of Mortgagor, Mortgagor shall furnish to Mortgagee a certificate signed by a duly authorized representative of Mortgagor certifying on the date thereof either that there does or does not exist an event which constitutes, or which upon notice or lapse of time or both would constitute, a default under the Note or this Mortgage and if such event exists, the nature thereof and the period of time it has existed. Mortgagor shall furnish to Mortgagee, within ten (10) days after request, such further detailed information covering the operation of the

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Mortgaged Property and the financial affairs of Mortgagor and any Guarantor as may be reasonably requested by Mortgagee.

20. Performance of Other Agreements. Mortgagor shall observe and perform each and every term to be observed or performed by Mortgagor pursuant to the terms of any agreement or recorded instrument affecting or pertaining to the Mortgaged Property.

21. Defaults. Each of the following shall constitute an "Event of Default" for purposes of this Mortgage:

- (a) Any portion of the Debt is not paid within ten (10) days after the due date;
- (b) Mortgagor shall fail to pay within twenty (20) days of notice and demand by Mortgagee, any installment of any assessment against the Mortgaged Property for local improvements heretofore or hereafter laid, which assessment is or may become payable in annual or periodic installments and is or may become a lien on the Mortgaged Property, notwithstanding the fact that such installment may not be due and payable at the time of such notice and demand;
- (c) Any Federal tax lien is filed against Mortgagor or the Mortgaged Property and the same is not discharged of record within thirty (30) days;
- (d) Without the consent of Mortgagee any part of the Mortgaged Property or any interest therein is in any manner further encumbered, sold, transferred or conveyed, either by operation of law or otherwise, whether directly or indirectly (except as expressly permitted herein), or if any Improvement or the Equipment (except for normal replacement of the Equipment) is removed, demolished or materially altered, or if the Mortgaged Property is not kept in good condition and repair;
- (e) The Policies are not kept in full force and effect, or if the Policies are not delivered to Mortgagee upon request;
- (f) Without the consent of Mortgagee any Leases are made, cancelled or modified (except as expressly permitted herein) or if any portion of the Rents is paid for a period of more than one (1) month in advance or if any of the Rents are further assigned;
- (g) Any representation or warranty of Mortgagor, or of any person (hereinafter referred to as a Guarantor) guaranteeing payment of the Debt or any portion thereof or performance by Mortgagor of any of the terms of this Mortgage made herein or in any such guaranty, or in any certificate, report, financial statement or other instrument furnished in connection with the making of the Note, this Mortgage, or any such guaranty, shall prove false or misleading in any material respect;
- (h) Mortgagor or any Guarantor shall make an assignment for the benefit of creditors;
- (i) A court of competent jurisdiction enters a decree or order for relief with respect to Mortgagor or any Guarantor under Title 11 of the

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United States Code as now constituted or hereafter amended or under any other applicable Federal or state bankruptcy law or other similar law, or if such court enters a decree or order appointing a receiver, liquidator, assignee, trustee, sequestrator (or similar official) of Mortgagor or any Guarantor, or of any substantial part of their respective properties, or if such court decrees or orders the winding up or liquidation of the affairs of Mortgagor or any Guarantor and such decree or order is not discharged within sixty (60) days after the entry thereof;

(j) Mortgagor or any Guarantor files a petition or answer or consent seeking relief under Title 11 of the United States Code as now constituted or hereafter amended, or under any other applicable Federal or state bankruptcy law or other similar law, or if Mortgagor or any Guarantor consents to the institution of proceedings thereunder or to the filing of any such petition or to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or other similar official) of Mortgagor or any Guarantor, or of any substantial part of their respective properties, or if Mortgagor or any Guarantor takes any action in furtherance of any action described in this subparagraph;

(k) Mortgagor or other person shall be in default under the Note or under any other mortgage, instrument or document evidencing, securing or guaranteeing payment of the Debt, in whole or in part, or otherwise executed and delivered in connection with the Note, this Mortgage or the loan evidenced and secured thereby, and such default shall continue beyond the expiration of the applicable grace period (if any) specified herein or therein within which to cure such default;

(l) Mortgagor shall continue to be in default under any of the other terms, covenants or conditions of this Mortgage for ten (10) days after notice from Mortgagee in the case of any default which can be cured by the payment of a sum of money or for twenty (20) days after notice from Mortgagee in the case of any other default, provided that if such default cannot reasonably be cured within such twenty (20) day period and Mortgagor shall have commenced to cure such default within such twenty (20) day period and thereafter diligently and expeditiously proceed to cure the same, such twenty (20) day period shall be extended for so long as it shall require Mortgagor in the exercise of due diligence to cure such default, but in no event more than sixty (60) days;

(m) Mortgagor shall be in default under any other mortgage or deed of trust covering any part of the Mortgaged Property whether it be superior or inferior in lien to this Mortgage beyond the expiration of any applicable grace period; or

(n) The Mortgaged Property shall become subject (i) to any tax lien, other than a lien for local real estate taxes and assessments not due and payable, or (ii) to any mechanic's, materialman's or other lien and such lien shall remain undischarged or unbonded for thirty (30) days.

