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FIRST MORTGAGE

88524354

from

GREYHOUND LINES, INC.

Mortgagor

to

IRVING TRUST COMPANY,

Mortgagee

Dated: November 10, 1988

Premises:

630 West Harrison Street
Chicago, Illinois

88524354

Record and Return to:
Winthrop, Stimson, Putnam & Roberts
40 Wall Street
New York, New York 10005
Attn: Herbert F. Fisher, Esq.

This instrument was prepared by:

James L. Marovitz
Sidley & Austin
One First National Plaza
Chicago, Illinois 60603

Box 229
MEM

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FIRST MORTGAGE

THIS FIRST MORTGAGE, made as of the 16th day of November, 1988, by GREYHOUND LINES, INC. a Delaware corporation, having an office at 2500 First RepublicBank Plaza, 901 Main Street, Dallas, Texas 75202 ("Mortgagor"), to IRVING TRUST COMPANY, having an address at One Wall Street, New York, New York 10015 ("Mortgagee").

W I T N E S S E T H:

To secure the following obligations and liabilities:

(a) the payment of (i) the principal sum of up to One Hundred Ten Million Dollars ($110,000,000) (the "Loan"), in the aggregate to be paid plus all accrued interest thereon to be paid pursuant to the provisions of the Credit Agreement, dated as of March 18, 1987 as Amended and Restated as of May 15, 1989, as the same may be further amended from time to time, among Mortgagor, the banks listed on Schedule "I" annexed hereto and made a part hereof (the "Banks") and others, and Mortgagee, for itself and as agent for the Banks and the promissory notes (collectively, the "Notes") which shall mature on or before September 15, 1992 made under and entitled to the benefit of said Credit Agreement (the aforesaid Credit Agreement and the Notes being hereinafter collectively referred to as the "Credit Agreement"), (ii) any and all other sums due or to become due under the Credit Agreement, this Mortgage or any other Loan Document (hereinafter defined), (iii) any further or subsequent advances of money made under the Credit Agreement or this Mortgage (it being specifically contemplated that such further or subsequent advances may be made) including without limitation, the reborrowing of principal previously repaid pursuant to the Credit

Property Address: 630 West Harrison Street
Chicago, Illinois

88522351

Agreement, as well as all other Obligations (as hereinafter defined) of Mortgagor to Mortgagee, and (iv) any extensions, renewals, replacements or modifications of the Credit Agreement or any other Loan Document (the items set forth in clauses (i) through (iv) hereof being hereinafter collectively referred to as the "Indebtedness," such Indebtedness shall not exceed an aggregate principal amount, at any time outstanding of Three Hundred Million Dollars ($300,000,000.00), provided, that the foregoing limitation shall apply only to the lien upon real property created by this Mortgage, and it shall not in any manner limit, affect or impair any grant of a security interest in any personal property in favor of the Mortgagee, for the benefit of Mortgagee, under the provisions of the Credit Agreement or under any other security agreement at any time executed by Mortgagor), and

(b) the performance of all of the terms, covenants, conditions, agreements, obligations and liabilities of Mortgagor (collectively the "Obligations") under (i) this Mortgage, (ii) the Credit Agreement, (iii) any deeds of trust or mortgages in addition to this Mortgage now or hereafter made by Mortgagor to secure the Indebtedness (such additional deeds of trust and mortgages being hereinafter collectively referred to as the "Additional Mortgages"), (iv) any supplemental agreements, undertakings, instruments, documents or other writings executed by Mortgagor as a condition to advances under the Credit Agreement or otherwise in connection with the Credit Agreement, (v) all chattel mortgages, pledges, powers of attorney, consents, assignments, notices, leases and financing statements heretofore, now or hereafter executed by or on behalf of Mortgagor or any other Person (hereinafter defined) and/or delivered to Mortgagee in connection with the Credit Agreement or the transactions contemplated thereby, and (vi) any extensions, renewals, replacements or modifications of any of the foregoing (this Mortgage, the Credit Agreement, the Additional Mortgages and any other supplemental agreements, undertakings, instruments, documents or other writings executed in connection with any of the foregoing, together with (x) powers of attorney, consents, assignments, notices, leases and financing statements, (y) any guarantees of the Indebtedness and the Obligations and (z) any deeds of trust, mortgages, chattel mortgagees, pledges, security agreements or assignments, now or hereafter made by Mortgagor to secure the Indebtedness

and/or the Obligations being hereinafter collectively referred to as the "Loan Documents"),

and in consideration of Ten Dollars ($10.00), in hand paid, the receipt and legal sufficiency of which are hereby acknowledged, Mortgagor does hereby mortgage, give, grant, bargain, sell, warrant, alienate, remise, release, convey, assign, transfer, hypothecate, deposit, pledge, set over and confirm unto Mortgagee, and to its successors and assigns the following described real and other property and all substitutions for and all replacements, reversions, remainders and proceeds of such property, whether now owned or held or hereafter acquired by Mortgagor (collectively the "Property"):

All those plots, pieces or parcels of land more particularly described in Exhibit "A" annexed hereto and made a part hereof together with the right, title and interest of Mortgagor, if any, in and to the streets and in and to the land lying in the bed of any streets, roads or avenues, open or proposed, public or private, in front of, adjoining or abutting said land to the center line thereof, the air space and development rights pertaining to said land and the right to use such air space and development rights, all rights of way, privileges, liberties, tenements, hereditaments and appurtenances belonging to, or in any way appertaining to, said land, all easements now or hereafter benefitting said land and all royalties and rights appertaining to the use and enjoyment of said land, including, but without limiting the generality of the foregoing, all alley, vault, drainage, mineral, water, oil, coal, gas, timber and other similar rights (collectively the "Land");

TOGETHER with the buildings and other improvements now or hereafter erected on the Land (the buildings and other improvements being hereinafter collectively referred to as the "Buildings," and the Land together with the Buildings and the Fixtures (hereinafter defined), being hereinafter collectively referred to as the "Real Estate");

TOGETHER with all and singular the reversion or reversions, remainder or remainders, rents, issues, profits and revenues of the Real Estate and all of the estate, right, title, interest, dower and right of dower, courtesy and right of courtesy, property, possession, claim and demand whatsoever, both in law and at equity, of Mortgagor of, in and to the Real Estate and of, in and to every part and parcel thereof, with the appurtenances, at any time belonging or in any way appertaining thereto;

TOGETHER with all of the fixtures, systems, machinery, apparatus, equipment and fittings of every kind and nature whatsoever and all appurtenances and additions thereto and substitutions or replacements thereof now owned

or hereafter acquired by Mortgagor and now or hereafter attached or affixed to, or constituting a part of, the Real Estate or any portion thereof (collectively the "Fixtures"), including, but without limiting the generality of the foregoing, all heating, electrical, mechanical, lighting, lifting, plumbing, ventilating, air conditioning and air-cooling fixtures, systems, machinery, apparatus and equipment, refrigerating, incinerating and power fixtures, systems, machinery, apparatus and equipment, loading and unloading fixtures, systems, machinery, apparatus and equipment, escalators, elevators, boilers, communication systems, switchboards, sprinkler systems and other fire prevention and extinguishing fixtures, systems, machinery, apparatus and equipment, and all engines, motors, dynamos, machinery, wiring, pipes, pumps, tanks, conduits and ducts constituting a part of any of the foregoing, it being understood and agreed that all of the Fixtures are appropriated to the use of the Real Estate and, for the purposes of this Mortgage, shall be deemed conclusively to be Real Estate and conveyed hereby;

TOGETHER with Mortgagor's right, title and interest in, to and under all leases, subleases, underlettings, concession agreements, licenses and other occupancy agreements, and all of Mortgagor's rights and benefits under all documents which now or hereafter may affect the Real Estate or any portion thereof, whether recorded or not, and under any and all guarantees, modifications, renewals and extensions thereof (collectively the "Leases"), and in and to any and all deposits made or hereafter made as security under the Leases, subject to the prior legal rights under the Leases of the lessees making such deposits, together with any and all of the benefits, revenues, income, rents, issues and profits due or to become due or to which Mortgagor is now or hereafter may become entitled arising out of the Leases or the Real Estate or any portion thereof (collectively the "Rents");

TOGETHER with Mortgagor's right, title and interest in, to and under all reciprocal easement agreements and similar agreements relating to the Real Estate and supplements to such agreements, and all guarantees, modifications, extensions and renewals thereof (collectively, "Operating Agreements");

