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MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

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MORTGAGOR: LASALLE NATIONAL BANK, a national banking association, not personally but as Trustee under Trust Agreement dated January 1, 1988 and known as Trust Number 112928.

BORROWER: LASALLE NATIONAL BANK, a national banking association, not personally but as Trustee under Trust Agreement dated October 1, 1987 and known as Trust Number 112748.

LENDER: AFFILIATED BANK/MORTON GROVE, an Illinois banking corporation

THIS INSTRUMENT IS EFFECTIVE AND SHALL BE EFFECTIVE AS A FINANCING STATEMENT FILED AS A FIXTURE FILING WITH RESPECT TO ALL GOODS WHICH ARE OR ARE TO BECOME FIXTURES INCLUDED WITHIN THE PROPERTY AND IS TO BE FILED FOR RECORD OR REGISTERED IN THE REAL ESTATE RECORDS OF COOK COUNTY, ILLINOIS. THE MAILING ADDRESS OF LENDER AND THE ADDRESS OF BORROWER ARE SET FORTH WITHIN. A PHOTOGRAPHIC OR OTHER REPRODUCTION OF THIS INSTRUMENT OR ANY FINANCING STATEMENT RELATING TO THIS INSTRUMENT SHALL BE SUFFICIENT AS A FINANCING STATEMENT.

COOK COUNTY, ILLINOIS
FILED FOR RECORD

1988 MAY 16 PM 3:01 88208310

This instrument prepared by
(and return after recording to):

Richard F. Kohn, Esquire
Wilson & McIlvaine
135 South LaSalle Street
Chicago, Illinois 60603
(312) 263-1212

Street Address of Property:

___ East Dundee Road (Bldg. A)
Buffalo Grove, IL

Property Tax Index No.:
Part of 03-04-400-019

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BOX 333-HW

V4 5/6/88 RFK

71-43-973 D3 Ag 3

MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

TABLE OF CONTENTS

MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

THIS MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT ("Mortgage") is made as of May 1, 1988 by and between LASALLE NATIONAL BANK, a national banking association, not personally but as Trustee under Trust Agreement dated January 1, 1988 and known as Trust Number 112928 (the "Mortgagor"), whose mailing address is 135 South LaSalle Street, Chicago, Illinois 60690, to and for the benefit of AFFILIATED BANK/MORTON GROVE, an Illinois banking corporation, whose mailing address is 8700 Waukegan Road, Morton Grove, Illinois 60053 (the "Mortgagee").

W I T N E S S E T H:

THAT, WHEREAS, LASALLE NATIONAL BANK, a national banking association, not personally but as Trustee under Trust Agreement dated October 1, 1987 and known as Trust Number 112748 (the "Borrower") is justly indebted to the Mortgagee in the principal sum of THREE MILLION FIVE HUNDRED THOUSAND DOLLARS ($3,500,000.00), evidenced by one certain PROMISSORY NOTE of the Borrower bearing even date herewith (the "Note"), made payable to the order of and delivered to the Mortgagee, whereby the Borrower promises to pay the said principal sum, late charges, prepayment premiums and interest at the rate or rates and in installments, all as provided in the Note. The final payment of principal and interest, if not sooner paid, shall be due on May 1, 1990, unless maturity is extended in accordance with the extension options provided in the Note. All such payments on account of the Indebtedness evidenced by the Note shall be applied first to interest on the unpaid principal balance, secondly to any other sums due thereunder, thirdly to all other advances and sums secured hereby, and the remainder to principal, all of said principal and interest being made payable at such place as the holder of the Note may from time to time, in writing, appoint, and in the absence of such appointment, then at the office of Lender first set forth above; and

WHEREAS, the "Loan Commitment" described in Paragraph 19 below requires that the "Premises" described below be encumbered as additional security for repayment of the Note; and

WHEREAS, the Premises were heretofore owned in fee by the Borrower and the beneficial interest under the aforedescribed Trust Agreement with the Mortgagor is vested in the same limited partnership as the beneficial interest under the aforesaid Trust Agreement with the Borrower; and

WHEREAS, the Borrower, Mortgagor and said common beneficiary desire to encumber the Premises in accordance with the requirements of the Loan Commitment, as additional to induce the Mortgagee to

disburse the proceeds of the Loan to or at the direction of the Borrower.