If an Event of Default occurs, Mortgagee may, at its option, declare the whole of the Debt to be immediately due and payable without notice to Mortgagor, with interest thereon from the date of such Event of Default at the Default Rate (as hereinafter defined).

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22. Right to Cure Defaults. If default in the performance of any of the covenants of Mortgagor herein occurs, Mortgagee may, at its discretion, remedy the same and for such purpose shall have the right to enter upon the Mortgaged Property or any portion thereof without thereby becoming liable to Mortgagor or any person in possession thereof holding under Mortgagor. If Mortgagee shall remedy such a default or appear in, defend, or bring any action or proceeding to protect its interest in the Mortgaged Property or to foreclose this Mortgage or collect the Debt, the costs and expenses thereof (including reasonable attorneys' fees to the extent permitted by law), with interest as provided in this paragraph, shall be paid by Mortgagor to Mortgagee upon demand. All such costs and expenses incurred by Mortgagee in remedying such default or in appearing in, defending, or bringing any such action or proceeding shall be paid by Mortgagor to Mortgagee upon demand, with interest at a per annum rate equal to 5% plus the Prime Rate (the Default Rate), or at the maximum rate which Mortgagor may by law pay, whichever is lower, for the period after notice from Mortgagee that such costs or expenses were incurred to the date of payment of such costs or expenses to Mortgagee. All such costs and expenses incurred by Mortgagee pursuant to the terms of this Mortgage, with interest, shall be secured by this Mortgage.

23. Late Payment Charge. If any portion of the Debt is not paid within ten (10) days after the date on which it is due, Mortgagor shall pay to Mortgagee on demand an amount equal to 3% of such unpaid portion of the Debt as a late payment charge, and such amount shall be secured by this Mortgage.

24. Appointment of 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 Mortgaged Property. Such appointment may be made either before or after sale, without notice except to the extent otherwise expressly specified herein, without regard to the solvency or insolvency of Mortgagor at the time of application for such receiver and without regard to the then value of the Mortgaged Property or whether the same shall be then occupied as a homestead or not and Mortgagee hereunder or any holder of the Note may be appointed as such receiver. Such receiver shall have power to collect the rents, issues and profits of the Mortgaged Property during the pendency of such foreclosure suit and, in case of a sale and a deficiency during the full statutory period of redemption, whether there be redemption or not, as well as during any further times when Mortgagor, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Mortgaged Property during the whole of said period. The court from time to time may authorize the receiver to apply the net income in his hands in payment in whole or in part of: (a) the indebtedness secured hereby, or 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 foreclosure sale; and/or (b) the deficiency in case of a sale and deficiency.

25. Non-Waiver. The failure of Mortgagee to insist upon strict performance of any term of this Mortgage shall not be deemed to be a waiver of any term of this Mortgage. Mortgagor shall not be relieved of Mortgagor's obligation to pay the Debt at the time and in the manner provided for its payment in the Note and this Mortgage by reason of (i) failure of Mortgagee to comply with any request of Mortgagor to take any action to foreclose this

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Mortgage or otherwise enforce any of the provisions hereof or of the Note or any other mortgage, instrument or document evidencing, securing or guaranteeing payment of the Debt or any portion thereof, (ii) the release, regardless of consideration, of the whole or any part of the Mortgaged Property or any other security for the Debt, or (iii) any agreement or stipulation between Mortgagee and any subsequent owner or owners of the Mortgaged Property or other person extending the time of payment or otherwise modifying or supplementing the terms of the Note, this Mortgage or any other mortgage, instrument or document evidencing, securing or guaranteeing payment of the Debt or any portion thereof, without first having obtained the consent of Mortgagor, and in the latter event, Mortgagor shall continue to be obligated to pay the Debt at the time and in the manner provided in the Note and this Mortgage, as so extended, modified and supplemented unless expressly released and discharged by Mortgagee. Regardless of consideration, and without the necessity for any notice to or consent by the holder of any subordinate lien, encumbrance, right, title or interest in or to the Mortgaged Property, Mortgagee may release any person at any time liable for the payment of the Debt or any portion thereof or any part of the security held for the Debt and may extend the time of payment or otherwise modify the terms of the Note or this Mortgage, including, without limitation, a modification of the interest rate payable on the principal balance of the Note, without in any manner impairing or affecting this Mortgage or the lien thereof or the priority of this Mortgage, as so extended and modified, as security for the Debt over any such subordinate lien, encumbrance, right, title or interest. Mortgagee may resort for the payment of the Debt to any other security held by Mortgagee in such order and manner as Mortgagee, in its discretion, may elect. Mortgagee may take action to recover the Debt, or any portion thereof, or to enforce any covenant hereof without prejudice to the right of Mortgagee thereafter to foreclose this Mortgage. Mortgagee shall not be limited exclusively to the rights and remedies herein stated but shall be entitled to every additional right and remedy now or hereafter afforded by law. The rights of Mortgagee under this Mortgage shall be separate, distinct and cumulative and none shall be given effect to the exclusion of the others. No act of Mortgagee shall be construed as an election to proceed under any one provision herein to the exclusion of any other provision.

