

MORTGAGE, ASSIGNMENT OF RENTS,
SECURITY AGREEMENT AND FIXTURE FILING

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THIS MORTGAGE, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING ("Mortgage"), is made this 21st day of September, 1988, by and among American National Bank and Trust Company of Chicago, not personally but as Trustee under a Trust Agreement dated August 29, 1988 and known as Trust No. 106337-09, of 33 North LaSalle, Chicago, Illinois 60690 ("Mortgagor"), Homewood/Richton Park Office Building Partnership, 601 Skokie Boulevard, Suite 306, Northbrook, Illinois 60062 ("Beneficiary") and Signal Capital Corporation, a Delaware corporation, of Liberty Lane, Hampton, New Hampshire 03842 ("Mortgagee").

WHEREAS, the Mortgagor is indebted to the Mortgagee in the principal amount of \$1,050,000.00, together with interest thereon, as evidenced by Mortgagor's Secured Promissory Note (the "Note") of even date herewith, the terms of which are incorporated herein by this reference;

WHEREAS, Mortgagor is the owner of fee title to a parcel of land (the "Land") and the improvements thereon (the "Improvements"), as more particularly described in Schedule A hereto (the Land and the Improvements shall sometimes collectively be referred to as the "Premises"); and

WHEREAS, Beneficiary is the beneficiary of Mortgagor.

NOW, THEREFORE, to secure the indebtedness evidenced by the Note and all other indebtedness or amount now owing or which may hereafter be owing by the Mortgagor to the Mortgagee, direct or indirect, absolute or contingent, due or to become due, together with any and all renewals and extensions thereof (the "Indebtedness"), the Mortgagor does hereby irrevocably bargain, sell, give, grant, convey, ~~warrant~~, alien, remise, release, assign, set over and confirm to the said Mortgagee, its heirs, or successors and assigns, in trust, with power of sale and right of entry and possession, the following described property (the "Secured Property"):

- (a) the Land;
- (b) the Improvements, including structures and buildings and any alterations thereto or replacements thereof, now or hereafter erected upon the Land, all fixtures and equipment and any other item or personal property now or at any time hereafter affixed or attached to, placed upon or used in any way in connection with the use, enjoyment, occupancy or operation of the Land or the Improvements, together with any and all replacements thereof and additions thereto;
- (c) all of Mortgagor's right, title and interest in, but none of its obligations under any agreement, contract, certificate, instrument, franchise, permit, lease, license or other documents, now or hereafter entered into, respecting or pertaining to the use, occupation, construction, management or operation of the Land and Improvements and any part thereof or any business or activity conducted thereon, including, without limitation, the right upon the happening of any default hereunder, to receive and collect any sums payable to Mortgagor thereunder;
- (d) all development rights, air rights, all rights of way or use, streets, ways, alleys, passages, sewer rights, water courses, water rights, privileges, servitudes, easements, tenements, hereditaments and appurtenances now or hereafter belonging or appertaining to any of the foregoing;

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- (e) all proceeds of the conversion, voluntary or involuntary, of any of the foregoing into cash or liquidated claims, including, without limitation, proceeds of insurance and condemnation awards; and
- (f) all rent, issues and profits, if any, arising from any of the foregoing.

TO HAVE AND TO HOLD said Secured Property with all privileges and appurtenances thereunto belonging to the said Mortgagee, its heirs, successors, and assigns forever.

ARTICLE I

Covenants of Mortgagor

Section 1.01. Payment of Indebtedness. The Mortgagor shall punctually pay the Indebtedness in immediately available funds in accordance with the terms hereof and of the Note.

Section 1.02. Title to Secured Property. Mortgagor represents and Beneficiary warrants that (a) Mortgagor has good marketable title in fee simple absolute to the Secured Property, (b) Mortgagor has the right, power and authority to execute this Mortgage and to mortgage the Secured Property, (c) this Mortgage has been duly executed and delivered by a duly authorized officer of Mortgagor and constitutes the legal, valid and binding obligation of Mortgagor, enforceable in accordance with its terms, and (d) Beneficiary at its expense will warrant and defend to Mortgagee such title to the Secured Property and the lien and interest of Mortgagee thereon and therein against all claims and demands and will maintain and preserve such lien and will keep this Mortgage a first lien upon the Secured Property; (e) Mortgagor is duly organized, validly existing and in good standing in its state of Incorporation and has full power and authority to own its properties, including the Secured Property, and carry on its business; and (f) the execution hereof and performance of all of Mortgagor's obligations hereunder will not result in Mortgagor being in default under any agreement to which it is a party.

Section 1.03. Maintenance of the Secured Property. The Mortgagor shall maintain the Secured Property in good repair, shall comply with the requirements of any governmental authority claiming jurisdiction over the Secured Property. The Mortgagor shall permit the Mortgagee to enter upon the Premises and inspect the Secured Property at all reasonable hours and without prior notice; provided, that Mortgagee shall not disturb the peaceful possession of any tenant under a valid lease with respect to any portion of the Premises. The Mortgagor shall not, without the prior written consent of the Mortgagee, threaten, commit, permit or suffer to occur any waste, material alteration, deterioration, demolition or removal of the Secured Property or any part thereof.

Section 1.04. Insurance.

- (a) Casualty. The Mortgagor shall keep the Land and Improvements constituting the Secured Property insured against damage by fire and the other hazards covered by a standard all risk of physical loss insurance policy for the greater of (i) the full insurable value thereof, including inflation endorsement (which shall mean the full repair and replacement value thereof without reduction for depreciation or coinsurance) or (ii) the principal amount of the Indebtedness. In addition, the Mortgagee may require the Mortgagor to carry such other insurance on the Secured Property in such amounts and with such insurers as Mortgagee may reasonably require,

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including insurance against loss by flood if the Secured Property is located in an area identified by the Secretary of Housing and Urban Development as an area having special flood hazards and in which flood insurance has been made available under the National Flood Insurance Act of 1968 (and any successor act thereto). Mortgagor will assign and deliver all such policies of insurance to the Mortgagee endorsed with the standard mortgagee clause in the name of the Mortgagee, so that the Mortgagee and its successors and assigns shall at all times hold the said policies as collateral and further security for the payment of the Indebtedness until the full payment of the Indebtedness. The proceeds of insurance paid on account of any damage or destruction to the Premises or any part thereof shall be paid over to the Mortgagee to be applied as hereinafter provided.