NOW, THEREFORE, the Mortgagor, to secure the payment of said principal sum of money and said interest and late charges and prepayment premiums in accordance with the terms, provisions and limitations of this Mortgage and of the Note, and the performance of the covenants and agreements herein contained by the Mortgagor to be performed, and also in consideration of the sum on ONE DOLLAR ($1.00) in hand paid, the receipt whereof is hereby acknowledged, does by these presents MORTGAGE, GRANT, REMISE, RELEASE, ALIEN AND CONVEY unto the Mortgagee and its successors and assigns, the following described real estate and all of its present and hereafter-acquired estate, right, title and interest therein, situated, lying and being in the County of Cook and State of Illinois, to-wit:

SEE LEGAL DESCRIPTION ATTACHED HERETO AND
MADE A PART HEREOF AS EXHIBIT "A"

which, with the property hereinafter described, is collectively referred to herein as the "Premises";

TOGETHER with:

(a) all improvements, tenements, reversions, remainders, easements, fixtures and appurtenances now or hereafter thereto belonging, and all rents, issues and profits thereof for so long and during all such times as Mortgagor may be entitled thereto (which are pledged primarily and on a parity with said real estate and not secondarily), including without limitation;

(b) all shades, awnings, venetian blinds, draperies, rods, screens, screen doors, storm doors and windows, now or hereafter therein or thereon and all fixtures, apparatus, equipment and articles now or hereafter therein or thereon used to supply water, light, power, sprinkler protection, waste removal, refrigeration and ventilation (whether single units or centrally controlled); and

(c) all machinery, devices, fixtures, appurtenances, equipment, furniture and furnishings and articles of personal property of every kind and nature whatsoever, to the extent owned by Mortgagor, now or hereafter located in or at, and used or useful in connection with the construction, occupancy, operation or maintenance of, the property described in EXHIBIT "A", including, without limitation: all maintenance equipment, engines, furnaces, boilers, stokers, pumps, tanks, heaters, oil burners, dynamos, generators, motors, switchboards, ranges, refrigerators. dishwashers, furniture and furnishings; radios, telephone equipment, television sets and antennas and all public address systems, rugs, mats, carpets, awnings, screens and blinds, vinyl composition and other floor, wall and ceiling coverings, partitions, doors and hardware; electrical wiring and equipment, projection equipment; heating, plumbing,

washroom, toilet and lavatory fixtures and equipment; washing machines, laundry apparatus, kitchen, dining room and workshop tools, utensils and equipment; lifting, ventilating and incinerating apparatus; sprinkler and other fire extinguishing and fire prevention apparatus or systems; air-cooling and air-conditioning apparatus; gas, electric and steam fixtures; elevators, conveyors, escalators, hoists, fittings, radiators, chutes, ducts, machinery, snow removal, landscaping, gardening, sweeping, vacuuming and other cleaning and maintenance equipment; wastepaper baskets, tools, building supplies, lobby decorations, parking equipment, outdoor furniture, swimming pool and recreational fixtures and equipment and window washing hoists and equipment; all office, cleaning, engineering, advertising and promotional materials, printing and stationery, maintenance and housekeeping supplies;

(d) all additions to any of the foregoing, replacements thereof, substitutions therefor and the proceeds thereof, it being understood that the enumeration of any specific articles of property shall in nowise exclude or be held to exclude any items or property not specifically mentioned;

(e) all tenant security deposits, utility deposits and insurance premium rebates to which Mortgagor may be entitled or which Mortgagor may be holding;

(f) any monies on deposit for the payment of real estate taxes, special assessments or condominium assessments against the real estate described in EXHIBIT "A" or for the payment of premiums on policies of fire and other hazard insurance covering the Collateral described hereunder or the real estate described in EXHIBIT "A";

(g) all proceeds paid for damage done to the Collateral described hereunder or the real estate described in EXHIBIT "A";

(h) all proceeds of any award or claim for damages for any of the collateral described hereunder or the real estate described in EXHIBIT "A" taken or damaged under the power of eminent domain or by condemnation; and

(i) all right, title and interest of Mortgagor in to and under the following documents and all rights, privileges, options and remedies therein contained:

(1) all present and future contracts (and amendments thereto) for construction of improvements on any of the land described in EXHIBIT "A";

(2) all present and future contracts (and amendments thereto) for design and architectural services and all Plans and Specifications related in any way to the land described in EXHIBIT "A"; and

(3) all permits, licenses, consents, agreements and authorities issued by each governmental authority which relate in any way to the construction, ownership, operation or use of or improvements and/or personal property on the land described in EXHIBIT "A".