26. Prepayment After Event of Default. If following the occurrence of any default under this Mortgage and an exercise by Mortgagee of its option to declare the Debt immediately due, Mortgagor shall tender payment of an amount sufficient to satisfy the entire Debt at any time prior to a sale of the Mortgaged Property, and if at the time of such tender of the Note a prepayment premium would be required thereunder for a voluntary prepayment of the principal balance of the Note, Mortgagor shall, in addition to the entire Debt, also pay to Mortgagee the applicable prepayment premium specified in the Note.

27. Liability. If Mortgagor consists of more than one person, the obligations and liabilities of each such person hereunder shall be joint and several.

28. Construction. The terms of this Mortgage shall be construed in accordance with the laws of the State in which the Mortgaged Property is located.

29. Security Agreement; Fixture Financing Statement. This Mortgage constitutes both a real property mortgage and a "security agreement", within the meaning of the Uniform Commercial Code, and the Mortgaged Property includes

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both real and personal property and all other rights and interest, whether tangible or intangible in nature, of Mortgagor in the Mortgaged Property. Mortgagor by executing and delivering this Mortgage has granted to Mortgagee, as security for the Debt, a security interest in the Equipment. If Mortgagor shall default under the Note or this Mortgage, Mortgagee, in addition to any other rights and remedies which it may have, shall have and may exercise immediately and without demand, any and all rights and remedies granted to a secured party upon default under the Uniform Commercial Code, including, without limiting the generality of the foregoing, the right to take possession of the Equipment or any part thereof, and to sell the same at public or private sale, and to take such other measures as Mortgagee may deem necessary for the care, protection and preservation of the Equipment. Upon request or demand of Mortgagee, Mortgagor shall at its expense assemble the Equipment and make it available to Mortgagee at a convenient place acceptable to Mortgagee. Mortgagor shall pay to Mortgagee on demand any and all expenses, including legal expenses and attorneys' fees, incurred or paid by Mortgagee in protecting its interest in the Equipment and in enforcing its rights hereunder with respect to the Equipment. Any notice of sale, disposition or other intended action by Mortgagee with respect to the Equipment sent to Mortgagor in accordance with the provisions hereof at least five (5) days prior to such action, shall constitute reasonable notice to Mortgagor. The proceeds of any disposition of the Equipment, or any part thereof, may be applied by Mortgagee to the payment of the Debt in such priority and proportions as Mortgagee in its discretion shall deem proper. This Mortgage is intended to be a financing statement within the purview of Section 9-402(b) of the Uniform Commercial Code of Illinois with respect to those items of equipment, goods or inventory which are fixtures on the Mortgaged Property. The addresses of Mortgagor (Debtor) and Mortgagee (Secured Party) are set forth in paragraph 11 hereof. This Mortgage is to be filed for record with the Recorder of Deeds of the counties where the Mortgaged Property is located. Mortgagor is the record owner of the Mortgaged Property.

30. Further Acts, etc. Mortgagor will, at the cost of Mortgagor, and without expense to Mortgagee, do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, mortgages, assignments, notices of assignments, transfers and assurances as Mortgagee shall, from time to time, require, for the better assuring, conveying, assigning, transferring and confirming unto Mortgagee the property and rights hereby mortgaged or intended now or hereafter so to be, or which Mortgagor may be or may hereafter become bound to convey or assign to Mortgagee, or for carrying out the intention or facilitating the performance of the terms of this Mortgage or for filing, registering or recording this Mortgage and, on demand, will execute and deliver and hereby authorizes Mortgagee to execute in the name of Mortgagor to the extent Mortgagee may lawfully do so, one or more financing statements, chattel mortgages or comparable security instruments, to evidence more effectively the lien hereof upon the Mortgaged Property.

31. Headings, etc. The headings and captions of various paragraphs of this Mortgage are for convenience of reference only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

32. Filing of Mortgage, etc. Mortgagor forthwith upon the execution and delivery of this Mortgage and thereafter, from time to time, will cause this Mortgage, and any security instrument creating a lien or evidencing the lien hereof upon the Mortgaged Property and each instrument of further assurance to be filed, registered or recorded in such manner and in such places as may be

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required by any present or future law in order to publish notice of and fully to protect the lien hereof upon, and the interest of Mortgagee in the Mortgaged Property. Mortgagor will pay all filing, registration or recording fees, and all expenses incident to the preparation, execution and acknowledgment of this Mortgage, any mortgage supplemental hereto, any security instrument with respect to the Mortgaged Property and any instrument of further assurance, and all Federal, state, county and municipal taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of this Mortgage, any mortgage supplemental hereto, any security instrument with respect to the Mortgaged Property or any instrument of further assurance. Mortgagor shall hold harmless and indemnify Mortgagee, its successors and assigns, against any liability incurred by reason of the imposition of any tax on the making and recording of this Mortgage.