TOGETHER with (a) all unearned premiums, accrued, accruing or to accrue under any insurance policies now or hereafter obtained by Mortgagor and Mortgagor's interest in and to all proceeds which now or hereafter may be paid in connection with the conversion of the Property or any portion thereof into cash or liquidated claims, together with the interest payable thereon and the right to collect and receive the same, including, but without limiting the generality of

the foregoing, proceeds of casualty insurance, title insurance and any other insurance now or hereafter maintained with respect to the Real Estate or in connection with the use or operation thereof (collectively the "Insurance Proceeds"), and (b) all awards, payments and/or other compensation, together with the interest payable thereon and the right to collect and receive the same, which now or hereafter may be made with respect to the Property as a result of (i) a taking by eminent domain, condemnation or otherwise, (ii) the change of grade of any street, road or avenue or the widening of any streets, roads or avenues adjoining or abutting the Land, or (iii) any other injury to, or decrease in the value of, the Property or any portion thereof (collectively the "Awards"), in any of the foregoing circumstances described in clauses (a) or (b) above to the extent of the entire amount of the Indebtedness outstanding as of the date of Mortgagee's receipt of any such Insurance Proceeds or Awards, notwithstanding that the entire amount of the Indebtedness may not then be due and payable, and also to the extent of reasonable attorneys' fees, costs and disbursements incurred by Mortgagee in connection with the collection of any such Insurance Proceeds or Awards. Mortgagor hereby assigns to Mortgagee, and Mortgagee is hereby authorized to collect and receive, all Insurance Proceeds and Awards and to give proper receipts and acquittances therefor and to apply the same toward the Indebtedness as herein set forth notwithstanding that the entire amount of the Indebtedness may not then be due and payable. Mortgagor hereby agrees to make, execute and deliver, from time to time, upon demand, such further documents, instruments or assurances as may be requested by Mortgagee to confirm the assignment of the Insurance Proceeds and the Awards to Mortgagee, free and clear of any interest of Mortgagor whatsoever therein and free and clear of any other liens, claims or encumbrances of any kind or nature whatsoever;

TOGETHER with all right, title and interest of Mortgagor in and to all extensions, improvements, betterments, renewals, substitutes and replacements of, and all additions and appurtenances to, the Real Estate, and in each such case, the foregoing shall be deemed a part of the Real Estate and shall become subject to the lien of this Mortgage as fully and completely, and with the same priority and effect, as though now owned by Mortgagor and specifically described herein, without any further deed of trust, mortgage, conveyance, assignment or other act by Mortgagor. Notwithstanding the foregoing, Mortgagor hereby agrees to make, execute and deliver, from time to time, upon demand, such further documents, instruments or assurances as may be requested by Mortgagee to confirm the grant of such extensions, improvements, betterments, renewals, substitutes and replacements to the Real Estate by Mortgagor to Mortgagee;

TO HAVE AND TO HOLD the Property, and the rights and privileges hereby granted or intended to be so granted unto the Mortgagee and its successors and assigns for the uses and purposes herein set forth, until the Indebtedness is fully paid and the Obligations are fully performed in accordance with the provisions set forth herein and in the other Loan Documents.

Mortgagor, for itself and its successors and assigns, further represents, warrants, covenants and agrees with Mortgagee as follows:

1. Warranty of Title. Mortgagor warrants to Mortgagee that it has good and indefeasible fee simple title to the Real Estate and Fixtures and has the right to mortgage and assign the same in accordance with the provisions set forth in this Mortgage and that this Mortgage is a valid and enforceable first lien on the Property, subject only to the exceptions to title more particularly described in the title insurance policy insuring the lien hereof issued to Mortgagee simultaneously with the execution hereof and the Permitted Liens, as such term is defined in the Credit Agreement (collectively, the "Permitted Encumbrances"). Mortgagor shall (a) preserve such title and the validity and priority of the lien of this Mortgage and shall forever warrant and defend the same unto Mortgagee, its successors or assigns, against the claims of all and every person or persons, corporation or corporations and parties whomsoever, and (b) make, execute, acknowledge and deliver all such further or other documents, instruments or assurances and cause to be done all such further acts and things as may at any time hereafter be required by Mortgagee to confirm and fully protect the lien and priority of this Mortgage.

2. Payment of Indebtedness. (a) Mortgagor shall pay the Indebtedness at the times and places and in the manner specified in the Loan Documents and shall perform all of the Obligations in accordance with the provisions set forth herein and in the other Loan Documents.

(b) Any payment made in accordance with the terms of this Mortgage by any person at any time liable for the payment of the whole or any part of the Indebtedness, or by any subsequent owner of the Property, or by any other person whose interest in the Property might be prejudiced in the event of a failure to make such payment, or by any stockholder, officer or director of a corporation or by any partner of a partnership which at any time may be liable for such payment or may own or have such an interest in the Property shall be deemed, as between Mortgagee and all persons who at any time may be liable as aforesaid or may own the Property, to have been made on behalf of all such persons.

3. Requirements; Proper Care and Use. (a) Subject to the right of Mortgagor to contest a Legal Requirement (hereinafter defined) as provided in Article 11 hereof, Mortgagor promptly shall comply with, or cause to be complied with, all applicable present and future laws, statutes, codes, ordinances, orders, judgments, decrees, injunctions, rules, regulations, restrictions and requirements (collectively "Legal Requirements") of every Governmental Authority (hereinafter defined) having jurisdiction over Mortgagor or the Property, the failure to comply with which would have a material adverse effect on the Property (and in no case later than twenty (20) days after an order or other form of notice has been issued by such Governmental Authority) or the use, manner of use, occupancy, possession, operation, maintenance, alteration, repair or Restoration (hereinafter defined) of the Real Estate, without regard to the nature of the work to be done or the cost of performing the same, whether foreseen or unforeseen, ordinary or extraordinary, and shall perform, or cause to be performed, all material obligations, agreements, covenants, restrictions and conditions now or hereafter of record which may be applicable to Mortgagor or to the Property or to the use, manner of use, occupancy, possession, operation, maintenance, alteration, repair or Restoration of the Real Estate.

(b) Mortgagor shall (i) not abandon the Real Estate or any material portion thereof, (ii) maintain the Real Estate and Fixtures in good repair, order and condition, (iii) promptly make all necessary repairs, renewals, replacements, additions and improvements to the Real Estate and Fixtures, (iv) not commit or suffer waste with respect to the Real Estate and Fixtures, (v) refrain from impairing or diminishing the value or integrity of the Real Estate or the priority or security of the lien of this Mortgage, (vi) not remove, demolish or materially alter any of the Real Estate or Fixtures without the prior written consent of Mortgagee in each instance, except that Mortgagor shall have the right to remove and dispose of, free of the lien of this Mortgage, such Fixtures as may, from time to time, become worn out or obsolete, provided that, simultaneously with or prior to such removal, any such Fixtures shall be replaced with other Fixtures which shall have a value and utility at least equal to that of the replaced Fixtures and which shall be free of any security agreements or other liens or encumbrances of any kind or nature whatsoever, and by such removal and replacement, Mortgagor shall be deemed to have subjected such replacement Fixtures to the lien and priority of this Mortgage, (vii) not make, install or permit to be made or installed, any alterations or additions to the Real Estate if doing so would, in the reasonable opinion of Mortgagee, impair to any extent the value of the Property, (viii) not make, suffer or permit any nuisance to exist on the Real Estate or any portion thereof, and (ix) permit Mortgagee and

its agents, at all reasonable times and after prior notice, to enter upon the Real Estate for the purpose of inspecting and appraising the Real Estate or any portion thereof.

(c) Mortgagor shall not by any act or omission permit any building or other improvement located on any property which is not subject to the lien of this Mortgage to rely upon the Real Estate or any portion thereof or any interest therein to fulfill any Legal Requirement and Mortgagor hereby assigns to Mortgagee any and all rights to give consent for all or any portion of the Real Estate or any interest therein to be so used. The Real Estate is a single zoning lot separate and apart from all other premises and Mortgagor shall not, by any act or omission, impair the integrity of the Real Estate as such a single zoning lot or initiate or join in any zoning change, private easement or any other modification of the zoning regulating the Real Estate that would have a materially adverse effect on the Real Estate. Any act or omission by Mortgagor which would result in a violation of any of the provisions of this Article 3 shall be null and void.

4. Taxes on Mortgagee. (a) If the United States of America, the State in which the Real Estate is located or any political subdivision thereof or any city, town, county or municipality in which the Real Estate is located or any agency, department, bureau, board, commission or instrumentality of any of the foregoing now existing or hereafter created (collectively "Governmental Authorities") shall levy, assess or charge any tax, assessment, fee or imposition upon this Mortgage or any other Loan Document, the Indebtedness, the interest of Mortgagee in the Property, or Mortgagee by reason of this Mortgage or any other Loan Document, the Indebtedness or Mortgagee's interest in the Property (individually a "Tax", and collectively "Taxes") (excepting therefrom any tax on, or measured by, the income of the Mortgagee), Mortgagor shall pay all such Taxes to, for, or on account of, Mortgagee, as the case may be, as they become due and payable and, on demand, shall furnish proof of such payment to Mortgagee. If Mortgagor shall fail to pay any such Tax then Mortgagee, at its option and without notice, may pay such Tax and, in such event, the amount so paid (i) shall be deemed to be Indebtedness, (ii) shall be a lien on the Property prior to any right or title to, interest in, or claim upon, the Property subordinate to the lien of this Mortgage, and (iii) immediately shall be due and payable, on demand, together with interest thereon at the rate of interest then payable under the Credit Agreement including, in calculating such rate of interest, any additional interest which may be imposed under the Credit Agreement by reason of any Credit Agreement Default, as hereinafter defined (such rate of interest being hereinafter referred to as the "Interest Rate"), from the date of any

such payment by Mortgagee to the date of repayment to Mortgagee.