- (b) General Liability and Property Damage. The Mortgagor shall provide public liability insurance and business or rental interruption insurance with respect to the Premises for both injury to or death of a person and for property damage, and in amounts and under policies issued by companies satisfactory to Mortgagee.
- (c) Policy Provisions. All casualty insurance policies required pursuant to this Section 1.04 shall be endorsed to name the Mortgagee as a mortgagee thereunder, with loss payable to the Mortgagee, without contribution. All liability coverage shall include the Mortgagee's name as certificate holder and additional insured. All such insurance policies and endorsements shall be fully paid for and contain such provisions and expiration dates and be in such form and issued by such insurance companies licensed to do business in the state where the Secured Property is located as shall be approved by the Mortgagee. Without limiting the foregoing, each policy shall provide that such policy may not be cancelled or materially changed except upon thirty (30) days' prior written notice to the Mortgagor and that no act or thing done by the Mortgagor shall invalidate the policy as against the Mortgagee. The Mortgagor shall deliver copies of all original policies with endorsements required hereunder, certified by the insurance company or authorized agent as being true copies, to the Mortgagee. Notwithstanding anything to the contrary contained herein or in any provision of applicable law the proceeds of insurance policies coming into the possession of the Mortgagee shall not be deemed trust funds, may be held by it without interest and may be commingled by the Mortgagee with its general funds; the Mortgagee shall be entitled to dispose of such proceeds as herein provided; and the Mortgagee shall not be obligated to see to the proper application of any such proceeds paid over to the Mortgagor.

Section 1.05 Loss, Damage or Destruction. Mortgagee shall have the option, in its sole discretion, to apply any insurance proceeds it may receive pursuant to Section 1.04 to the payment of the Indebtedness or for the restoration of the Premises. Proceeds used to reduce the Indebtedness shall be applied to the then unpaid installments of principal due under the Note in the inverse order of their maturity, such that the regular payments under the Note shall not be reduced or altered in any manner. If Mortgagee elects to use such proceeds for the restoration of the Premises, then the following shall apply:

- (a) Mortgagor shall give prompt written notice of any loss, damage or destruction of the Land or Improvements to the Mortgagee and shall promptly commence and diligently continue to replace, repair and restore the Land and

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Improvements in accordance with applicable law (hereinafter referred to as the "Work") and so that the Premises shall be at least equal in value and general utility as they were prior to the loss, damage or destruction;

- (b) All work shall be subject to the inspection, review and approval of Mortgagee. After commencing the Work the Mortgagor shall perform the Work diligently and in good faith in accordance with plans and specifications previously submitted to and approved in writing by Mortgagee;
- (c) All insurance proceeds recovered by the Mortgagee on account of loss, damage or destruction to the Premises less the cost, if any, to the Mortgagee of such recovery and of paying out such proceeds (including, without limitation, attorneys' fees and costs allocable to inspecting the Work and the plans and specifications therefor), shall be applied by the Mortgagee to the payment of the cost of the Work either to the Mortgagor and/or, at the Mortgagee's option, directly to the contractor, subcontractors, materialmen, laborers, engineers, architects and other persons rendering services or materials for the Work, upon presentation to Mortgagee of proof, satisfactory, to Mortgagee, of satisfactory completion of the Work for which payment is sought plus an invoice for such Work, in form and substance satisfactory to Mortgagee. Mortgagee may further condition payment upon, among other things, and at Mortgagee's option, receipt of a certificate of an executive or fiscal officer of the Mortgagor, stating that (i) all of the Work completed has been done in compliance with the approved plans and specifications and in accordance with all provisions of law; (ii) the sum requested is justly required to reimburse the Mortgagor for Mortgagor's payments to, or is justly due to the person performing the Work; and (iii) the amount of such proceeds remaining in the hands of the Mortgagee will be sufficient, upon completion of the Work, to pay for the same in full;
- (d) All payments for Work shall subject to simultaneous receipt by Mortgagee of waivers of liens satisfactory to the Mortgagee covering that part of the Work paid for;
- (e) The request for any payment after the Work has been completed shall be accompanied by a copy of any certificate or certificates required by law to render occupancy of the Secured Property legal;
- (f) Upon completion of the Work and payment in full therefor, or upon failure on the part of the Mortgagor promptly to commence or diligently to continue the Work, the Mortgagee may apply the amount of any such proceeds then or thereafter in the hands of the Mortgagee to the payment of the Indebtedness or to the curing of any default under this Mortgage or the Note.

Section 1.06. Maintenance of Existence. The Mortgagor will, so long as it is owner of the Secured Property, do all things necessary to preserve and keep in full force and effect its existence, franchises, rights and privileges under the laws of its state of incorporation and comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental authority or court applicable to the Mortgagor or to the Secured Property or any part thereof.

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Section 1.07. Taxes and Other Charges.

- (a) Mortgagor shall pay and discharge when due all taxes of every kind and nature, bonds, assessments, fees, liens, including mechanics and materialman's liens, fines, impositions, water rates, sewer rents and assessments, levies, permits, inspection and license fees and all other charges imposed upon or assessed upon this transaction or against the Secured Property or any part thereof or upon the revenues, rents, issues, income and profits of the Secured Property or arising in respect of the occupancy, uses or possession thereof (hereinafter the "Charges"), and, unless the Mortgagor is making monthly deposits with the Mortgagee in accordance with Section 1.11 hereof, the Mortgagor shall exhibit to the Mortgagee within five (5) days after the same shall have become due, validated receipts showing the payment of such Charges.
- (b) Mortgagor may in good faith and at its own expense contest any Charge or the validity thereof by appropriate legal proceedings, which proceedings must operate to prevent the collection thereof and the sale or forfeiture of the Secured Property or any part thereof to satisfy the same. During such contest the Mortgagor shall, at the option of the Mortgagee, provide security satisfactory to the Mortgagee, assuring the discharge of the Mortgagor's obligations hereunder and of any additional interest, charge, penalty or expense arising from or incurred as a result of such contest. If, at any time, payment of any obligation imposed upon the Mortgagor by subsection (a) of this Section 1.07 shall become necessary to prevent a lien foreclosure sale of the Secured Property or any portion thereof because of non-payment, then the Mortgagor shall pay the same in sufficient time to prevent the foreclosure sale.