33. Usury Laws. This Mortgage and the Note are subject to the express condition that at no time shall Mortgagor be obligated or required to pay interest on the principal balance due under the Note at a rate which could subject the holder of the Note to either civil or criminal liability as a result of being in excess of the maximum interest rate which Mortgagor is permitted by law to contract or agree to pay. If by the terms of this Mortgage or the Note Mortgagor is at any time required or obligated to pay interest on the principal balance due under the Note at a rate in excess of such maximum rate, the rate of interest under the Note shall be deemed to be immediately reduced to such maximum rate and the interest payable shall be computed at such maximum rate and all prior interest payments in excess of such maximum rate shall be applied and shall be deemed to have been payments in reduction of the principal balance of the Note.

34. Sole Discretion of Mortgagee. Wherever pursuant to this Mortgage, Mortgagee exercises any right given to it to approve or disapprove, or any arrangement or term is to be satisfactory to Mortgagee, the decision of Mortgagee to approve or disapprove or to decide that arrangements or terms are satisfactory or not satisfactory shall be in the sole discretion of Mortgagee and shall be final and conclusive.

35. Recovery of Sums Required To Be Paid. Mortgagee shall have the right from time to time to take action to recover any sum or sums which constitute a part of the Debt as the same become due, without regard to whether or not the balance of the Debt shall be due, and without prejudice to the right of Mortgagee thereafter to bring an action of foreclosure, or any other action, for a default or defaults by Mortgagor existing at the time such earlier action was commenced.

36. Marshalling. Mortgagor waives and releases, to the fullest extent permitted by law and with awareness of the consequences thereof, any and all right to have the Mortgaged Property marshalled.

37. Authority. Mortgagor (and the undersigned representative of Mortgagor, if any) has full power, authority and legal right to execute this Mortgage, and to mortgage, give, grant, bargain, sell, alien, convey, confirm and assign the Mortgaged Property pursuant to the terms hereof and to keep and observe all of the terms of this Mortgage on Mortgagor's part to be performed.

38. Actions and Proceedings. Mortgagee shall have the right to appear in and defend any action or proceeding brought with respect to the Mortgage

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Property and to bring any action or proceeding, in the name and on behalf of Mortgagor, which Mortgagee, in its discretion, feels should be brought to protect its interest in the Mortgaged Property.

39. Inapplicable Provisions. If any term, covenant or condition of this Mortgage or the Note shall be held to be invalid, illegal or unenforceable in any respect, this Mortgage shall be construed without such provision.

40. Duplicate Originals. This Mortgage may be executed in any number of duplicate originals and each such duplicate original shall be deemed to constitute but one and the same instrument.

41. Certain Definitions. Unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, words used in this Mortgage shall be used interchangeably in singular or plural form and the word "Mortgagor" shall mean each Mortgagor and any subsequent owner or owners of the Mortgaged Property or any part thereof or interest therein, the word "Mortgagee" shall mean Mortgagee or any subsequent holder of the Note, the word "Note" shall mean the Note or any other evidence of indebtedness secured by this Mortgage, the word "Guarantor" shall mean each person guaranteeing payment of the Debt or any portion thereof or performance by Mortgagor of any of the terms of this Mortgage and their respective heirs, executors, administrators, legal representatives, successors and assigns, the word "person" shall include an individual, corporation, partnership, trust, unincorporated association, government, governmental authority, or other entity, the words "Mortgaged Property" shall include any portion of the Mortgaged Property or interest therein, and the word "Debt" shall mean all the sums secured by this Mortgage. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa.

42. Waiver of Notice. Mortgagor shall not be entitled to any notice of any nature whatsoever from Mortgagee except with respect to matters for which this Mortgage specifically and expressly provides for the giving of notice by Mortgagee to Mortgagor, and Mortgagor hereby expressly waives the right to receive any notice from Mortgagee with respect to any matter for which this Mortgage does not specifically and expressly provide for the giving of notice by Mortgagee to Mortgagor.

43. No Oral Change. This Mortgage may not be modified, amended, changed, discharged or terminated orally, but only by an agreement in writing signed by the party against whom the enforcement of the modification, amendment, change, discharge or termination is sought.

44. Additional Remedies. Notwithstanding any other provision of this Mortgage to the contrary, if Mortgagor shall default in the performance of any of its covenants hereunder or if any one of the events specified in paragraph 21 shall occur, Mortgagee may, at its option, exercise any one or more or all of the following remedies in addition to those set forth elsewhere in this Mortgage:

(a) at any time, without notice, in its sole discretion, enter upon and take possession of the Mortgaged Property or any part thereof, to perform any acts Mortgagee deems necessary or proper to conserve the Mortgaged Property and the security thereof and to collect and receive all rents, issues and profits thereof, including those past due as well as those accruing thereafter;

(b) as a matter of strict right and without regard to the value or occupancy of the security, have a receiver appointed to enter upon and take possession of the Mortgaged Property, collect the Rents and apply the same as the court may direct, such receiver to have all the rights and powers permitted under the laws of the State of Illinois and

(c) exercise any other remedy specifically granted under any other instrument executed by Mortgagor in connection with this Mortgage or now or hereafter existing in equity, at law, by virtue of statute or otherwise.