(b) If any Governmental Authority shall at any time require revenue, documentary or similar stamps to be affixed to this Mortgage or any other Loan Document or shall require the payment of any Taxes with respect to the ownership or recording of this Mortgage or any other Loan Document, Mortgagor, upon demand, shall pay for such stamps in the required amount and shall deliver the same to Mortgagee, together with a copy of the receipted bill therefor. If Mortgagor shall fail to pay for any such stamps, then, Mortgagee, at its option and without notice, may pay for the same and, in such event, the amount so paid (i) shall be deemed to be Indebtedness, (ii) shall be a lien on the Property prior to any right or title to, or interest in, or claim upon, the Property subordinate to the lien of this Mortgage, and (iii) immediately shall be due and payable, on demand, together with interest thereon at the Interest Rate from the date of any such payment by Mortgagee to the date of repayment to Mortgagee. Mortgagor shall indemnify Mortgagee for, and shall hold Mortgagee harmless from and against, any and all liability which Mortgagee may incur on account of such revenue, documentary or other similar stamps or by reason of any Taxes referred to in Paragraphs 4(a) and 4(c) hereof whether such liability arises before or after payment of the Indebtedness and whether or not the lien of this Mortgage shall have been released.

(c) In the event of the passage, after the date of this Mortgage, of any Legal Requirement of any Governmental Authority which shall deduct from the value of the Property, for purposes of taxation, any lien thereon or shall change in any way the laws for the taxation of mortgages or debts secured by mortgages for State or local purposes or the manner of the collection of any such taxes and shall impose any Tax, either directly or indirectly, on this Mortgage or any other Loan Document, then, if Mortgagor shall be permitted by law to pay the whole of such Tax in addition to all other payments required hereunder and under the other Loan Documents, and unless Mortgagor is exempt from payment of such Tax, Mortgagor shall pay such Taxes when the same shall be due and payable and shall agree in writing to pay such Taxes when thereafter levied or assessed against the Property.

5. Payment of Impositions. (a) Subject to the provisions of Article 11 hereof, not later than the date (the "Delinquency Date") which is the day before the date on which any fine, penalty, interest, late charge or loss may be added thereto or imposed by reason of the non-payment thereof, Mortgagor shall pay and discharge all Taxes (including, but without limiting the generality of the foregoing, all real

property taxes and assessments, personal property taxes, income, franchise, withholding, profits and gross receipts taxes), charges for any easement or agreement maintained for the benefit of the Property or any portion thereof, general and special assessments and levies, permit, inspection and license fees, water and sewer rents and charges and any other charges of every kind and nature whatsoever, foreseen or unforeseen, ordinary or extraordinary, public or private, which, at any time, are imposed upon or levied or assessed against Mortgagor or the Property or any portion thereof, or which arise with respect to, or in connection with, the use, manner of use, occupancy, possession, operation, maintenance, alteration, repair or Restoration (hereinafter defined) of the Real Estate or any portion thereof, together with any penalties, interest or late charges which may be imposed in connection with any of the foregoing (all of the foregoing Taxes, assessments, levies and other charges, together with such interest, penalties and late charges, being hereinafter collectively referred to as "Impositions"). If, however any Legal Requirement shall allow that any Imposition may, at Mortgagor's option, be paid in installments (whether or not interest shall accrue on the unpaid balance of such Imposition), Mortgagor may exercise the option to pay such Imposition in such installments, and, in such event, Mortgagor shall be responsible for the payment of all such installments, together with the interest, if any, thereon, in accordance with the provisions of the applicable Legal Requirement. Not later than the Delinquency Date, Mortgagor shall deliver to Mortgagee evidence reasonably acceptable to Mortgagee showing the payment of such Imposition. Mortgagor also shall deliver to Mortgagee, within ten (10) days after receipt thereof, copies of all settlements and notices pertaining to any Imposition which may be issued by any Governmental Authority.

(b) Subject to the provisions of Article 11 hereof, nothing contained in this Mortgage shall affect any right or remedy of Mortgagee under this Mortgage or otherwise to pay, without notice or demand to Mortgagor, any Imposition from and after the date on which such Imposition shall have become due and payable and, in such event, the amount so paid (i) shall be deemed to be Indebtedness, (ii) shall be a lien on the Property prior to any right or title to, interest in, or claim upon, the Property subordinate to the lien of this Mortgage, and (iii) shall be immediately due and payable, on demand, together with interest thereon at the Interest Rate, from the date of any such payment by Mortgagee to the date of repayment to Mortgagee.

5. Deposits. (a) Subject to the provisions of paragraph (b) below, in order to assure the payment of all Impositions under Article 5 hereof and all premiums for insurance required under Article 7 hereof, Mortgagor agrees

that upon demand made by Mortgagee, Mortgagor shall deposit with Mortgagee on the first day of each month from and after the date hereof, an amount equal to one-twelfth (1/12th) of each of (i) the annual Impositions, and (ii) the annual premiums for the insurance required to be provided hereunder with respect to the Real Estate (such premiums for insurance being hereinafter referred to as "Insurance Premiums"). The amount of annual Impositions and Insurance Premiums, when unknown, shall be reasonably estimated by Mortgagee. Such deposits shall be used by Mortgagee to pay Impositions and Insurance Premiums when due. From time to time, on demand, Mortgagor shall pay to Mortgagee additional sums sufficient to permit payment of the next due installments of Impositions and Insurance Premiums, if, and to the extent that, the required monthly deposits thereafter falling due before the respective payment dates would otherwise be insufficient to permit the full payment thereof. Upon any failure of Mortgagor to make any payment of the Indebtedness when due and payable or to perform any of the Obligations in accordance with the provisions of this Mortgage or any other Loan Document, Mortgagee may apply any funds deposited with Mortgagee for Impositions or Insurance Premiums to the payment of any of the Indebtedness or to the performance of any such Obligation. To the extent permitted by law, the sums deposited pursuant to this Article 6 shall bear no interest and may be commingled with other funds of Mortgagee. Upon an assignment of this Mortgage, Mortgagee shall have the right to pay over the balance of any sums deposited pursuant to this Article 6 and then in its possession to Mortgagee's assignee and, thereupon, Mortgagee shall be completely released from all liability with respect to such sums and Mortgagor shall look solely to Mortgagee's assignee with respect thereto. The foregoing provisions shall apply to every transfer of such deposits to a new assignee. Upon payment of the entire amount of the Indebtedness and performance of the Obligations in accordance with the provisions of this Mortgage and the other Loan Documents, or, at the election of Mortgagee, at any prior time, the balance of the deposits then in Mortgagee's possession shall be paid over to the record owner of the Property. Mortgagor, at Mortgagee's request, shall make the aforesaid deposits with such servicer or financial institution as Mortgagee from time to time shall designate.

(b) Notwithstanding anything to the contrary contained in paragraph (a) above, (i) Mortgagee may not make such demand for deposits under paragraph (a) above, and may not require such deposits, unless and until a Credit Agreement Default (hereinafter defined) shall have occurred; provided, however, that if such Credit Agreement Default shall be cured by Mortgagor, and no other Credit Agreement Default shall occur thereafter for a period of one (1) year, then no further deposits under said paragraph (a) shall be

required to be made by Mortgagor unless and until there shall have occurred a new Credit Agreement Default and Mortgagee shall make demand for such deposits, pursuant to said paragraph (a); (ii) on or immediately prior to each January 1 of each year during the term hereof, Mortgagor shall submit to Mortgagee a statement (with supporting evidence) of the amount of Impositions and Insurance Premiums payable during the fiscal year ending on the immediately preceding December 31 with respect to the Real Estate and, subject to the provisions of Article 11 hereof, indicating the dates and amounts of Mortgagor's payments in respect thereof (with supporting evidence).

7. Insurance. (a) Mortgagor shall provide and keep in full force and effect, or require to be provided and kept in full force and effect, for the benefit of Mortgagee, as hereinafter provided:

(i) insurance with respect to the Real Estate and the operations related thereto provided in the Credit Agreement; and

(ii) insurance for the Buildings and the Fixtures (v) against loss or damage by fire, lightning, windstorm, tornado, hail and such other further and additional hazards of whatever kind or nature as are now or hereafter may be covered by standard extended coverage "all risk" endorsements (including, but without limiting the generality of the foregoing, and specifically, vandalism, malicious mischief and damage by water) (w) against flood disaster pursuant to the Flood Disaster Protection Act of 1973, 84 Stat. 572, 42 U.S.C. 4001 if the Real Estate is located in an area identified by the United States Department of Housing and Urban Development as a flood hazard area, subject to sublimits of liability available through the carrier, and (x) against business interruption (for a period of one (1) year), and, to the extent the Real Estate is leased to third parties, against loss of rentals, due to any of the foregoing causes.

All insurance provided hereunder shall be provided by an insurance policy or policies in such form or forms and in such amounts as, from time to time, shall be acceptable to Mortgagee, in its sole discretion, shall name Mortgagee as a named insured under a standard "non-contributory mortgagee" endorsement or its equivalent, which shall be acceptable to Mortgagee, shall provide for loss payable to Mortgagee and shall be provided by insurance companies which shall be acceptable to Mortgagee in its sole discretion. Anything contained herein to the contrary notwithstanding, in no event

shall the insurance be in an amount which is less than One Hundred Percent (100%) of the full replacement cost of the Buildings and the Fixtures, as determined by the Mortgagee, including the cost of debris removal, but excluding the value of foundations and excavations, as reasonably determined from time to time by Mortgagee.