All of the land, estate and property hereinabove described, real, personal and mixed, whether affixed or annexed or not (except where otherwise hereinabove specified) and all rights hereby conveyed and mortgaged are intended so to be as a unit and are hereby understood, agreed and declared (to the maximum extent permitted by law) to form a part and parcel of the real estate and to be appropriated to the use of the real estate, and shall be, for the purposes of this Mortgage, deemed to be real estate and conveyed and mortgaged hereby.

In no event will the total amount of the Indebtedness secured hereby exceed three hundred percent (300%) of the face amount of the Note.

TO HAVE AND TO HOLD the Premises unto the Mortgagee and its successors and assigns forever, for the purposes and uses herein set forth.

IT IS FURTHER COVENANTED AND AGREED THAT:

1. MAINTENANCE, REPAIR AND RESTORATION OF IMPROVEMENTS, PAYMENT OF PRIOR LIENS, ETC.

Mortgagor shall: (a) promptly repair, restore or rebuild any buildings and other improvements now or hereafter on the Premises which may become damaged or destroyed to substantially the same character as prior to such damage or destruction, without regard to the availability or adequacy of any casualty insurance proceeds or eminent domain awards; (b) keep the Premises constantly in good condition and repair, without waste; (c) keep the Premises free from mechanics' liens or other liens or claims for lien not expressly subordinated to the lien hereof (collectively called "Liens"), subject however to the rights of the Mortgagor set forth in Paragraph 1A below: (d) immediately pay when due any indebtedness which may be secured by a lien or charge on the Premises on a parity with or superior to the lien hereof (no such lien to be permitted hereunder), and upon request exhibit satisfactory evidence of the discharge of such lien to Mortgagee; (e) complete within a reasonable time any building(s) or other improvements now or at any time in process of erection upon the Premises; (f) comply with all federal, state and local requirements of law, regulations, ordinances, orders and judgments and all covenants, easements and restrictions of record with respect to the Premises and the use thereof; (g) make no alterations in the Premises without Mortgagee's prior written consent; (h) suffer or permit no change in the general nature of the occupancy of the Premises without Mortgagee's prior written consent;

(i) not initiate or acquiesce in any zoning variation or reclassification without Mortgagee's prior written consent; (j) observe and comply with all conditions and requirements (if any) necessary to preserve and extend all rights, licenses, permits (including without limitation zoning variations and any non-conforming uses and structures), privileges, franchises and concessions applicable to the Premises or contracted for in connection with any present or future use of the Premises; and (k) pay each item of Indebtedness secured by this Mortgage when due according to the terms hereof and of the Note. As used in this Paragraph 1 and elsewhere in this Mortgage, the term "Indebtedness" means and includes the unpaid principal sum evidenced by the Note, together with all interest, additional interest, late charges and prepayment premiums thereon, and all other sums at any time due at any time under this Mortgage or under any other document given at any time to secure the Note or otherwise in connection therewith.

1A. RIGHT TO CONTEST.

Anything in Paragraphs 1(c) or 1(d) of this Mortgage to the contrary notwithstanding, Mortgagor may, in good faith and with reasonable diligence, contest the validity or amount of any Lien not expressly subordinated to the lien hereof, and defer payment and discharge thereof during pending of such contest, provided: (i) that such contest shall have the effect of preventing the sale or forfeiture of the Premises or any part thereof, or any interest therein, to satisfy such Lien; (ii) that, within ten (10) days after Mortgagor has been notified of the assertion of such Lien, Mortgagor shall have notified Mortgagee in writing of Mortgagor's intention to contest such Lien; and (iii) that Mortgagor shall have deposited with Mortgagee at such place as Mortgagee may from time to time in writing appoint, and in the absence of such appointment, then at the office of the Mortgagee in Morton Grove, Illinois, a sum of money which shall be sufficient in the judgment of Mortgagee to pay in full such Lien and all interest which might become due thereon, and shall keep on deposit an amount so sufficient at all times, increasing such amount to cover additional interest whenever, in the judgment of Mortgagee, such increase is advisable. Such deposits are to be held without any allowance of interest to Mortgagor. If Mortgagor shall fail to prosecute such contest with reasonable diligence or shall fail to pay the amount of the Lien plus any interest finally determined to be due upon the conclusion of such contest, to the extent such amount exceeds the amount which Mortgagee will pay as provided below, or shall fail to maintain sufficient funds on deposit as hereinabove provided, Mortgagee may, at its option, apply the money so deposited in payment of or on account of such Lien, or that part thereof then unpaid, together with all interest thereon. If the amount of money so deposited shall be insufficient for the payment in full of such Lien, together with all interest thereon, Mortgagor shall forthwith, upon demand, deposit with Mortgagee a sum which, when added to the funds then on deposit, shall be sufficient to make such payment in full. Mortgagee shall, upon the final disposition of such contest, apply the money so deposited in full payment of such