In the case of either (a) or (b) above, Mortgagee or the receiver may also take possession of, and for these purposes use, any and all personal property constituting part of the Mortgaged Property and used by Mortgagor in the rental, sale or leasing thereof or any part thereof. The expenses (including receiver's fees, counsel fees, costs and agent's compensation) incurred pursuant to the powers herein contained shall be secured by this Mortgage. Mortgagee shall (after payment of all costs and expenses incurred) apply the Rents received by it to the Debt in such priority and proportions as Mortgagee in its discretion shall deem proper. The right to enter and take possession of the Mortgaged Property, to manage and operate the same, and to collect the Rents, whether by a receiver or otherwise, shall be in addition to any other right or remedy hereunder or afforded by law, and may be exercised concurrently therewith or independently thereof.

45. Laws, Regulations and Requirements. Mortgagor shall comply with all existing and future laws, regulations and requirements of every governmental authority having jurisdiction over the Mortgaged Property.

46. Foreclosure; Expense of Litigation. When the Debt, or any part thereof, shall become due, whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereof for the Debt or part thereof. In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale all expenditures and expenses which may be paid or incurred by or on behalf of 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 the title as Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the Mortgaged Property. All expenditures and expenses of the nature in this paragraph mentioned and such expenses and fees as may be incurred in the enforcement of Mortgagor's obligations hereunder, the protection of said Mortgaged Property and the maintenance of the lien of this Mortgage, including the reasonable fees of any attorney employed by Mortgagee in connection therewith or in any litigation or proceeding affecting this Mortgage, the Note or the Mortgaged Property, including probate and bankruptcy proceedings, or in preparations for the commencement or defense of any proceeding or threatened suit or proceeding shall be immediately due and payable by Mortgagor, with interest thereon at the Default Rate and shall be secured by this Mortgage.

47. Application of Proceeds of Foreclosure Sale. The proceeds of any foreclosure sale of the Mortgaged Property shall be distributed and applied in the

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following order of priority: first, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in paragraph 46 hereof; second, all other items which may under the terms hereof constitute secured indebtedness additional to that evidenced by the Note, with interest thereon as herein provided and all principal and interest remaining unpaid on the Note; and third, any surplus to Mortgagor, its successors or assigns, as their rights may appear.

48. Waiver of Rights Otherwise Available. To the extent permitted by applicable law, Mortgagor shall not at any time insist upon, or plead, or in any manner whatever claim or take any benefit or advantage of (i) any stay or extension or moratorium law, (ii) any exemption from execution or sale of the Mortgaged Property or any part thereof, wherever enacted, now or at any time hereafter in force, which may affect the covenants and terms of performance of this Mortgage, (iii) any law now or hereafter in force providing for the valuation or appraisal of the Mortgaged Property, or any part thereof, prior to any sale or sales thereof which may be made pursuant to any provision herein, or pursuant to the decree, judgment or order of any court of competent jurisdiction, (iv) the right of inquisition of the Mortgaged Property; Mortgagor voluntarily condemns the real estate, and agrees that it may be sold on writ of execution. Mortgagor covenants not to hinder, delay or impede the execution of any power herein granted or delegated to Mortgagee, but to suffer and permit the execution of every power as though no such law or laws had been made or enacted. The Mortgagor, for itself and all who claim under it, waives to the extent that it lawfully may, all right to have the Property marshaled upon any foreclosure hereof.

49. Transfer of Mortgaged Property; Further Encumbrances. In determining whether or not to make the loan secured hereby, Mortgagee examined the credit-worthiness of Mortgagor, found it acceptable and relied and continues to rely upon same as the means of repayment of the loan. Mortgagee also evaluated the background and experience of Mortgagor and its general partners in owning and operating property such as the Mortgaged Property, found it acceptable and relied and continues to rely upon same as the means of maintaining the value of the Mortgaged Property which is Mortgagee's security for the loan. Mortgagor is well-experienced in borrowing money and owning and operating property such as the Mortgaged Property, was ably represented by a licensed attorney at law in the negotiation and documentation of the loan secured hereby and bargained at arm's length and without duress of any kind for all of the terms and conditions of the loan, including this provision. Mortgagor recognizes that Mortgagee is entitled to keep its loan portfolio at current interest rates by either making new loans at such rates or collecting assumption fees and/or increasing the interest rate on a loan, the security for which is purchased by a party other than the original beneficiary of Mortgagor. Mortgagor further recognizes that any secondary or junior financing placed upon the Mortgaged Property; (a) may divert funds which would otherwise be used to pay the Note secured hereby; (b) could result in acceleration and foreclosure by any such junior encumbrancer which would force Mortgagee to take measures and incur expenses to protect its security; (c) would detract from the value of the Mortgaged Property should Mortgagee come into possession thereof with the intention of selling same; and (d) impair Mortgagee's right to accept a deed in lieu of foreclosure, as a foreclosure by Mortgagee would be necessary to clear the title to the Mortgaged Property. In accordance with the foregoing and for the purposes of (i) protecting Mortgagee's security, both of repayment by the Mortgagor and of value of the Mortgaged Property; (ii) giving Mortgagee the full