Section 1.08. Condemnation Awards. Mortgagor shall notify the Mortgagee of the commencement or pendency of condemnation proceedings. The Mortgagee may participate in any such condemnation proceedings and the Mortgagor from time to time will deliver to the Mortgagee all instruments requested by them to permit such participation. Mortgagor hereby assigns to Mortgagee and authorizes Mortgagee to collect all awards and compensation for condemnation (or other taking or purchase in lieu thereof) of the Secured Property or any part thereof which in the Mortgagee's sole discretion, may be applied toward the payment of the Indebtedness, notwithstanding the fact that the Indebtedness may not then be due and payable, or to the restoration of the Premises. If used to reduce the Indebtedness, such proceeds shall be applied against installments of principal due under the Note in the inverse order of their maturity, such that the regular payments under the Note shall not be reduced or altered in any manner. Mortgagee shall not be limited to the interest paid on the proceeds of any award or compensation, but shall be entitled to the payment by the Mortgagor of interest at the applicable rate provided for herein or in the Note.

Section 1.09. Additional Advances and Disbursements. Mortgagor shall pay when due all payments and charges on all liens, encumbrances, ground and other leases, and security interests which may be or become superior or inferior to the lien of this Mortgage.

Section 1.10. Costs of Enforcement. Mortgagor agrees to bear and pay all expenses, including, without limitation, reasonable attorneys' fees of or incidental to the enforcement of any provision hereof, or the enforcement, compromise or settlement of this Mortgage or the Indebtedness, and for the curing thereof, or for defending or asserting the rights and claims of

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the Mortgagee in respect thereof, by litigation or otherwise. All rights and remedies of the Mortgagee shall be cumulative and may be exercised singly or concurrently.

Section 1.11. Escrow Deposits. Upon Mortgagee's request, Mortgagor shall make a monthly deposit with Mortgagee or, at Mortgagee's option, an escrow agent, in such amount as Mortgagee estimates is necessary to create a reserve fund to be held without interest from which to pay all ground or other rent, insurance premiums, real estate taxes and assessments and water, sewer and other charges which might become a lien upon the Secured Property. Mortgagee will request such escrow only in case of a default under this Mortgage, the Note or other loan documents securing the Indebtedness. If then current charges are not ascertainable, the deposit shall be made on the basis of the charges for the prior year, and when the charges are fixed for the then current year, the Mortgagor shall deposit any deficiency with the Mortgagee. All funds so deposited with the Mortgagee shall be held by it without interest, may be commingled by the Mortgagee with its general funds and, provided that no event of default shall have occurred, shall be applied in payment of the charges aforementioned when and as payable. Should an event of default occur, the funds deposited with the Mortgagee may be applied to the payment of the Indebtedness or any other charges affecting the security of the Mortgagee as the Mortgagee sees fit. If deposits are being made with the Mortgagee, the Mortgagor shall furnish the Mortgagee with bills for the charges for which such deposits are required to be made hereunder upon receipt by Mortgagor.

Section 1.12. Modification of Terms. Without affecting the liability of the Mortgagor or any other person for payment of the Indebtedness or for performance of any obligation contained herein, the Mortgagee may, at any time before or after the maturity of the Note and without notice or consent: (a) release any person liable for payment of all or any part of the Indebtedness or for performance of any obligation; (b) make any agreement extending the time or otherwise altering the terms of payment of all or any part of the Indebtedness, or modifying or waiving any obligation, or subordinating, modifying or otherwise dealing with the lien or charge hereof; (c) exercise or refrain from exercising or waive any right the Mortgagee may have; (d) accept additional security of any kind; (e) release or otherwise deal with any property, real or personal, securing the Indebtedness, including all or any part of the Secured Property.

Section 1.13. Late Charges. In the event the Mortgagor fails to pay any amount provided in the Note or in this Mortgage when due whether by acceleration or otherwise, the Mortgagee may impose a late charge of 5% of the amount of any such overdue payment plus upon such payment becoming 30 days overdue, interest on such overdue payment at a rate of 18% per annum until fully paid.

Section 1.14. Financial Statements. Mortgagor shall furnish to the Mortgagee within one hundred twenty (120) days after the end of each of its fiscal years a balance sheet and statement of profit and loss, prepared by an independent certified public accountant of recognized standing and satisfactory to the Mortgagee in accordance with generally accepted accounting principles consistently applied. In addition, the Mortgagor shall permit the Mortgagee to examine such records, books and papers of the Mortgagor which reflect upon its financial condition and the income and expense relative to the Secured Property, and the business conducted thereat.

Section 1.15. Restrictive Covenants. Without the prior written consent of the Mortgagee, the Mortgagor shall not: (a) execute or permit to exist any lease of all or any portion of the Secured Property; (b) modify or vary, surrender or terminate,

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either orally or in writing, any lease affecting the Secured Property; (c) discount any rents or collect the same for a period of more than one (1) month in advance; (d) cancel any lease affecting the Secured Property; or (e) sell, transfer, convey, assign, further encumber, alienate, hypothecate, grant a security interest in or grant any other interest whatsoever in the Secured Property or any part thereof. Notwithstanding any other provision contained in this Section 1.15, Mortgagor may perform the activities referred to in (a), (b) and (d) above without Mortgagee's prior written consent with respect to leases for space on the Premises with (i) a term of less than three (3) years and (ii) for less than 1,000 square feet.