(b) If the Buildings or the Fixtures or any portion thereof shall be damaged or destroyed by fire or any other casualty (whether insured or uninsured), Mortgagor shall give immediate notice thereof to Mortgagee if the cost to repair such damage or replace any portion of the Building or Fixtures which has been destroyed exceeds Fifty Thousand Dollars ($50,000) and, in every case (whether or not notice of the damage or destruction is required hereunder to be given to Mortgagee), Mortgagor promptly shall commence and diligently shall continue and complete the repair, restoration, replacement or rebuilding (hereinafter referred to as "Restoration") of the Buildings and the fixtures so damaged, destroyed or insured substantially to their value, condition and character immediately prior to such damage, destruction or injury, in accordance with plans and specifications (bearing the signed approval of an architect satisfactory to Mortgagee) which shall have been approved by Mortgagee prior to the commencement of such Restoration (which approval shall not be unreasonably withheld or delayed). Mortgagor diligently shall complete, and pay for the cost of, the Restoration of the Buildings and the fixtures located on the Land which are at any time in the process of construction, alteration or Restoration. Notwithstanding any damage to, or destruction of, or injury to, the Buildings or the Fixtures or any portion thereof by fire or other casualty, Mortgagor shall continue to make all payments due under this Mortgage and under the Credit Agreement and the other Loan Documents in accordance with the provisions of this Mortgage, the Credit Agreement and the applicable provisions of the other Loan Documents, provided that the proceeds of any business interruption or other insurance may be applied to such payments as they become due. Any Insurance Proceeds remaining after completion of such Restoration shall be retained by Mortgagee and shall be applied to the payment of the Indebtedness then outstanding, in such proportion and priority as Mortgagee, in its sole discretion, may elect.

(c) All Insurance Proceeds which are payable in connection with any damage to, or destruction of, or injury to, the Buildings or the Fixtures shall be paid (i) to Mortgagee, if equal to, or in excess of, One Hundred Thousand Dollars ($100,000) or (ii) to Mortgagor if less than One Hundred Thousand Dollars ($100,000). If Mortgagee is entitled to collect Insurance Proceeds under clause (i) above, then Mortgagor shall not adjust, collect or compromise

such claim without Mortgagee's prior written approval, which shall not be unreasonably withheld or delayed. Mortgagee agrees to cooperate with Mortgagor in connection therewith. In any case in which Mortgagee is entitled to collect Insurance Proceeds under clause (i) above, each insurer is hereby authorized and directed to make payment of any Insurance Proceeds under any policies of insurance, including the return of unearned premiums, directly to Mortgagee instead of to Mortgagor and Mortgagee is hereby authorized to endorse any draft therefor as Mortgagor's attorney-in-fact. To the extent Mortgagee collects any Insurance Proceeds as hereinabove provided, Mortgagee agrees to make the Insurance Proceeds or any portion thereof (after deducting therefrom all necessary costs and expenses, including, but without limiting the generality of the foregoing, reasonable attorneys' fees, costs and disbursements, incurred by Mortgagee in connection with the collection thereof) available to Mortgagor, on such terms and conditions as Mortgagee, in its reasonable discretion, may specify, for the sole purpose of paying for the cost of Mortgagor's Restoration of the Buildings and the Fixtures so damaged, destroyed or injured, it being understood and agreed, however, that Mortgagee shall have no obligation whatsoever to see to the proper application of any Insurance Proceeds so paid to Mortgagor; provided, however, that if a Default shall have occurred and then be continuing, Mortgagee may retain such Insurance Proceeds, for application to payment of the Indebtedness then outstanding, or toward the cost of Restoration, in Mortgagee's sole and absolute discretion. Reduction of the outstanding amount of the Indebtedness resulting from the application of any such Insurance Proceeds to such Indebtedness by Mortgagee shall be deemed to take effect only on the date of Mortgagee's receipt of such Insurance Proceeds and its election to apply the same against the Indebtedness then outstanding hereunder. Anything contained in this Mortgage or any Legal Requirement to the contrary notwithstanding, Mortgagee shall not be deemed to be a trustee or other fiduciary with respect to its receipt of any Insurance Proceeds.

(d) The insurance required by this Mortgage may, at the option of Mortgagor, be effected by blanket and/or umbrella policies issued to Mortgagor covering the Buildings and the Fixtures as well as other properties (real and personal) which are owned or leased by Mortgagor, provided that, in each case, the policies otherwise comply with the provisions of this Mortgage and allocate to the Buildings and the Fixtures, from time to time, the coverage specified by Mortgagee, without possibility of reduction or coinsurance by reason of, or damage to, any other property (real or personal) named therein. If the insurance required by this Mortgage shall be effected by any such blanket or umbrella policies, Mortgagor shall furnish to Mortgagee

original policies or duplicate originals thereof, with schedules attached thereto showing the amount of the insurance provided under such policies which is applicable to the Buildings and the Fixtures.

(e) Any conveyance of the Property, in accordance with the provisions hereof, shall transfer therewith all of Mortgagor's interest in all insurance policies then covering the Buildings and the Fixtures or the operations conducted at the Real Estate, including, but without limiting the generality of the foregoing, any unearned premiums.

8. Condemnation/Eminent Domain. (a) Notwithstanding (i) any taking by eminent domain, condemnation or otherwise of all or any portion of the Property, or (ii) the change of grade of any street, road or avenue or the widening of streets, roads or avenues adjoining or abutting the Land, or (iii) any other injury to, or decrease in value of, the Property caused in any manner by any Governmental Authority (any of the foregoing events being hereinafter referred to as a "Taking"), Mortgagor shall continue to make all payments due under this Mortgage and under the Credit Agreement and the other Loan Documents in accordance with the provisions of this Mortgage, the Credit Agreement and the applicable provisions of the other Loan Documents. Mortgagor shall notify Mortgagee immediately upon obtaining knowledge of the institution of any proceedings for any Taking or of any contemplated Taking. All Awards made in connection with any Taking shall be paid to Mortgagee free and clear of all liens and encumbrances. Mortgagee shall not be limited to the interest paid on any such Award or proceeds thereof for such Taking but shall be entitled to payment by Mortgagor at the Interest Rate thereon in accordance with the provisions of Section 2.5(c) of the Credit Agreement. If the amount of the Award exceeds One Hundred Thousand Dollars ($100,000), the Mortgagor shall not settle or stipulate to any matter or agree to judgment in any such proceedings with respect to a Taking without Mortgagee's prior written approval, which shall not be unreasonably withheld or delayed. Mortgagee agrees to cooperate with Mortgagor in connection therewith. In any case where Mortgagee is entitled to collect an Award under this Article 8, each Governmental Authority is hereby authorized and directed to make payment of any Award made in connection with any Taking directly to Mortgagee instead of to Mortgagor and Mortgagee is hereby authorized to endorse any draft therefor as Mortgagor's attorney-in-fact. To the extent Mortgagee collects any Award as hereinabove provided, Mortgagee agrees to make the Award or any portion thereof (after deducting therefrom all necessary costs and expenses, including, but without limiting the generality of the foregoing, reasonable attorneys' fees, costs and disbursements, incurred by Mortgagee in connection with the

collection thereof), available to Mortgagor, on such terms and conditions as Mortgagee, in its reasonable discretion, may specify, for the sole purpose of Mortgagor's Restoration of the Buildings and the Fixtures remaining after any such Taking, it being understood and agreed, however, that Mortgagee shall have no obligation whatsoever to see to the proper application of any Award so paid to Mortgagor; provided, however, that if there shall have occurred any Default which shall then be continuing, Mortgagee may retain such Award for application to the payment of the Indebtedness then outstanding or toward the cost of Restoration, in Mortgagee's sole and absolute discretion. Reduction of the outstanding amount of the Indebtedness resulting from the application of any such Award by Mortgagee shall be deemed to take effect only on the date of Mortgagee's receipt of such Award and its election to apply the same against the Indebtedness then outstanding hereunder.

(b) If there shall be any Taking which shall not render the Buildings and the Fixtures incapable of Restoration to the same condition and character as existed immediately prior to such Taking, Mortgagor promptly shall commence and diligently shall continue and complete the Restoration of the Buildings and the Fixtures remaining after such Taking substantially to their value, condition and character immediately prior to such Taking, in accordance with plans and specifications which shall have been approved by Mortgagee prior to the commencement of such Restoration. Mortgagor diligently shall complete, and pay for the cost of, the Restoration of any Buildings or Fixtures which are at any time in the process of construction, alteration or Restoration. Any Award remaining after completion of such Restoration shall be retained by Mortgagee and shall be applied to the payment of the Indebtedness then outstanding, in such proportion and priority as Mortgagee, in its sole discretion, may elect.