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benefit of its bargain and contract with Mortgagor; (iii) allowing Mortgagee to raise the interest rate and/or collect assumption fees; and (iv) keeping the Mortgaged Property free of subordinate financing liens, Mortgagor agrees that if this paragraph be deemed a restraint on alienation, that it is a reasonable one and (except as hereinafter otherwise expressly provided) that any sale, conveyance, assignment, further encumbrance or other transfer of title to the Mortgaged Property any interest therein or any interest of any general partner in Mortgagor (whether voluntary or by operation of law), including without limitation the placement or granting of liens on all or any part of the Mortgaged Property or the placement or granting of chattel mortgages, conditional sales contracts, financing or security agreements which would be or create a lien on the personal property utilized in the operation of the Mortgaged Property, or the placement or granting of a mortgage commonly known as a "wrap around" mortgage or an improvement loan, without Mortgagee's prior written consent shall be an Event of Default hereunder. For the purpose of, and without limiting the generality of, the preceding sentence, the occurrence at any time of any sale, conveyance, assignment or other transfer of, or the grant of a security interest in, all or any part of the title to the Mortgaged Property or in Mortgagor or any interest of any general partner in Mortgagor (as herein otherwise expressly permitted) shall be deemed to be an unpermitted transfer of title to the Premises and therefore an Event of Default hereunder.

Any consent by Mortgagee, or any waiver of an Event of Default, under this paragraph shall not constitute a consent to, or waiver of any right, remedy or power of Mortgagee upon a subsequent Event of Default under this paragraph 49. Mortgagor acknowledges that any agreements, liens or encumbrances created or entered into in violation of the provisions of this paragraph 49 shall be void and of no force or effect.

50. Business Purpose. Mortgagor covenants that the proceeds of the loan evidenced by the Note and secured by this Mortgage will be used for the purposes specified in Paragraph (1)(c) of Section 6404, Chapter 17 of the Illinois Revised Statutes, as amended, and that the principal obligation secured hereby constitutes a business loan which comes within the purview of said paragraph.

51. Miscellaneous.

(a) Rights of Tenants. Mortgagee shall have the right and option to commence a civil action to foreclose this Mortgage and to obtain a Decree of Foreclosure and Sale subject to the rights of any tenant or tenants of the Mortgaged Property. The failure to join any such tenant or tenants as party defendant or defendants in any such civil action or the failure of any Decree of Foreclosure and Sale to foreclose their rights shall not be asserted by Mortgagor as a defense in any civil action instituted to collect the indebtedness secured hereby, or any part thereof or any deficiency remaining unpaid after foreclosure and sale of the Mortgaged Property, any statute or rule of law at any time existing to the contrary notwithstanding.

(b) Option of Mortgagee to Subordinate. At the option of Mortgagee, this Mortgage shall become subject and subordinate, in whole or in part (but not with respect to priority of entitlement to insurance proceeds or any award in condemnation) to any and all leases of all or any part of the Mortgaged Property upon the execution by Mortgagee and recording thereof, at any time hereafter, in the Office of the Recorder of Deeds in and for the counties wherein the Mortgaged Property are situated, of a unilateral declaration to that effect.

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(c) Use of Proceeds. Mortgagor warrants that the proceeds evidenced by the Note secured hereby will not be used for the purchase of registered equity securities within the purview of Regulation G issued by the Board of Governors of the Federal Reserve System.

52. Waiver of Right of Redemption. Mortgagor hereby releases and waives any and all rights to retain possession of the Mortgaged Property after the occurrence of an Event of Default and any and all rights of redemption from sale under any order or decree of foreclosure, pursuant to rights therein granted, on behalf of Mortgagor, and each and every person acquiring any interest in, or title to, the premises described herein subsequent to the date of this Mortgage, and on behalf of all other persons to the extent permitted by the provisions of Chapter 110, Section 12-125 of the Illinois Revised Statutes.

53. Release of Part of Mortgaged Property. Provided that this Mortgage is then in full force and effect without default on the part of Mortgagor hereunder beyond the expiration of any applicable grace period herein granted within which to cure such default. Mortgagor may, from and after the date hereof, obtain a release of a designated parcel from the lien of this Mortgage upon the sale of said parcel to an unrelated third party transferee or upon the refinancing of that particular parcel with a third party lender, upon payment of an amount equal to ninety (90%) percent of the purchase price (net of adjustments) being paid by the third party transferee or the amount of the refinancing, as the case may be, in respect of said parcel as the purchase price or the amount of replacement mortgage is substantiated by evidence acceptable to Mortgagee - but in no event less than \$1,880,000.00 with respect to that parcel known as 6500 North Lincoln Avenue, Lincolnwood, Illinois and \$1,470,000.00 with respect to that parcel known as 361 Randy Road, Carol Stream, Illinois and \$2,080,000.00 with respect to the parcel known as 2300-2324 Hammond Drive, Schaumburg, Illinois.