Section 1.16. Estoppel Certificates. Within five (5) days after Mortgagee's written request therefor, Mortgagor shall furnish to the Mortgagee a written statement, duly acknowledged, setting forth the amount due under this Mortgage and the Note, the terms of payment and maturity date of the Note, the date to which interest has been paid, whether any offsets or defenses exist against the Indebtedness and, if any are alleged to exist, the nature thereof, and certifying that there is no condition or event which constitutes an Event of Default or which, after notice or lapse of time or both, would constitute an Event of Default or, if any such event or condition exists, specifying the nature and period of the existence thereof and the action being taken by Mortgagor with respect thereto.

Section 1.17. Security Deposits. Within ten (10) days after request by the Mortgagee, the Mortgagor shall furnish a statement of all security deposits of the tenants and true, correct and complete copies of all leases with respect to the Secured Property not theretofore delivered to the Mortgagee.

Section 1.18. Assignment of Rents. Mortgagor hereby assigns to the Mortgagee, as further security for the payment of the Indebtedness, the rents, issues and profits of the Secured Property, together with all leases and other documents evidencing such rents, issues and profits now or hereafter in effect and any and all deposits held as security under said leases. Mortgagee shall have none of the obligations of Mortgagor under any such lease or other document. Mortgagor hereby further grants to the Mortgagee the right (i) to enter upon and take possession of the Secured Property for the purpose of collecting the said rents, issues and profits, (ii) to dispossess by the usual summary proceedings any tenant defaulting in the payment thereof to the Mortgagee, (iii) to let the Secured Property, or any part thereof, and (iv) to apply said rents, issues and profits, after payment of all necessary charges and expenses, on account of the Indebtedness. Such assignment and grant shall continue in effect until the Indebtedness is paid, the execution of this Mortgage constituting and evidencing the irrevocable consent of the Mortgagor to the entry upon and taking possession of the Secured Property by the Mortgagee pursuant to such grant, whether foreclosure has been instituted or not and without applying for a receiver. Until the occurrence of an Event of Default hereunder, the Mortgagor shall be entitled to collect and receive said rents, issues and profits. Mortgagor agrees to use said rents, issues and profits in payment of principal and interest becoming due under this Mortgage and the Note and in payment of taxes, assessments, water rates, sewer rents and carrying charges becoming due against the Secured Property. Such right of the Mortgagor to collect and receive such rents, issues and profits may be revoked by the Mortgagee upon the occurrence of an Event of Default by giving not less than five (5) days written notice of such revocation, served personally upon or sent by registered or certified mail to Mortgagor.

Section 1.19. Leases and Other Agreements Affecting Property. Mortgagor will duly and punctually perform all terms, covenants, conditions and agreements binding upon it under any

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lease or any other agreement of any nature whatsoever which involves or affects the Secured Property or any part thereof.

Section 1.20. Environmental Compliance. Except as disclosed on Schedule B, attached hereto (i) the operations and properties of Mortgagor comply in all respects with all applicable federal, state, or local environmental, health and safety statutes and regulations; (ii) none of the operations or properties of Mortgagor are subject to any judicial or administrative proceeding alleging the violation of any federal, state, or local environmental, health or safety statutes or regulations; (iii) none of the operations or properties of the Mortgagor is subject to any federal or state investigation evaluating whether any remedial action is needed to respond to a release of any hazardous or toxic waste, substance or constituent, or other substance into the environment; (iv) neither Mortgagor nor any predecessor has filed any notice under any federal or state law indicating past or present treatment, storage or disposal of a hazardous waste or reporting a spill or release of a hazardous or toxic waste, substance or constituent, or other substance into the environment; (v) Mortgagor has no contingent liability in connection with any release of any hazardous or toxic waste, substance or constituent, or other substance into the environment; (vi) none of Mortgagor's operations or properties involve the generation, transportation, treatment or disposal of hazardous waste, as defined under 4 CFR Parts 260-270 or any state equivalent; (vii) Mortgagor has not disposed of any hazardous waste or substance by placing it in or on the ground of any premises owned, leased, or used by Mortgagor and, to the best of Mortgagor's knowledge, neither has any lessee, prior owner or other person; (viii) no underground storage tanks or surface impoundments are on any of Mortgagor's premises; and (ix) no lien in favor of any governmental authority for any liability under federal or state environmental laws or regulations or damages arising from or costs incurred by such governmental authority for any liability under federal or state environmental laws or regulations or damages arising from or costs incurred by such governmental authority in response to a release of a hazardous or toxic waste, substance or constituent, or other substance into the environment has been filed or attached to any of Mortgagor's properties. Mortgagor agrees duly to comply with the requirements of all applicable environmental, health, safety and sanitation laws, ordinances, codes, rules and regulations and interpretations and orders of regulatory and administrative authorities with respect thereto, including any applicable "Superfund Act" or comparable statute or regulatory scheme and agrees promptly to undertake and diligently to pursue to completion appropriate and legally authorized remedial containment and clean-up action in the event of any release of oil or hazardous material or substance on, upon or into the Secured Property.

Mortgagor agrees to provide the Mortgagee with copies of any notifications of releases of oil or hazardous materials or substances which are given by or on behalf of the Mortgagor to any Federal, state or local agencies or authorities with respect to the Secured Property. Such copies shall be sent to the Mortgagee concurrently with their being mailed or delivered to the governmental agencies or authorities.