9. Sale and Lease of the Real Estate. Except to the extent permitted by the Credit Agreement, Mortgagor shall not, at any time, directly or indirectly (by operation of law or otherwise) without the prior written consent of Mortgagee, which consent shall not be unreasonably withheld or delayed, sell, assign, transfer, convey, lease or encumber all or any part of the Property or any interest therein.

10. Discharge of Liens. Subject to the provisions of Article 11 hereof, Mortgagor at all times shall keep the Property free from the liens of mechanics, laborers, contractors, subcontractors and materialmen and, except for the Permitted Encumbrances and any new or additional mortgages which may be made to Mortgagee, free from any and

all other liens, claims, charges or encumbrances of any kind or nature whatsoever. If any such liens, claims, charges or encumbrances shall be filed or recorded, Mortgagor shall forthwith deliver copies thereof to Mortgagee and, within thirty (30) days after receiving notice (from Mortgagee or others) of such recording or filing, Mortgagor shall cause the same to be discharged of record by payment, bonding or in such other manner as shall be satisfactory to Mortgagee, and shall exhibit to Mortgagee, upon demand, evidence reasonably satisfactory to Mortgagee of such discharge.

11. Right of Contest. Mortgagor, at its sole cost and expense, may, in good faith, contest, by proper legal actions or proceedings, the validity of any Legal Requirement or the application thereof to Mortgagor or the Property, or the validity or amount of any Imposition or the validity of the claims of any mechanics, laborers, subcontractors, contractors or materialmen (hereinafter referred to as "Contractor's Claims"). During the pendency of any such action or proceeding, compliance with such contested Legal Requirement or payment of such contested Imposition or payment of such contested Contractor's Claim may be deferred provided that, in each case, at the time of the commencement of any such action or proceeding, and during the pendency of such action or proceeding (a) no Default shall exist hereunder and no other event shall have occurred which, with the giving of notice or lapse of time, or both, would constitute a Default hereunder, (b) adequate reserves with respect thereto are maintained on Mortgagor's books in accordance with generally accepted accounting principles and the applicable provisions of the Credit Agreement, (c) such contest operates to suspend enforcement of compliance with the contested Legal Requirement or collection of the contested Imposition or collection or enforcement of such contested Contractor's Claim and such contest is maintained and prosecuted continuously and with diligence, and (d) during such contest, Mortgagor shall, at Mortgagee's option, provide security reasonably satisfactory to Mortgagee assuring the discharge of Mortgagor's obligations being contested and of any additional interest charge, penalty or expense arising from such contest. Notwithstanding any such reserves or the furnishing of any bond or other security, Mortgagor promptly shall comply with any contested Legal Requirement or shall pay any contested Imposition or Contractor's Claim, and compliance therewith or payment thereof shall not be deferred, if, at any time, the Property or any portion thereof shall be, in Mortgagee's sole judgment, in danger of being forfeited or lost by reason of any such contest or Mortgagor's non-compliance with any such Legal Requirement or non-payment of any such Imposition or Contractor's Claim. If such action or proceeding is terminated or discontinued adversely to Mortgagor, Mortgagor,

upon demand, shall deliver to Mortgagee evidence reasonably satisfactory to Mortgagee, of Mortgagor's compliance with such contested Legal Requirement or payment of such contested Imposition or Contractor's Claim, as the case may be.

12. Leases and Operating Agreements.

(a) Mortgagor hereby assigns to Mortgagee, from and after the date hereof (including any period allowed by law for redemption after any sale by Mortgagee or otherwise as provided herein), primarily, on a parity with the Property, and not secondarily or collaterally, as further security for the payment of the Indebtedness and the performance of the Obligations, the Leases and the Rents. Nothing contained in this Article 12 shall be construed to bind Mortgagee to the performance of any of the terms, covenants, conditions or agreements contained in any of the Leases or otherwise impose any obligation on Mortgagee (including, but without limiting the generality of the foregoing, any liability under the covenant of quiet enjoyment contained in any Lease in the event that any lessee shall have been joined as a party defendant in any action commenced by reason of a Default hereunder or in the event any lessee shall have been barred and foreclosed of any or all right, title and interest and equity of redemption in the Property), except that Mortgagee shall be accountable for any money actually received pursuant to the aforesaid assignment. After the occurence of a Default hereunder, Mortgagor hereby further grants to Mortgagee the right, but not the obligation (i) to enter upon and take possession of the Real Estate for the purpose of collecting the Rents and/or exercising any rights or remedies under the Leases, (ii) to dispossess by the usual summary proceedings any lessee defaulting in making any payment due under any Lease to Mortgagee or defaulting in the performance of any of its other obligations under its Lease, (iii) to let the Real Estate or any portion thereof, (iv) to apply the Rents on account of the Indebtedness, and (v) to perform such other acts as Mortgagee is entitled to perform pursuant to this Article 12. Such assignment and grant shall continue in effect until the entire amount of the Indebtedness shall be indefeasibly paid in full in accordance with this Mortgage and the other Loan Documents, the execution of this Mortgage constituting and evidencing the irrevocable consent of Mortgagor to the entry upon and taking possession of the Real Estate by Mortgagee pursuant to such grant, and without applying for a receiver. Mortgagee, however, grants to Mortgagor, not as a limitation or condition hereof, but as a personal covenant available only to Mortgagor and its successors and not to any lessee or other person, a license, revocable upon five (5) days' written notice to Mortgagor, to collect all of the Rents and to retain, use and enjoy the same, unless a Default shall exist hereunder or unless any event shall have occurred which, with the giving of notice or the lapse of time, or both, would constitute a Default

hereunder or, at Mortgagee's option, for any other reason whatsoever. In the event of any Default hereunder, Mortgagor shall pay monthly, in advance, to Mortgagee, upon Mortgagee's entry into possession pursuant to the foregoing grant, or to any receiver appointed to collect the Rents, the fair and reasonable rental value for the use and occupation of the Real Estate and, upon the failure of Mortgagor to make any such payment, Mortgagor shall vacate and surrender the possession of the Real Estate to Mortgagee or to such receiver, and upon Mortgagor's failure to so vacate and surrender, Mortgagor may be evicted by summary proceedings.

(b) Mortgagor shall receive the Rents as set forth in Article 12(a) hereof and shall hold the right to receive the Rents as a trust fund to be applied first to the payment of Impositions and then to the payment of the Indebtedness and, thereafter, to the payment of Insurance Premiums for policies required to be provided hereunder before using any part of the total of the same for any other purpose.

(c) Upon notice and demand, Mortgagor shall, from time to time, execute, acknowledge and deliver to Mortgagee, or shall cause to be executed, acknowledged and delivered to Mortgagee, in form reasonably satisfactory to Mortgagee, one or more separate assignments (confirmatory of the general assignment provided in this Article 12) of the lessor's interest in any Lease. Mortgagor shall pay to Mortgagee the reasonable expenses incurred by Mortgagee in connection with the preparation and recording of any such instrument.

(d) Mortgagor, at its sole cost and expense, will at all times promptly and faithfully abide by, discharge and perform all of the covenants, conditions and agreements contained in the Operating Agreements on the part of Mortgagor to be kept and performed thereunder, unless the failure to so perform would not result in a material adverse effect. If Mortgagor shall commit a breach under the provisions of any Operating Agreement and such default shall not have been cured within the cure period provided therefor (after required notices) under the applicable Operating Agreement, if any, then and in any such event, such breach shall constitute a Default, entitling Mortgagee to remedies upon Default as provided herein and by law.

13. Estoppel Certificates. Mortgagor, within five (5) business days after request by Mortgagee, shall deliver, in form reasonably satisfactory to Mortgagee, in its sole discretion, a written statement, duly executed and acknowledged, setting forth the amount of the Indebtedness then outstanding and whether any offsets, claims,

counterclaims or defenses exist against the Indebtedness secured by this Mortgage, and if any are alleged to exist, the nature thereof shall be set forth in detail.

14. Loan Document Expenses. Mortgagor shall pay all out-of-pocket expenses of Mortgagee in connection with the preparation of this Mortgage, the Loan Documents and the Collateral Documents (as such term is defined in the Credit Agreement) (including the reasonable fees and expenses of all of its counsel retained in connection with this Mortgage, the Loan Documents, the Collateral Documents, and the transactions contemplated thereby). If, at any time or times, regardless of the existence of a Default, Mortgagee shall in good faith employ outside counsel for advice or other representation or incur reasonable out-of-pocket legal or other costs and expenses in connection with: (a) any amendment or modification of this Mortgage, any of the Loan Documents or the Collateral Documents, (b) any litigation, contest, dispute, suit, proceeding or action (whether instituted by Mortgagee, Mortgagor or any other Person hereinafter defined) in any way relating to the Property, this Mortgage, any of the Loan Documents or the Collateral Documents or any other agreements to be executed or delivered in connection herewith, (c) any attempt to enforce any rights of Mortgagee against Mortgagor or any other Person that may be obligated to Mortgagee by virtue of any of the Loan Documents or the Collateral Documents, (d) any attempt to protect, collect, sell, liquidate or otherwise dispose of the Property, or to inspect or verify the Property in the event of the occurrence and during the continuance of a Default, then, and in any such event, such reasonable attorneys' fees, including those of any appellate proceedings, and all expenses, costs, charges and other fees incurred by such counsel or Mortgagee in any way or respect arising in connection with or relating to any of the events or actions described in this Article 14 shall be payable, on demand, by Mortgagor and shall be additional Obligations secured under this Mortgage and the Loan Documents except for any such expenses which result from the bad faith of Mortgagee. Without limiting the generality of the foregoing, such expenses, costs, charges and fees may include: paralegal fees, costs and expenses, accountants' fees, costs and expenses, court costs and expenses, photocopying and duplicating expenses, court reporter fees, costs and expenses, telegram charges, secretarial overtime charges, and expenses for travel, lodging and food paid or incurred in connection with the performance of such legal services. Mortgagor shall also pay all filing, registration and recording fees and charges, documentary stamps, intangible taxes and all Federal, State, county and municipal taxes, duties, imposts, assessments and charges now or hereafter required by reason of, or in connection with, this Mortgage or any of the Loan Documents

and, in any event, otherwise shall comply with the provisions of and make the payments required under Article 4 hereof.