54. Non-Recourse. Anything contained herein to the contrary notwithstanding, neither Mortgagor nor any partner of Mortgagor nor any other person or entity shall be personally liable for the performance of any of the covenants or obligations on the part of Mortgagor to be observed or performed hereunder or under any other document executed and delivered by Mortgagor in connection with the making of the loan or for any deficiency resulting from or through any foreclosure proceedings and Mortgagee shall look solely to the Mortgaged Property in pursuit of its remedies either set forth herein or as provided for at law; provided, however, that the foregoing limitations on personal liability shall not impair the validity of the Note or the lien of the Mortgage, or any other mortgage given in connection with or pursuant to the provisions of the Note or the Mortgage or the right of Mortgagee to foreclose and/or to enforce the lien of the Mortgage against the Mortgaged Property after the occurrence of an Event of Default by Mortgagor or against the leases or profits of the Mortgaged Property nor shall the foregoing limitations on personal liability in any manner affect the obligations of any partner of Mortgagor or any other person or entity under any guaranty or undertaking executed and delivered in connection with the Note and/or this Mortgage.

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IN WITNESS WHEREOF, Mortgagor has duly executed this Mortgage the day and year first above written.

CHICAGO SUBURBAN INDUSTRIAL
PROPERTIES INVESTMENT COMPANY,
an Illinois limited partnership

By: Tomasz/Shidler Investment Corporation,
an Illinois corporation and
the general partner

By: Michael T. Tomasz
Michael T. Tomasz, President

Signed, Sealed and Delivered
In The Presence Of:

Brian D. Salmon

Kenny Heard

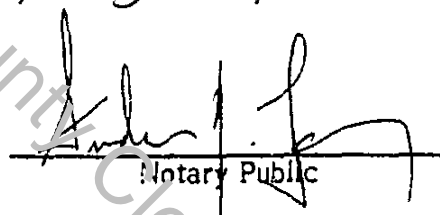
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STATE OF ILLINOIS)
)
) ss.:
COUNTY OF COOK)

I, ANDREW J. LANSING, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Michael T. Tomasz, the president of Tomasz/Shidler Investment Corporation, an Illinois corporation and the general partner of CHICAGO SUBURBAN INDUSTRIAL PROPERTIES INVESTMENT COMPANY, an Illinois limited partnership (the "Partnership"), who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed and delivered the said instrument, as president of Tomasz/Shidler Investment Corporation, the general partner of the Partnership and acknowledged that he signed, sealed and delivered the same instrument as his own free and voluntary act, and as the free and voluntary act of the Partnership, for the uses and purposes therein set forth

GIVEN under my hand and notarial seal, this 30th day of December, 1986.


Notary Public

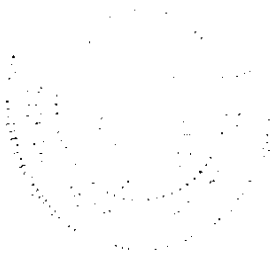
My Commission Expires Sept. 4, 1989 (Notarial Seal)

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EXHIBIT A 8 7 0 0 2 1 0 0

(Description of Premises)

Parcel 1:

Lot 1 in Narco Tenth Industrial Subdivision in the North half of the Southwest quarter of Section 33, Township 40 North, Range 10, East of the Third Principal Meridian, according to the Plat thereof recorded August 25, 1978 as Document R78-80530 and Certificate of Correction recorded December 7, 1978 as Document R78-117162, in DuPage County, Illinois.

The aforesaid premises being commonly known as 361 Randy Road, Carol Stream, Illinois.

Parcel 2:

The South 378.59 feet of the North 411.59 feet of Lot 10 except the West 33 feet and the East 33 feet thereof which are to be used as Streets, of John Proesel Estate Partition being a Subdivision of the South Half of the South West Quarter of Section 35, Township 41 North, Range 13, East of the Third Principal Meridian (except railroad right of way) in Cook County, Illinois.

The aforesaid premises being commonly known as 6500 North Lincoln Avenue, Lincolnwood, Illinois.

Parcel 3:

That part of Lot 8 in Tollway Industrial Park, being a Subdivision of part of the East half of Section 33 and part of the West half of Section 34, all in Township 42 North, Range 10 East of the Third Principal Meridian, in Palatine Township, Cook County, Illinois, described as follows:

Beginning at the North East corner of said Lot 8; thence Southwesterly along the Easterly line of Lot 8, being the Westerly line of Hammond Drive, a distance of 406.60 feet; thence Northwesterly along a line parallel with the Northerly line of said Lot 8, 442.98 feet; thence Northeasterly along a line parallel with the Easterly line of said Lot 8, a distance of 406.60 feet to the Northerly line of said Lot 8; thence Southeasterly along the Northerly line of said Lot 8, 442.98 feet to the point of beginning, in Cook County, Illinois.

The aforesaid premises being commonly known as 2300-2324 Hammond Drive, Schaumburg, Illinois.