In the event that there shall be a release of oil or hazardous materials or substances on, upon or into the Secured Property, subject to the required consents of tenants under currently existing leases for portions of the Premises ("Existing Tenants") the Mortgagee shall have the right (but not the obligation), upon five (5) calendar days advance written notice to the Mortgagor (or without notice in the case of emergency), to cause the release to be contained and/or removed on behalf of the Mortgagor. Subject to the required consents of Existing Tenants, the contractor(s) selected by the Mortgagee shall have the right to enter upon the Secured Property with such men, machinery and

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equipment as they shall deem necessary for the purpose and to undertake such remedial containment and clean-up actions as they shall deem appropriate, without thereby incurring any liability to the Mortgagor on account thereof. Subject to the required consents of Existing Tenants, Mortgagor agrees to cooperate with any such contractor(s) and to render such assistance to such contractor(s) as may be requested to facilitate the remedial containment and clean-up actions. Mortgagor shall be liable to the Mortgagee for all costs and expenses, including all attorneys' fees, incurred on account of such remedial action undertaken on the Mortgagor's behalf and shall reimburse the Mortgagee therefor on demand. In the event that the Mortgagor fails to so reimburse the Mortgagee on demand, such failure shall constitute an Event of Default hereunder. The Mortgagor hereby agrees to indemnify, defend and hold harmless the Mortgagee from and against any and all loss, liability, damage and expense, including costs associated with administrative and judicial proceedings and attorneys' fees, to which the Mortgagee may be exposed, or which the Mortgagee may incur, in exercising in whole or in part or failing or neglecting to exercise any of its rights under this Section.

Section 1.21. Indemnification Against Liabilities.

Mortgagor and Beneficiary will protect, indemnify, hold harmless and defend Mortgagee from and against any and all liabilities, damages, penalties, losses, costs and expenses (including, without limitation, attorneys' fees and expenses) by reason of any claims, suits or enforcement actions, including any administrative and judicial proceedings and any remedial, removal or response actions ever asserted, threatened or instituted by any person, including any governmental agency or authority on account of (a) Mortgagee's interest in the Secured Property, (b) any accident, injury to or death of persons or loss of or damage to or loss of the use of property occurring on or about the Secured Property or any part thereof or the adjoining sidewalks, curbs, vaults and vault spaces, if any, streets, alleys or ways, (c) any use, non-use or condition of the Secured Property or any part thereof or the adjoining sidewalks, curbs, vaults and vault spaces, if any, streets, alleys or ways, (d) any failure on the part of Mortgagor to perform or comply with any of the terms of this Mortgage, (e) performance of any labor or service or the furnishing of any materials or other property in respect of the Secured Property or any part thereof made or suffered to be made by or on behalf of Mortgagor, (f) any negligence or tortious act on the part of Mortgagor or any of its agents, contractors, lessees, licensees, or invitees, (g) any work in connection with any alterations, changes, new construction or demolition of the Secured Property, (h) any other relationship that has arisen or may arise between Mortgagee and Mortgagor or the Secured Property as a result of the delivery of this Mortgage or any other action contemplated hereby or by any other document executed in connection herewith, (i) any claim, action or other proceeding brought by or on behalf of any other person against Mortgagee as the holder of, or by reason of its interest in any sum deposited or paid hereunder, including but not limited to insurance proceeds and condemnation awards, (j) any release of oil or hazardous materials or substances on, upon or into the Secured Property and any and all damage to real or personal property or natural resources and/or harm or injury to persons alleged to have resulted from such release of oil or hazardous materials or substances, or (k) any breach or untruthfulness of any representation, warranty or covenant contained herein. If any action or proceeding be commenced to which action or proceeding the Mortgagee is made a part by reason of the execution of this Mortgage or the Note, or in which it becomes necessary to defend or uphold the lien of this Mortgage, all sums paid by Mortgagee in connection with such litigation shall be paid by Mortgagor to Mortgagee on demand. Mortgagor will pay and save Mortgagee harmless against any and all liability with respect to any intangible personal property tax or similar imposition of the state in which

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the Secured Property is located or any subdivision or authority thereof now or hereafter in effect.

Section 1.22. Security Agreement. Insofar as the Improvements referred to in this Mortgage constitute personal property subject to the applicable provisions of the Uniform Commercial Code, this Mortgage is hereby made and declared to be a security agreement and fixture filing, filed in the real estate records of the county in which such property and collateral are located, encumbering each and every item of personal property included herein in compliance with the provisions of the Uniform Commercial Code. A financing statement or statements reciting this Mortgage to be a security agreement, affecting all of said personal property aforementioned, shall be executed by the Mortgagor and the Mortgagee and appropriately filed.

ARTICLE II

Default and Remedies

Section 2.01. Events of Default. The following shall constitute Events of Default under this Mortgage:

- (a) failure to pay, within 10 days of the date when due and payable, principal of or interest on the Note; or
- (b) default in the due observance or performance of any of the terms, covenants or conditions contained herein for more than ten (10) days after receipt from the Mortgagee of notice of such default, provided, however, if such default is of a nature which cannot be cured within the aforesaid ten (10) day period, Mortgagor shall have a reasonable period of time to cure such default so long as Mortgagor commences to cure such default within the aforesaid ten (10) day period and diligently proceeds to cure such default and provides evidence satisfactory to Mortgagee of Mortgagor's efforts to cure such default; or
- (c) should any representation made herein or any other document given in connection herewith prove to be untrue in any material respect; or
- (d) the failure of the Mortgagor to pay all taxes and other governmental charges, of any kind and nature whatsoever, when due and payable including, but not limited to, assessments for public improvements or benefits; or
- (e) the conveyance, assignment, sale or attempted sale, or other disposition of the Secured Property or the further transfer, assignment, hypothecation, pledge or other encumbrance by the Mortgagor of the Secured Property or any part thereof or any interest therein, including but not limited to the assignment of the beneficial interest in Mortgagor, or the conveyance, assignment, sale or attempted sale, or other disposition of any interest in Homewood/Richton Park Building Partnership, without the prior written consent of the Mortgagee; or
- (f) if a receiver, liquidator or mortgagee of the Mortgagor or of any of its properties shall be appointed; or a petition in bankruptcy or reorganization or an insolvency proceeding shall be filed by or against the Mortgagor which is not withdrawn, dismissed, cancelled or terminated within sixty (60) days thereof; or Mortgagor is adjudicated bankrupt or insolvent or a petition for reorganization is granted (without regard for any grace period provided for herein); or if the Mortgagor shall make an assignment for the benefit of creditors or