15. Mortgagee's Right to Perform. In the event of any Default hereunder, Mortgagee may (but shall be under no obligation to) at any time perform the Obligations, without waiving or releasing Mortgagor from any Obligations or any Default under this Mortgage, and, in such event, the cost thereof, including, but without limiting the generality of the foregoing, reasonable attorneys' fees, costs and disbursements incurred in connection therewith (a) shall be deemed to be Indebtedness, (b) shall be a lien on the Property prior to any right or title to, interest in, or claim upon, the Property subordinate to the lien of this Mortgage, and (c) shall be payable, on demand, together with interest thereon at the Interest Rate, from the date of any such payment by Mortgagee to the date of repayment to Mortgagee. No payment or advance of money by Mortgagee pursuant to the provisions of this Article 15 shall cure, or shall be deemed or construed to cure, any such Default by Mortgagor hereunder or waive any rights or remedies of Mortgagee hereunder or at law or in equity by reason of any such Default.

16. Mortgagor's Existence. Mortgagor shall do all things necessary to preserve and keep in full force and effect its existence, franchises, rights and privileges under the laws of the State in which the Property is located and its right to own property and transact business in such State.

17. Mortgagee's Costs and Expenses. If (a) Mortgagor shall fail to make any payment of Indebtedness when the same shall be due and payable, or shall fail to perform any of the Obligations under this Mortgage or any other Loan Document, or (b) Mortgagee shall exercise any of its rights or remedies hereunder, or (c) any action or proceeding is commenced in which it becomes necessary to defend or uphold the lien or priority of this Mortgage or any action or proceeding is commenced to which Mortgagee is or becomes a party, or (d) the taking, holding or servicing of this Mortgage by or on behalf of Mortgagee is alleged to subject Mortgagee to any civil or criminal fine or penalty, or (e) Mortgagee's review and approval of any document, including, but without limiting the generality of the foregoing, any Lease, is requested by Mortgagor or required by Mortgagee, then, in any such event, all such costs, expenses and fees incurred by Mortgagee, as the case may be, in connection therewith (including, but without limiting the generality of the foregoing, any civil or criminal fines or penalties incurred as a result of Mortgagor's actions and reasonable attorneys' fees (based on hourly rates for services

performed), costs and disbursements (i) shall be deemed to be Indebtedness, (ii) shall be a lien on the Property prior to any right or title to, interest in, or claim upon, the Property subordinate to the lien of this Mortgage, and (iii) shall be payable, on demand, together with interest thereon at the Interest Rate, from the date of any such payment by Mortgagee, to the date of repayment to Mortgagee. In any action to enforce any remedy under this Mortgage, or to recover or collect the Indebtedness or any portion thereof, the provisions of this Article 17 with respect to the recovery of costs, expenses, disbursements and penalties shall prevail unaffected by the provisions of any Legal Requirement with respect to the same to the extent that the provisions of this Article 17 are not inconsistent therewith or violative thereof.

18. Defaults. (a) The occurrence of any one or more of the following events (regardless of the reason therefor) shall constitute a default ("Default") hereunder:

(i) the occurrence of any Event of Default under (and as defined, and more particularly described in) the Credit Agreement (a "Credit Agreement Default"); or

(ii) any default by Mortgagor in the due observance or performance of any of the terms, covenants or provisions contained in this Mortgage ("Mortgage Default"), which default continues beyond the applicable grace period therefor (and if no specific grace period shall have been provided herein, then such grace period shall be deemed to be thirty (30) days); provided, however, that if such default is susceptible to cure but, in the reasonable judgment of Mortgagee, cannot be cured within thirty (30) days, then if Mortgagor, within such thirty (30) day period, shall commence the curing of such default and thereafter shall continue to proceed diligently to cure such default, then the thirty (30) day period shall be extended for such period as is reasonably necessary to cure such default but in no event for longer than one hundred and twenty (120) days.

19. Remedies. (a) Upon the occurrence of any Mortgage Default hereunder, Mortgagee, may, without notice, presentment, demand or protest, all of which are hereby expressly waived by Mortgagor to the extent permitted by applicable law, take the following actions, each of which may be pursued concurrently or otherwise, at such time and in such manner as Mortgagee may determine, in its sole discre-

tion, without impairing or otherwise affecting the other rights and remedies of Mortgagee hereunder or at law or in equity (excluding, however, the right to declare the entire amount of the Indebtedness due and payable and the right to pursue foreclosure action against the Property):

(i) Mortgagee may, without releasing Mortgagor from any Obligation under this Mortgage or other Loan Document and without waiving any Default, exercise any of its rights and remedies under Article 15 hereof.

(ii) Mortgagee may, without releasing Mortgagor from any Obligation under this Mortgage, and without waiving any Default, enter upon and take possession of the Real Estate or any portion thereof, either personally or by its agents, nominees or attorneys, and dispossess Mortgagor and its agents and servants therefrom and, thereupon, Mortgagee may (x) use, manage and operate the Real Estate and the business conducted upon the Real Estate and (y) exercise all rights and powers of Mortgagor with respect to the Property, either in the name of Mortgagor or otherwise, including, but without limiting the generality of the foregoing, the right to make, cancel, enforce or modify the Leases, obtain and evict lessees, establish or change the amount of any Rents and the manner of collection thereof and perform any acts which Mortgagee deems proper, in its sole discretion, to protect the security of this Mortgage. After deduction of all costs and expenses of operating and managing the Real Estate, including, but without limiting the generality of the foregoing, reasonable attorneys' fees, costs and disbursements, administration expenses, management fees and brokers' commissions, satisfaction of liens on any of the Property, payment of Impositions, claims and Insurance Premiums, invoices of persons who may have supplied goods and services to or for the benefit of any of the Property and all costs and expenses of the maintenance, repair, Restoration, alteration or improvement of any of the Property, Mortgagee may apply the Rents received by Mortgagee to payment of the Indebtedness or performance of the Obligations. Mortgagee may apply the Rents received by Mortgagee to the payment of any or all of the foregoing in such order and amounts as Mortgagee, in its sole discretion, may elect. Mortgagee may, in its sole discretion, determine the method by which, and extent to which, the Rents will be collected and the obligations of the lessees under the Leases enforced

and Mortgagee may waive or fail to enforce any right or remedy of the lessor under any Lease.

(iii) Mortgagee may disaffirm and cancel any Lease affecting the Real Estate or any portion thereof at any time during the period that it is exercising its remedies under this Article 19, even though Mortgagee shall have enforced such Lease, collected Rents thereunder or taken any action that might be deemed by law to constitute an affirmance of such Lease. Such disaffirmance shall be made by notice addressed to the lessee at the Real Estate or, at Mortgagee's option, such other address of the lessee as may be set forth in such Lease.

(b) Upon the occurrence of any Credit Agreement Default, Mortgagee may, without notice, presentment, demand or protest, all of which are hereby expressly waived by Mortgagor to the extent permitted by applicable law, pursue any or all of the remedies set forth in Paragraph 19(a), and in addition thereto, may take any or all of the following actions:

(i) Mortgagee may declare the entire amount of the Indebtedness immediately due and payable. Thereupon, all of the other Obligations also shall become immediately due and payable.

(ii) Mortgagee may, with or without entry, personally or by agents or attorneys insofar as applicable, sell the Property or any part thereof and all estate, right, title and interest, claim and demand therein, and right of redemption thereof, at one or more sales as an entity or in parcels and at such time and place, upon such terms, pursuant to such procedures, and after such notice thereof as may be required or permitted by law.

(iii) Mortgagee may elect to (x) institute and maintain an action with respect to the Property under any other Loan Document, or (y) take such other action as may be allowed at law or in equity for the enforcement of this Mortgage, the Additional Mortgages and the other Loan Documents. Mortgagee may proceed in any such action to final judgment and execution thereon for the whole of the Indebtedness, together with interest thereon at the Interest Rate, from the date on which Mortgagee shall cause the same to be declared due and payable to the date of repayment to Mortgagee, and all costs of any such action, including, but without limiting the generality of the foregoing, reasonable attorneys' fees, costs and disbursements.

(iv) Mortgagee may take any such other action as Mortgagee deems advisable, in its sole discretion, to protect and enforce the rights of Mortgagee in and to the Property.