Lien or that part thereof then unpaid, together with all interest thereon (provided Mortgagor is not then in default hereunder) when so requested in writing by Mortgagor and when furnished by Mortgagor with sufficient funds to make such payment in full and with evidence satisfactory to Mortgagee of the amount of the payment to be made.

2. **PAYMENT OF TAXES.**

Mortgagor shall pay all general taxes before any penalty or interest attaches, and shall pay special taxes, special assessments, water charges, sewer service charges, and all other charges against the Premises of any nature whatsoever when due, and shall, upon written request, furnish to Mortgagee duplicate receipts therefor within thirty (30) days following the date of payment. Mortgagor shall pay in full "under protest" any tax or assessment which Mortgagor may desire to contest, in the manner provided by law.

3. **TAX DEPOSITS.**

(Intentionally deleted)

3A. **INSURANCE DEPOSITS.**

(Intentionally deleted)

4. **MORTGAGEE'S INTEREST IN AND USE OF TAX AND INSURANCE DEPOSITS; SECURITY INTEREST.**

(Intentionally deleted)

5. **INSURANCE.**

If and when there are any buildings or other improvements or any Collateral (as defined in Paragraph 26 below) on the Premises, Mortgagor shall keep all such buildings and improvements and the Collateral hereafter situated on said Premises insured against loss or damage by fire on a so-called "All Risks" basis and against such other hazards as may reasonably be required by Mortgagee, including without limitation of the generality of the foregoing: (a) rent loss or business interruption insurance; and (b) flood insurance whenever the same is available and (in the opinion of Mortgagee) such protection is necessary. Beginning on the date hereof and at all times thereafter until this Mortgage is released of record, Mortgagor shall also provide liability insurance coverages with such limits for personal injury and death and property damage as Mortgagee may require. All policies of insurance to be furnished hereunder shall

be in forms, companies and amounts satisfactory to Mortgagee, with waiver of subrogation and replacement cost endorsements and a standard noncontributory mortgagee clause attached to all policies, including a provision requiring that the coverages evidenced thereby shall not be terminated or materially modified without thirty (30) days' prior written notice to the Mortgagee. Mortgagor shall deliver all original policies, including additional and renewal policies, to Mortgagee and, in the case of insurance about to expire, shall deliver renewal policies not less than thirty (30) days prior to their respective dates of expiration.

Mortgagor shall not take out separate insurance concurrent in form or contributing in the event of loss with that required to be maintained hereunder unless Mortgagee is included thereunder a standard non-contributory mortgagee clause acceptable to Mortgagee. Mortgagor shall immediately notify Mortgagee whenever any such separate insurance is taken out and shall promptly deliver to Mortgagee the original policy or policies of such insurance. In the event of a foreclosure sale, all interest in all insurance policies in force shall pass to Mortgagee, transferee or purchaser, as the case may be.

6. **ADJUSTMENT OF LOSSES WITH INSURER AND APPLICATION OF PROCEEDS OF INSURANCE.**

In case of loss or damage by fire or other casualty, Mortgagee is authorized: (a) to settle and adjust any claim under insurance policies which insure against such risks; or (b) to allow Mortgagor to agree with the insurance company or companies on the amount to be paid in regard to such loss. In either case, Mortgagee is authorized to collect and receipt for any such insurance monies, and applied in reduction of the Indebtedness, whether due or not.

7. **STAMP TAX; EFFECT OF CHANGES IN LAWS REGARDING TAXATION.**

7.0 Intentionally deleted.

7.1 In the event of the enactment, after this date, of any law of the state in which the Premises are located deducting from the value of the land for the purpose of taxation any lien thereon, or imposing upon the Mortgagee the payment of the whole or any part of the taxes or assessments or charges or liens herein required to be paid by Mortgagor, or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or the Mortgagee's interest in the Premises, or the manner of collection of taxes, so as to affect this Mortgage or the debt secured hereby or the holder thereof, then, and in any such event, the Mortgagor, upon demand by the Mortgagee, shall pay such taxes or assessments or reimburse the Mortgagee therefor; provided, however, that if in the opinion of counsel for the Mortgagee: (a) it might be unlawful to require Mortgagor to make such payment; or (b) the making of such payment might result in the imposition of interest beyond the maximum

amount permitted by law; then and in any such event, the Mortgagee may elect, by notice in writing given to the Mortgagor, to declare all of the Indebtedness to be and become due and payable sixty (60) days from the giving of such notice.