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shall be generally unable to pay its debts as they become due or shall consent to the appointment of a receiver, mortgagee or liquidator of the Mortgagor or of all or any part of its property; or

- (g) if there is an attachment or sequestration of any of the property of the Mortgagor and same is not discharged or bonded to the Mortgagee's satisfaction within sixty (60) days thereof; or
- (h) if default, or any attempted withdrawal, cancellation or disclaimer of liability, shall occur under any agreement which guarantees payment of the Indebtedness or any part thereof or under any agreement giving security for said guaranty; or
- (i) if the Mortgagor shall cause or institute any proceeding for the dissolution or termination of the Mortgagor or ceases to do business or terminates its business as presently conducted for any reason whatsoever; or
- (j) if the Mortgagor defaults under any other mortgage or agreement that it has with the Mortgagee; or
- (k) if a default beyond any applicable grace period shall occur under any security deed with respect to the Secured Property or any party thereof or the grantee under any such security deed shall commence a foreclosure action in connection therewith (provided that this provision shall not be deemed to be a waiver of the provisions of Section 1.15 or any other section of this Mortgage).

Mortgagor shall notify the Mortgagee promptly in writing of any transaction or event that may constitute an Event of Default under this Section 2.01.

Section 2.02. Remedies.

- (a) Upon the occurrence of any Event of Default, the Mortgagee and the Mortgagor may take such action, without notice or demand, as the Mortgagee deems advisable to protect and enforce its rights. Without limiting the generality of the foregoing, Mortgagee may:
 - (1) declare the entire unpaid Indebtedness to be immediately due and payable; or
 - (2) enter into or upon the Secured Property either personally or by its agents, nominees or attorneys and dispossess the Mortgagor and its agents and servants therefrom, and thereupon the Mortgagee or the Mortgagor may (i) use, operate, manage, control, insure, maintain, repair, restore and otherwise deal with all and every part of the Secured Property and conduct the business thereof; (ii) complete any construction on the Secured Property in such manner and form as the Mortgagee deems advisable; (iii) make alterations, additions, renewals, replacements and Improvements to or on the Secured Property; (iv) exercise all rights and power of the Mortgagor with respect to the Secured Property, whether in the name of the Mortgagor or otherwise, including, without limitation, the right to make, cancel, enforce or modify leases, obtain and evict tenants, and demand, sue for, collect and receive all earnings, revenues, rents, issues, profits and other income of the Secured Property and every part thereof; and (v) apply the receipts from the Secured Property to the payment of the Indebted-

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ness, after deducting therefrom all expenses (including, without limitation, reasonable attorneys' fees) incurred in connection with the aforesaid operations and all amounts necessary to pay the taxes, assessments, insurance and other charges in connection with the Secured Property, as well as just and reasonable compensation for the services of the Mortgagee, its counsel, agents and employees; or

- (3) request that Beneficiary, whereupon Beneficiary shall, assemble and make available to the Mortgagee at the site of the Land any of the Secured Property which has been removed therefrom. No action taken by Mortgagee hereunder shall cure or waive any default theretofore or thereafter occurring or affect any notice or default hereunder or invalidate any act done pursuant to any such default or notice; or
 - (4) institute proceedings in any court of competent jurisdiction for the complete or partial foreclosure of this Mortgage; The legal holder of the Indebtedness may purchase the Secured Property or any part thereof, and it shall not be obligatory upon the purchasers at any such sale to see to the application of the purchase money; or
 - (5) institute an action, suit or proceeding in equity for the specific performance of any covenant, condition or agreement contained herein or in the Note; or
 - (6) seek the appointment of a receiver of the Secured Property and of the earnings, revenues, rents, issues, profits and other income of the Premises, having full power to collect all such income and, after paying all necessary expenses of such receivership and of operation, maintenance and repair of the Premises, to apply the balance to the payment of any sums due under this Mortgage or under the Note; or
 - (7) pay or perform any default in the payment, performance or observance of any term, covenant or condition of this Mortgage, whereupon all such payments made or costs or expenses incurred by the Mortgagee shall be secured hereby and shall be payable upon demand with late charges and interest thereon as set forth in Section 1.13 hereof; or
 - (8) enforce the rights of a secured party under the Uniform Commercial Code of Illinois with respect to the personal property and fixtures; or
 - (9) seek appointment of Mortgagee as mortgagee in possession;
 - (10) exercise all the rights and remedies provided by any agreement between the parties, this Mortgage or by law.
- (b) The purchase money proceeds or avails of any sale made under or by virtue of this Article II, together with any other sums which then may be held by the Mortgagee under this Mortgage, whether under the provisions of this Article II or otherwise, shall be applied as follows:

First: To the payment of the costs and expenses of any such sale and of any judicial proceedings

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wherein the same may be made, and of all expenses, liabilities and advances made or incurred by the Mortgagee under this Mortgage, together with interest as provided herein on all advances made by the Mortgagee and all taxes or assessments;

Second: To the payment of the whole amount then due, owing or unpaid upon the Note for principal, together with any and all applicable interest and late charges;

Third: To the payment of any other sums required to be paid by the Mortgagor pursuant to any provision of this Mortgage or of the Note or any other agreement with respect to any part of the Indebtedness; and

Fourth: The payment of the surplus, if any, to whomsoever may be lawfully entitled to receive the same. The Mortgagee, and any receiver of the Secured Property, or any part thereof, shall be liable to account for only those rents, issues and profits actually received by it.

- (c) The Mortgagor, for itself and for all persons hereafter claiming through or under it or who may at anytime hereafter become holders of liens junior to the lien of this Mortgage, hereby expressly waives and releases all rights to direct the order in which any of the Secured Property shall be sold in the event of any sale or sales pursuant hereto and to have any of the Secured Property and/or any other property now or hereafter constituting security for any of the Indebtedness marshalled upon any foreclosure of this Mortgage or of any other security for any of the Indebtedness.