(c) Mortgagee, in any action to enforce this Mortgage, shall be entitled to the appointment of a receiver.

(d) The remedies and rights granted to Mortgagee hereunder are cumulative and are not in lieu of, but are in addition to, and shall not be affected by the exercise of, any other remedy or right available to Mortgagee whether now or hereafter existing either at law or in equity or under this Mortgage or any other Loan Documents.

(e) Neither Mortgagor, any guarantor nor any other person hereafter obligated for payment of all or any part of the Indebtedness or fulfillment of all or any of the Obligations shall be relieved of such obligation by reason of (i) the failure of Mortgagee to comply with any request of Mortgagor, any guarantor or of any other person so obligated to foreclose the lien of this Mortgage or to enforce any provisions of the other Loan Documents; (ii) the release, regardless of consideration, of the Property or the addition of any other property to the Property; (iii) any agreement or stipulation between any subsequent owner of the Property and Mortgagee extending, renewing, rearranging or in any other way modifying the terms of the Loan Documents without first having obtained the consent of, given notice to or paid any consideration to Mortgagor, any guarantor or such other person, and in such event Mortgagor, guarantor and all such other persons shall continue to be liable to make payment according to the terms of any such extension or modification agreement unless expressly released and discharged in writing by Mortgagee, or (iv) by any other act or occurrence save and except the complete payment of the Indebtedness.

(f) Mortgagee may release, regardless of consideration, any part of the Property without, as to the remainder, in any way impairing, affecting, subordinating or releasing the lien or security interests created in or evidenced by the Loan Documents or their stature as a first and prior lien and security interest in and to the Property. For payment of the Indebtedness, Mortgagee may resort to any other security therefor held by Mortgagee in such order and manner as Mortgagee may elect.

20. <u>Additional Representations and Warranties</u>. Mortgagor represents and warrants that: (a) on the date hereof, no portion of the Buildings or the Fixtures have been damaged, destroyed or injured by fire or other casualty which is not now fully restored; (b) Mortgagor has all necessary

licenses, authorizations, registrations and approvals to own, use, occupy and operate the Real Estate and has full power and authority to carry on its business at the Real Estate as currently conducted and has not received any notice of any violation of any Legal Requirement; and (c) Mortgagor is a business and commercial organization, and the transaction reflected in, and effectuated by, the Loan Documents is made solely to acquire or carry on a business and commercial enterprise.

21. No Waivers, Etc. A failure by Mortgagee to insist upon the strict performance by Mortgagor of any of the terms and provisions of this Mortgage shall not be deemed to be a waiver of any of the terms, covenants, conditions and provisions hereof and Mortgagee, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Mortgagor of any and all of the terms, covenants, conditions and provisions of this Mortgage to be performed by Mortgagor. Mortgagee may release, regardless of consideration and without the necessity for any notice to or consent by the holder of any subordinate lien on the Property, any part of the security held for payment of the Indebtedness or any portion thereof or for the performance of the Obligations secured by this Mortgage without, as to the remainder of the security, in any manner whatsoever, impairing or affecting the lien of this Mortgage or the priority of the lien of this Mortgage over any subordinate lien. Mortgagee may resort for the payment of the Indebtedness secured by this Mortgage to any other security therefor held by Mortgagee in such order and manner as Mortgagee may elect.

22. Additional Rights. The holder of any subordinate lien on the Property shall have no right to terminate any Lease whether or not such Lease is subordinate to this Mortgage, or otherwise.

23. Waivers by Mortgagor. Mortgagor hereby waives the right, if any, to require any sale to be made in parcels, and the right, if any, to select parcels to be sold, and there shall be no requirement for marshalling of assets. To the full extent permitted by law, Mortgagor hereby waives any and all statutory or other rights of redemption from sale under any order or decree of foreclosure of this Mortgage, on its own behalf and on behalf of each and every person, acquiring any interest in, or title to the Property subsequent to the date hereof.

24. Notices. Except as provided in Article 19 hereof, whenever it is provided herein that any notice, demand, request, consent, approval, declaration or other communication shall or may be given to or served upon either Mortgagor, Mortgagee, or whenever either Mortgagor or

Mortgagee shall desire to give or serve upon the other any such communication with respect to this Mortgage or the Property, each such notice, demand, request, consent, approval, declaration or other communication shall be in writing and either shall be delivered in person with receipt acknowledged or registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

(a) If to Mortgagee,

Irving Trust Company
1290 Avenue of the Americas
Third Floor
New York, New York 10104
Attention: Construction Finance Department

With a copy to:

Winthrop, Stimson, Putnam & Roberts
40 Wall Street
New York, New York 10005
Attention: Herbert F. Fisher, Esq.;

(b) If to Mortgagor,

Greyhound Lines, Inc.
2500 First RepublicBank Plaza
901 Main Street
Dallas, Texas 75202
Attention: President

With a copy to:

Johnson & Swanson
100 Founders Square
900 Jackson Street
Dallas, Texas 75202
Attention: Robert Nash, Esq.

or to such other address as Mortgagor or Mortgagee may substitute by notice given as herein provided. Every notice, demand, request, consent, approval, declaration or other communication hereunder shall be deemed to have been duly given or served on the date on which personally delivered, with receipt acknowledged, or three (3) days after the same shall have been deposited with the United States mails. Failure or delay in delivering copies of any notice, demand, request, consent, approval, declaration or other communication to the persons designated herein to receive copies shall in no way adversely affect the effectiveness of such notice, demand, request, consent, approval, declaration or other communication.

25. Conflicts with Loan Documents. To the extent there shall be any conflict between the defined terms set forth herein and the defined terms set forth in any other Loan Document, then, the defined terms set forth in this Mortgage shall prevail with respect to this Mortgage. Subject to the foregoing, if there shall be any inconsistencies between the terms, covenants, conditions and provisions set forth in the Credit Agreement and the terms, covenants, conditions and provisions of this Mortgage, then, unless this Mortgage expressly provides otherwise, the terms, covenants, conditions and provisions of the Credit Agreement shall prevail.

26. Conveyance by Mortgagee/Defeasance. Upon the full, timely and indefeasible payment of the Indebtedness pursuant to the terms hereof and the other Loan Documents and the full and timely performance of the Obligations in accordance with the provisions hereof and the other Loan Documents, Mortgagee shall, at Mortgagor's expense, cause the lien of this Mortgage to be released of record, otherwise the same shall remain in full force and effect.

27. No Modification; Binding Obligations. This Mortgage may not be modified, amended, discharged or waived in whole or in part except by an agreement in writing signed by Mortgagor and Mortgagee. The covenants of this Mortgage shall run with the Land and shall bind Mortgagor and the heirs, distributees, personal representatives, successors and assigns of Mortgagor and all present and subsequent encumbrancers, lessees and sublessees of any of the Property and shall inure to the benefit of Mortgagee and its respective successors, assigns and endorsees.

28. Miscellaneous. The Article headings in this Mortgage are used only for convenience and are not part of this Mortgage and are not to be used in determining the intent of the parties or otherwise in interpreting this Mortgage. As used in this Mortgage, the singular shall include the plural as the context requires and the following words and phrases shall have the following meanings: (a) "provisions" shall mean "provisions, terms, covenants and/or conditions"; (b) "lien" shall mean "lien, charge, encumbrance, security interest, mortgage and/or deed of trust"; (c) "obligation" shall mean "obligation, duty, covenant and/or condition"; (d) "any of the Property" shall mean "the Property or any portion thereof or interest therein"; (e) "Person" shall mean "any individual, sole proprietorship, partnership, joint venture, trust, unincorporated organization, association, corporation, institution, public benefit corporation, entity or government (whether federal, state, county, city, municipal or otherwise, including, but without limiting the generality of the foregoing, any instrumentality division, agency, body or

department thereof)". Any act which Mortgagee is permitted to perform under this Mortgage, the Credit Agreement or any other Loan Document may be performed at any time and from time to time by Mortgagee or by any person or entity designated by Mortgagee, as the case may be. Any act which is prohibited to Mortgagor under this Mortgage, the Credit Agreement or any other Loan Document is also prohibited to all lessees of any of the Property. Each appointment of Mortgagee as attorney-in-fact for Mortgagor under this Mortgage, the Credit Agreement or any other Loan Document shall be irrevocable as long as any of the Indebtedness shall remain unpaid or any of the Obligations remain to be performed and shall be deemed to be coupled with an interest. Mortgagee shall have the right to refuse to grant its consent, approval or acceptance or to indicate its satisfaction whenever such consent, approval, acceptance or satisfaction shall be required under any of the Loan Documents. Where the context so requires, all references to Real Estate, Land or Building shall refer to each parcel of Real Estate and each Building upon each parcel of Land described on Exhibit "A" annexed hereto and made a part hereof.