8. LEASE ASSIGNMENT.

As additional security for the payment of the Note and for the faithful performance of the terms and conditions contained herein, Mortgagor does hereby assign to the Mortgagee all of its right, title and interest as landlord in and to the leases listed on the SCHEDULE OF LEASES attached hereto, if any, and all future leases of the Premises. All leases of the Premises are subject to the approval of the Mortgagee as to form, content and tenant(s).

Mortgagor will not, without Mortgagee's prior written consent: (i) execute any assignment or pledge of any rents or any leases of the Premises except an assignment or pledge securing the Indebtedness; or (ii) accept any payment of any installment of rent more than thirty (30) days before the due date thereof; or (iii) make any lease of the Premises.

Mortgagor by its sole cost and expense will: (i) at all times promptly and faithfully abide by, discharge and perform all of the covenants, conditions and agreement contained in all leases of the Premises, on the part of the landlord thereunder to be kept and performed; (ii) enforce or secure the performance of all of the covenants, conditions and agreements of such leases on the part of the tenants to be kept and performed, but Mortgagor shall not and Mortgagor's beneficiary or beneficiaries shall not modify, amend, cancel, terminate or accept surrender of any lease without prior written consent of Mortgagee; (iii) appear in and defend any action or proceeding arising under, growing out of or in any manner connected with such leases or the obligations, duties or liabilities of landlord or of any tenants thereunder; (iv) transfer and assign or cause to be separately transferred and assigned to Mortgagee, upon written request of Mortgagee, any lease or leases of the Premises heretofore or hereafter entered into, and make, execute and deliver to Mortgagee upon demand, any and all instruments required to effectuate said assignment; (v) furnish Mortgagee, within ten (10) days after a request by Mortgagee so to do, a written statement containing the names of all tenants and the terms of all leases of the Premises, including the spaces occupied and the rentals payable thereunder; and (vi) exercise within five (5) days of any demand therefor by Mortgagee any right to request from the tenant under any lease of the Premises a certificate with respect to the status thereof.

Nothing in this Mortgage or in any other documents relating to the loan secured hereby shall be construed to obligate Mortgagee, expressly or by implication, to perform any of the covenants of any landlord under any of the leases assigned to Mortgagee or to pay any

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sum of money or damages which covenants and payments Mortgagor agrees to perform and pay or cause to be performed and paid.

At the option of the Mortgagee, this Mortgage shall become subject and subordinate, in whole or in part (but not with respect to priority of entitlement to insurance proceeds or any award in eminent domain), to any one or more leases affecting any part of the Premises, upon the execution by Mortgagee and recording or registration thereof, at any time hereafter, in the office wherein this Mortgage was registered or filed for record, of a unilateral declaration to that effect.

Each tenant under each lease of the Premises shall, at the option of the Mortgagee, agree to attorn to the Mortgagee or to any other person succeeding to the interest of landlord as a result of any enforcement by Mortgagee of any remedy provided by law or herein upon an event of default hereunder, and shall agree to recognize the Mortgagee or such successor in interest as landlord under such lease without change in the amount of rent or other provisions thereof; provided, however, that the Mortgagee or other successor in interest shall to be bound by any payment of rent or additional rent for more than one month in advance or any amendment of or modification to any lease made without the consent of the Mortgagee or other successor in interest, shall execute and deliver an instrument or instruments confirming such agreements and attornment.

9. **MORTGAGOR AND LIEN NOT RELEASED.**

From time to time Mortgagee may, at Mortgagee's option, without giving notice to or obtaining the consent of (i) Mortgagor or Borrower or the successors or assigns of either of them, or (ii) any junior lien holder, guarantor or tenant, and without liability on Mortgagee's part and notwithstanding any default hereunder: (a) release anyone primarily or secondarily liable on any of the Indebtedness; (b) accept a renewal note or notes therefor; (c) release from the lien of this Mortgage any part of the Premises; (d) take or release other or additional security for the Indebtedness; (e) consent to any condominium declaration, plat, map or plan of the Premises; (f) consent to the granting of any easement; (g) join in any extension or subordination agreement; (h) agree in writing with Borrower to modify the rate of interest or period of amortization of the Note or change the time of payment or the amount of the monthly installments payable thereunder; and (i) waive or fail to exercise any right, power, option, election or remedy granted by law or herein or in any other instrument given at any time to evidence or secure the payment of the Indebtedness.