Section 2.03. Payment of Indebtedness After Default.

Upon the occurrence of any Event of Default and the acceleration of the maturity hereof, if, at any time prior to foreclosure sale, the Mortgagor or any other person tenders payment of the amount necessary to satisfy the Indebtedness, the same shall constitute an evasion of the payment terms hereof and shall be deemed to be a voluntary prepayment hereunder, in which case such payment must include the premium required under the prepayment provision contained in the Note or, if at that time there is no privilege of prepayment, then the payment will include a premium of five percent (5%) of the then unpaid Indebtedness.

Section 2.04. Waiver of Right of Redemption.

Mortgagor, being duly authorized or empowered by the trust instruments or by the person or persons having a power of direction over Mortgagor (and Mortgagor warrants that it has been so authorized or empowered), does hereby expressly waive any and all rights of redemption from sale under Mortgagor, the trust estate and all persons interested beneficially therein, and each and every person, except decree or judgment creditors of Mortgagor in its representative capacity and of the trust estate, acquiring any interest in or title to the premises subsequent to the date of this Mortgage. The foregoing waiver of right of redemption is pursuant to the provisions of Section 15-1601 of the Illinois Code of Civil Procedure (Illinois Revised Statutes, Chapter 110, 1987).

Section 2.05. WAIVER OF MORTGAGOR'S RIGHTS. BY EXECUTION OF THIS MORTGAGE, THE MORTGAGOR EXPRESSLY, TO THE EXTENT PERMITTED BY LAW: (A) ACKNOWLEDGES THE RIGHT TO ACCELERATE THE INDEBTEDNESS EVIDENCED BY THE NOTE; (B) ACKNOWLEDGES THAT THE MORTGAGOR HAS READ THIS MORTGAGE AND ITS PROVISIONS HAVE BEEN EXPLAINED FULLY TO THE MORTGAGOR AND THE MORTGAGOR HAS CONSULTED

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WITH COUNSEL OF THE MORTGAGOR'S CHOICE PRIOR TO EXECUTING THIS MORTGAGE; AND (C) ACKNOWLEDGES THAT ALL WAIVER OF THE AFORESAID RIGHTS OF THE MORTGAGOR HAVE BEEN MADE KNOWINGLY, INTENTIONALLY AND WILLINGLY BY THE MORTGAGOR AS PART OF A BARGAINED FOR LOAN TRANSACTION.

ARTICLE III

Miscellaneous

Section 3.01. Obligations Unconditional. Mortgagor shall make all payments hereunder and under the Note and otherwise with respect to the Indebtedness without defense, offset, counterclaim or abatement for any reason whatsoever, it being understood that Mortgagor's obligations hereunder and thereunder are absolute and unconditional.

Section 3.02. No Release. If the Mortgagee enters into any agreement with any other person who is or may be responsible for payment of the Indebtedness extending the time of payment of the Indebtedness, or otherwise modifying the terms hereof, the Mortgagor shall continue to be liable to pay the Indebtedness under its agreement hereunder unless expressly released and discharged in writing by the Mortgagee.

Section 3.03. Notices. All notices hereunder shall be in writing, and shall be deemed to have been sufficiently given, or served for all purposes when delivered in person or sent by certified or registered mail, return receipt requested, to any party hereto at its address above stated or at such other address of which it shall have notified the party giving such notice in writing as aforesaid.

Section 3.04. Binding Obligations. The provisions and covenants of this Mortgage shall run with the Land, shall be binding upon the Mortgagor and shall inure to the benefit of the Mortgagee, subsequent holders of the Mortgage and their respective successors and assigns and the officers, employees, directors, owners, agents and contractors of each of the foregoing. For the purpose of this Mortgage, the term "Mortgagor" shall mean the Mortgagor named herein, any subsequent owner of the Secured Property, Homewood/Richton Park Office Building Partnership, and any subsequent beneficiary of the land trust holding title to the premises, and their respective heirs, executors, legal representatives, successors and assigns. If there is more than one Mortgagor, all of their undertakings hereunder shall be deemed joint and several.

Section 3.05. Captions. The captions of the sections of this Mortgage are for the purpose of convenience only and are not intended to be a part of this Mortgage and shall not be deemed to modify, explain, enlarge or restrict any of the provisions hereof.

Section 3.06. Further Assurances. Mortgagor shall do such further acts and execute, acknowledge and deliver, such further documents as the Mortgagee may reasonably require to better effect any of the transactions contemplated herein.

Section 3.07. Severability. Any provision of this Mortgage which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provisions in any other jurisdiction.

Section 3.08. General Conditions. All covenants hereof shall be construed as affording to the Mortgagee rights additional to and not exclusive of the rights conferred under the

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provisions of applicable laws of the state in which the Premises are located. No remedy herein conferred upon or reserved to the Mortgagee is intended to be exclusive or any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission of the Mortgagee in exercising any right or power accruing upon any Event of Default shall impair any such right or power, or shall be construed to be a waiver of any such Event of Default, or any acquiescence therein. Acceptance of any payment after the occurrence of an Event of Default shall not be deemed to waive or cure such Event of Default; and every power and remedy given by this Mortgage to the Mortgagee may be exercised from time to time as often as may be deemed expedient by the Mortgagee.

Section 3.09. Amendment. This Mortgage cannot be altered, amended, modified or discharged orally and no executory agreement shall be effective to modify or discharge it in whole or in part unless it is in writing and signed by the party against whom enforcement of the modification, alteration, amendment or discharge is sought.

Section 3.10. Waiver. No waiver by the Mortgagee will be effective unless it is in writing and then only to the extent specifically stated. Without limiting the generality of the foregoing, any payment made by the Mortgagee for insurance premiums, taxes, assessments, water rates, sewer rentals or any other charges affecting the Secured Property, shall not constitute a waiver of the Mortgagor's default in making such payments and shall not obligate the Mortgagee or the Mortgagee to make any further payments.