29. Choice of Law Severability and Limitation of Interest. This Mortgage was negotiated in New York, and made by Mortgagor and accepted by Mortgagee in the state of New York, and the proceeds of the Loan secured hereby were disbursed from New York, which state the parties agree has a substantial relationship to the parties and to the underlying transaction embodied hereby, and in all respects, including, without limiting the generality of the foregoing, matters of construction, validity and performance relating to terms defined in the Credit Agreement and relating to the indebtedness and its payment and with respect to obligations created under the Credit Agreement, all of which shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts made and performed in such state and any applicable laws of the United States of America. All other provisions hereof and obligations arising hereunder, together with those which relate to the creation, perfection, priority and enforcement of the liens on and security interests in the property shall be governed by the state in which the Property is located, it being understood that, to the fullest extent permitted by the law of such state, the law of the State of New York shall govern the validity and enforceability of all loan documents (except with respect to this mortgage to the extent that it is governed by the laws of another state as provided in this Article 29), and the indebtedness. Whenever possible, each provision of this Mortgage shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Mortgage shall be prohibited by or invalid under applicable law, such provision shall be

ineffective to the extent of such prohibition or invalidity, without invalidating the remaining provisions of this Mortgage. Nothing in this Mortgage or in any other loan documents shall require Mortgagor to pay, or Mortgagee to accept, interest in an amount which would subject Mortgagee to penalty under applicable law. In the event that the payment of any interest due hereunder or under any of the other loan documents or a payment which is deemed interest, exceeds the maximum amount payable as interest under the applicable usury laws, such excess amount shall be applied to the reduction of the indebtedness, and upon payment in full of the indebtedness, shall be applied to the performance of the obligations, and upon performance in full of the obligations, shall be deemed to be a payment made by mistake and shall be refunded to Mortgagor.

30. Receipt of Copy. Mortgagor acknowledges that it has received a true copy of this Mortgage, and fully has examined executed counterparts of the other Loan Documents.

31. No Joint Venture or Partnership. Mortgagor and Mortgagee intend that the relationship created hereunder be solely that of grantor and beneficiary or borrower and lender, as the case may be. Nothing herein is intended to create a joint venture, partnership, tenancy-in-common, or joint tenancy relationship between Mortgagor and Mortgagee nor to grant Mortgagee any interest in the Property other than that of beneficiary or lender.

32. Future Advances. This Mortgage is given for the purpose of securing loan advances which the Mortgagee may make to or for Mortgagor pursuant and subject to the terms and provisions of the Credit Agreement. The parties hereto intend that, in addition to any other debt or obligation secured hereby, this Mortgage shall secure unpaid balances of loan advances made after this Mortgage is delivered to the Recorder of Deeds, Cook County, Illinois, whether made pursuant to an obligation of Mortgagee or otherwise, provided that such advances are within twenty (20) years from the date hereof and in such event, such advances shall be secured to the same extent as if such future advances were made on the date hereof, although there may be no advance made at the time of execution hereof and although there may be no indebtedness outstanding at the time any advance is made.

33. Security Agreement Under Uniform Commercial Code. It is the intent of the parties hereto that this Mortgage shall constitute a "security agreement" within the meaning of the Uniform Commercial Code of the State of Illinois (the "Code") with respect to so much of the Fixtures or any other part of the Property as are considered or as shall be determined to be personal property or "fixtures" (as defined in the Code) and not real estate, together with all

replacements thereof, substitutions therefor or additions thereto (said personal property and "fixtures" being sometimes hereinafter referred to as the "Collateral"), and that a security interest shall attach thereto for the benefit of Mortgagee to secure the Indebtedness. Mortgagor hereby authorizes Mortgagee to file financing and continuation statements with respect to the collateral without the signature of Mortgagor, if same is lawful; otherwise Mortgagor agrees to execute such financing and continuation statements as Mortgagee may reasonably request. If there shall exist a Default under this Mortgagee, Mortgagee, pursuant to the appropriate provisions of the Code, shall have the option of (i) proceeding as to both real and personal property in accordance with its rights and remedies in respect of the real property, in which event the default provisions of the Code shall not apply or (ii) proceeding with respect to the Collateral separately from the real property. The parties agree that, in the event Mortgagee shall elect to proceed with respect to the Collateral separately from the real property, unless a greater period shall then be mandated by the Code, five (5) days notice of the sale of the Collateral shall be reasonable notice. Mortgagee's reasonable expenses of retaking, holding, preparing for sale, selling and the like, including but not limited to, attorneys' fees and other legal expenses, shall be assessed against Mortgagor and shall be secured hereby. Mortgagor agrees that it will not remove or permit to be removed from the Property any of the Collateral without the prior written consent of Mortgagee except as hereinabove provided. All replacements, renewals and additions to the Collateral shall be and become immediately subject to the security interest of this Mortgage and the provisions of this Paragraph 33. Mortgagor warrants and represents that the Collateral now is, and that all replacements thereof, substitutions therefor or additions thereto will be, free and clear of liens, encumbrances or security interests of others.

IN WITNESS WHEREOF, Mortgagor has caused this Mortgage to be duly executed and acknowledged under seal the day and year first above written.

GREYHOUND LINES, INC.

By: _____

Name: J.M. Davis

Title: Sr. V.P. + CFO

88521351

0032.0.0

88 24354

State of Texas)
) ss
County of Dallas)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that J.M. Doyle, personally known to me to be the Sr. Vice President of Greyhound Lines, Inc., and 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 as such Sr. Vice President he signed, sealed and delivered the said instrument pursuant to authority given by the Board of Directors of said corporation as his free and voluntary act and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

Given under my hand and official seal, this 10th day of November, 1988.

Commission expires 7/26, 1989.

Andrea L. Myles
Notary Public

88524354

88 24354

EXHIBIT A

PARCEL 1:
LOTS 7 AND 8 (EXCEPT THE NORTH 26 FEET OF SAID LOTS) LOTS 11 TO 14 BOTH INCLUSIVE, 17, 18, 19 AND THE NORTH 1/2 OF LOT 20 AND ALL OF LOT 24 IN BLANCHARD'S SUBDIVISION OF BLOCK 30 IN SCHOOL SECTION ADDITION TO CHICAGO IN SECTION 16, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PARCEL 2:
LOTS 1 TO 4 BOTH INCLUSIVE IN BERDEL AND MAURER'S SUBDIVISION OF LOT 23 AND THE SOUTH 1/2 OF LOT 20 IN BLANCHARD'S SUBDIVISION OF BLOCK 30 IN SCHOOL SECTION ADDITION TO CHICAGO IN SECTION 16, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PARCEL 3:
LOT 9 (EXCEPT THE NORTH 26 FEET THEREOF), LOTS 10, 15 AND 16 IN BLANCHARD'S SUBDIVISION OF BLOCK 30 IN SCHOOL SECTION ADDITION TO CHICAGO IN SECTION 16, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

ALSO

LOTS 1 TO 5 IN ASSESSOR'S DIVISION OF LOTS 21 AND 22 IN BLANCHARD'S SUBDIVISION OF BLOCK 30 IN SCHOOL SECTION ADDITION TO CHICAGO IN SECTION 16, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PARCEL 4:
ALL THAT PART OF VACATED SOUTH LAW AVENUE LYING WEST OF AND ADJOINING THE WEST LINE OF LOTS 8, 11, 14, 17 AND 20 IN SUBDIVISION OF BLOCK 30 IN SCHOOL SECTION ADDITION TO CHICAGO IN SECTION 16, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN LYING WEST OF AND ADJOINING THE WEST LINE OF LOT 4 IN BERDEL AND MAURER'S SUBDIVISION OF LOT 23 AND THE SOUTH 1/2 OF LOT 20 IN BLOCK 30 IN SAID SCHOOL SECTION ADDITION LYING EAST OF AND ADJOINING THE EAST LINE OF LOTS 9, 10, 15 AND 16 IN SUBDIVISION OF BLOCK 30 IN SCHOOL SECTION ADDITION TO CHICAGO AFOREMENTIONED, LYING EAST OF AND ADJOINING THE EAST LINE OF LOT 5 IN ASSESSOR'S DIVISION OF LOTS 21 AND 22 IN BLOCK 30 IN SCHOOL SECTION ADDITION TO CHICAGO AFOREMENTIONED, AND LYING SOUTH OF AND ADJOINING A LINE DRAWN FROM A POINT ON THE WEST LINE OF SAID LOT 8 WHICH IS 26 FEET SOUTH OF THE NORTH WEST CORNER THEREOF TO A POINT ON THE EAST LINE OF SAID LOT 9 WHICH IS 26 FEET SOUTH OF THE NORTH EAST CORNER THEREOF, IN SUBDIVISION OF BLOCK 30 IN SCHOOL SECTION ADDITION TO CHICAGO AFOREMENTIONED ALL IN COOK COUNTY, ILLINOIS

P.I.N.s 17-16-125-005-0000
17-16-126-012-0000

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SCHEDULE "I"

(List of Banks)

1. Ameritrust Company National Association
2. First Union National Bank of North Carolina
3. California First Bank
4. Lloyds Bank PLC
5. Irving Trust Company
6. Canadian Imperial Bank of Commerce
7. The Bank of Nova Scotia
8. DnC America Banking Corporation

88524354

Return to:
Box 229
(MEM)

DEPT-01 $47.00
T#1111 TRAN 3047 11/14/88 12:07:00
#1621 # A *-88-524354
COOK COUNTY RECORDER

88524354