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Maloney Coach (IP 6046)

PERMITTED EXCEPTIONS

1. Building restriction line of 35 feet back from the Easterly line as shown on the plat of subdivision recorded as Document Number 19834935 (affects Easterly 35 feet).
2. Easement for public utilities and drainage as shown on the plat of subdivision recorded as Document Number 19834935 over the Northerly 5 feet of the land.
3. Easement over the Northerly 5 feet of the land for the purpose of installing and maintaining all equipment necessary for the purpose of serving the subdivision and other property with telephone and electric service together with the right to overhang aerial service wires and also with right of access thereto as granted to the Illinois Bell Telephone Company and the Commonwealth Edison Company and their respective successors and assigns, as shown on the plat of subdivision recorded as Document Number 19834935.
NOTE: Release of Easement dated March 19, 1979 recorded March 23, 1979 as Document Number 24889886 by Illinois Bell Telephone Company purportedly releasing its rights, title and interest in and to the Northeastly five (5) feet (except the Easterly 16.41 feet thereof) of said Lot 8 shown in the plat of subdivision Document Number 19834935
4. Covenants, conditions and restrictions contained in and easements created by Deed from Chicago Title and Trust Company, an Illinois corporation, as Trustee under Trust Agreement dated February 21, 1963 and known as Trust No. 46332, to Langson Manufacturing Co., an Illinois corporation, dated June 24, 1968 recorded July 11, 1968 as Document Number 20547818, relating to, among other things, building materials, exterior walls, parking areas, outside storage areas, signs, landscaping, submission of permit plans for construction and approval thereof, arched roof construction, maintenance of all front yard and side yard set-back requirements, and to reservation of easements for utilities and for ingress and egress.
5. Reservation of easements contained in the Deed aforesaid recorded as Document Number 20547818, reserving easements to use, install, repair, replace, and maintain utilities, including sanitary sewer, storm sewer, gas, electricity, telephone, and water facilities, and for ingress and egress, over, under, and across the Easterly (10) feet of the Southerly ten (10) feet of the land.
6. Underground telephone cable and overhead wires along the Southerly portion of the land, as shown on a survey.
7. Rights of tenants under unrecorded leases.
8. Real Estate Taxes for 1986 and subsequent years.

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PERMITTED EXCEPTIONS

1. Taxes for the year 1986 and subsequent years.
2. Covenants, contained in Railroad Easements recorded April 6, 1978 and April 28, 1978 as Documents R78-28569 and R78-35865 stating that the Grantors being the Village of Carol Stream, a municipal corporation, and La Salle National Bank, as Trustee under Trust Agreement dated July 18, 1967 and known as trust No. 36792, its successors and assigns, will not construct, install or place or permit the construction, installation or placement of any structure or facility on, under or across the premises described above which will interfere with the use of property lying Northerly of the premises in question for the purpose set forth therein and will not use or permit the use of its adjacent property in a manner which will interfere with the use of the property covered hereby for the purpose set forth herein.
3. Certificate of Correction dated October 26, 1978 and recorded December 3, 1978 as Document R78-117162, states that: The dimension shown along the East line of Lot 1 (being the West line of Lot 2) shown as 208.33 feet should be 280.33 feet.
4. Grant of Easement made by Bank of Elk Grove, Trust No. 1632 (Grantor) to Commonwealth Edison Company and Illinois Bell Telephone Company dated December 18, 1978 and recorded May 23, 1979 as Document R79-42204. Whereas Grantors hereby grant to grantees, their successors and assigns, an easement to construct, operate, maintain, renew, etc., from time to time, poles, wires, cables, etc., used in connection with overhead and underground transmission and distribution of electricity, sounds and signals, together with the right of access to the same and the right from time to time to remove or trim trees, bushes and saplings and to clear and keep clear obstructions from the surface and subsurface as may reasonably be required, a strip of land 15 feet in width (as described in said instrument).
5. Encroachment onto utility easement as disclosed by survey.
6. Rights of tenants under unrecorded leases.

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PERMITTED EXCEPTIONS

1. Affidavit recorded as Document Number 18827011 by Puridental Insurance Company of America to induce Village of Lincolnwood to relinquish any claim to Lawdale Avenue.
2. Affidavit by Robert G. Geimer and Dorothy C. Geimer to induce Village of Lincoln to relinquish any claim to Lawdale Avenue recorded as Document Number 18827012.
3. Real Estate Taxes for 1985 and subsequent years.
4. Rights of tenants under unrecorded leases.

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Century (IP70)

PERMITTED EXCEPTIONS

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1. Building and Use Restrictions recorded in Liber 5539, Page 139, Oakland County Records, which are not accompanied by a Right of Reverter.
2. Terms and Conditions of an easement granted to the City of Southfield, for sewer and water over subject property, as granted in instrument recorded in Liber 5313, Page 397, Oakland County Records. (As to Parcel 1)
3. Right-of-Way granted to the Michigan Bell Telephone Company, as recorded in Liber 1420, Page 462, Oakland County Records. (As to Parcel 1)
4. Covenants, Terms and Conditions of Declaration of Easements dated May 19, 1970, by Eugene Sloan and Mildred Jody Sloan, his wife, recorded August 7, 1970, in Liber 5539, Page 139 and Amendment to Declaration of Easements dated January 15, 1973 and recorded January 16, 1973 in Liber 6019, Page 49, and in Liber 8269, Page 296, Oakland County Records.
5. Rights of tenants under unrecorded leases.
6. General Real Estate Taxes not yet due and payable.

Oakland County Clerk's Office

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3 7 0 0 2 1 0 Kirkwood (IP5002)

PERMITTED EXCEPTIONS

1. Rights of tenants under unrecorded leases.
2. General Real Estate Taxes not yet due and payable.

Property of Cook County Clerk's Office

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