Section 3.11. Right to Take Legal Action. Mortgagee shall have the right to appear in and defend any action or proceeding, in the name and on behalf of the Mortgagor which the Mortgagee, in its discretion, feels may adversely affect the Secured Property or this Mortgage. Mortgagee shall also have the right to institute any action or proceeding which the Mortgagee, in its discretion, feels should be brought to protect its interest in the Secured Property or its rights hereunder. All costs and expenses incurred by the Mortgagee in connection with such actions or proceedings, including, without limitation, reasonable attorneys' fees, shall be paid by the Mortgagor on demand.

Section 3.12. Change in Law. In the event of the passage after the date of this Mortgage of any law of any governmental authority having jurisdiction so as to affect this Mortgage, the Mortgagor shall promptly pay to the Mortgagee, on demand, all taxes, costs and charges for which the Mortgagee is or may be liable as a result thereof, provided said payment shall not be prohibited by law or render the Note usurious, in which event the Mortgagee may declare the Indebtedness to be immediately due and payable.

Section 3.13. Power of Attorney. The Mortgagor hereby appoints the Mortgagee as its attorney-in-fact for purposes of Section 3.06 hereof and in connection with the personal property and fixtures covered by this Mortgage, where permitted by law, to file on its behalf any financing statements or other statements in connection therewith with the appropriate public office signed only by the Mortgagee, as secured party. This power, being coupled with an interest, shall be irrevocable so long as any part of the Indebtedness remains unpaid.

Section 3.14. Promotional Material. Mortgagor authorizes the Mortgagee to issue press releases, advertisements and other promotional materials in connection with the Mortgagee's own business promotional and marketing activities, describing the loan referred to in this Mortgage and the matters giving rise to such loan.

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Section 3.15. Legal Construction. The enforcement of this Mortgage shall be governed, construed and interpreted by the laws of the state in which the Secured Property is located. Nothing in this Mortgage, the Note or in any other agreement between the Mortgagor and the Mortgagee shall require the Mortgagor to pay, or the Mortgagee to accept, interest in an amount which would subject the Mortgagee to any penalty under applicable law. In the event that the payment of any interest due hereunder or under the Note or any such other agreement would subject the Mortgagee to any penalty under applicable law, then ipso facto the obligations of the Mortgagor to make such payment shall be reduced to the highest rate authorized under applicable law.

Section 3.16 Trustee's Exculpation. This Mortgage is executed by American National Bank and Trust Company of Chicago, not personally but as Trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee, and it is expressly understood and agreed by the Mortgage herein and by every person now or hereafter claiming any right or security hereunder that nothing contained herein or in the Note secured by this Mortgage shall be construed as creating any liability on American National Bank and Trust Company of Chicago personally to pay said Note or any interest that may accrue thereon, or any indebtedness accruing hereunder or to perform any covenants either express or implied herein contained, all such liability, if any, being expressly waived, and that any recovery on this Mortgage and the Note secured hereby shall be solely against and out of the property hereby conveyed by enforcement of the provisions hereof and of said Note, but this waiver shall in no way affect the personal liability of any co-signer, endorser or guarantor of said Note.

IN WITNESS WHEREOF, the Mortgagor has hereunto set its hand, or if a corporation, has caused this instrument to be signed in its corporate name by its duly authorized officers, the day and year first above written.

AMERICAN NATIONAL BANK AND TRUST COMPANY
OF CHICAGO, not personally but as Trustee
under a Trust Agreement dated August 29,
1988 and known as Trust No. 106337-09

By: _____
Its: _____ SECOND VICE PRESIDENT

ATTEST: _____
By: _____
Its: _____ ASSISTANT SECRETARY

[SEAL]

HOMWOOD/RICHTON PARK OFFICE BUILDING
PARTNERSHIP, an Illinois general partner-
ship

By: _____
A General Partner

Instrument Prepared By:

Mail to: Patrick E. Brady
Ross & Hardies
150 North Michigan Avenue
Suite 2500
Chicago, Illinois 60601

BOX 333 - CC

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STATE OF ILLINOIS)
COUNTY OF Cook) SS.

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that Peter H. Johanson and J. MICHAEL WHELAN, personally known to me to be the SECRETARY and ASSISTANT SECRETARY respectively of American National Bank and Trust Company of Chicago, a national banking association, and personally known to me to be the persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such SECRETARY and ASSISTANT SECRETARY said bank, they have executed the foregoing instrument and caused the seal of said bank to be affixed thereto, pursuant to authority given by the Board of Directors of said bank as their free and voluntary act, and as the free and voluntary act and deed of said bank, for the uses and purposes therein set forth.

Given under my hand and official seal, this 22 day of SEP 22 1988 1988.

L. M. Soviński
Notary Public

My Commission Expires:

[SEAL]



STATE OF ILLINOIS)
COUNTY OF Cook) SS.

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that Allan A. Wronski, personally known to me to be a general partner in Homewood/Richton Park Office Building Partnership, an Illinois general partnership, appeared before me this day in person and acknowledged that as such general partner of said partnership, executed the foregoing instrument pursuant to authority given by the Partnership Agreement as his free and voluntary act, and as the free and voluntary act and deed of said partnership, for the uses and purposes therein set forth.

Given under my hand and official seal, this 22 day of September, 1988.

Allan A. Wronski
Notary Public

My Commission Expires:

June 1, 1989
[SEAL]

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10/10/2025

Schedule A

Description of Land and Improvements Thereon

Parcel 1:

Lot 1 in Cherry Lane Resubdivision of the North 1/2 of Lot 1 and the North East 1/4 of Lot 2 in Block 1 in Thornton Station Subdivision of the South East 1/4 of the South West 1/4 of Section 31, Township 36 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Parcel 1 Address: 18110 Dixie Highway
Homewood, Illinois 60430

Property Index Number: 29-31-314-034-0000

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Schedule B

Lack of Environmental Compliance

Items, if any, disclosed by a Level I Environmental Assessment Report prepared by Atec Associates, Inc. dated July 21, 1988 as File No. 8-3169.

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4-20-2024