Any actions taken by Mortgagee pursuant to the terms of this Paragraph 9 shall not impair or affect: (a) the obligation of Mortgagor and Borrower or Mortgagor's or Borrower's successors or assigns to pay any sums at any time secured by this Mortgage and to observe all of the covenants, agreements and conditions herein contained; (b) the guaranty of any individual or legal entity for

payment of the Indebtedness; and (c) the lien or priority of the lien hereof against the Premises.

Mortgagor shall pay to Mortgagee a reasonable service charge, and such title insurance premiums and attorneys' fees as may be incurred by Mortgagee for any action described in this Paragraph 9 taken at the request of Mortgagor or of its beneficiary or beneficiaries.

10. MORTGAGEE'S PERFORMANCE OF DEFAULTED ACTS.

In case of default herein, Mortgagee may, but need not, make any payment or perform any act herein required of Mortgagor in any form and manner Mortgagee deems expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle and tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting said Premises or contest any tax or assessment or cure any default of any landlord in any lease of the Premises. All monies paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' fees and any other monies advanced by Mortgagee in regard to any tax referred to in Section 7.1 or to protect the Premises or the lien hereof, shall be so much additional Indebtedness secured hereby, and shall become immediately due and payable without notice and with interest thereon at the rate or rates of interest set forth in the Note applicable to a period when a default exists thereunder. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to it on account of any default on the part of Mortgagor or Borrower.

11. MORTGAGEE'S RELIANCE ON TAX BILLS, ETC.

Mortgagee, in making any payment hereby authorized: (a) relating to taxes and assessments, may do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof; or (b) for the purchase, discharge, compromise or settlement of any other prior lien, may do so without inquiry as to the validity or amount of any claim for lien which may be asserted.

12. ACCELERATION OF INDEBTEDNESS IN CASE OF DEFAULT.

If:

(a) default be made in the due and punctual payment of principal or interest on the Note, or any other payment due in accordance with the terms thereof; or

(b) the Mortgagor or Borrower or any beneficiary of Borrower or Mortgagor or any guarantor of the Note shall file (i) a petition for liquidation, reorganization or adjustment of debt under Title 11 of the United States Code (11 U.S.C. §§ 101 et seq.) or any similar law, state or federal, whether now or hereafter existing, or (ii) any answer admitting insolvency or inability to pay its debts, or (iii) fail to obtain a vacation or stay of involuntary proceedings within ten (10) days, as hereinafter provided; or

(c) any order for relief of the Mortgagor or Borrower or any beneficiary of Borrower or of Mortgagor or any guarantor of the Note shall be entered in any case under Title 11 of the United States Code, or a custodian, trustee or a receiver shall be appointed for the Mortgagor or Borrower or for any beneficiary of Mortgagor or Borrower or for any guarantor of the Note, or for all or the major part of the property of Mortgagor or Borrower or of any beneficiary of Borrower or Mortgagor or of any guarantor of the Note in any voluntary or involuntary proceeding, or any court shall have taken jurisdiction of all or the major part of the property of the Mortgagor or Borrower or of any beneficiary of Borrower or Mortgagor or of any guarantor of the Note in any voluntary or involuntary proceeding for the reorganization, dissolution, liquidation, adjustment of debt or winding up of the Mortgagor or Borrower or of any beneficiary of Borrower or Mortgagor or of any guarantor of the Note and such custodian, trustee or receiver shall not be discharged or such jurisdiction not be relinquished or vacated or stayed on appeal or otherwise stayed within ten (10) days; or

(d) the or any guarantor of the Note secured hereby shall make an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due, or shall consent to the appointment of a custodian, receiver, trustee or liquidator of all or any major part of its property; or

(e) default shall be made in the due observance or performance of any other covenant, agreement or condition hereinbefore or hereinafter contained and required to be kept or performed or observed by the Mortgagor or Borrower or of any beneficiary of Borrower or Mortgagor; or

(f) default shall be made in the due observance or performance of any covenant, agreement or condition required to be kept or observed by Mortgagor or Borrower or of any beneficiary of Borrower or Mortgagor in any other instrument given at any time to secure the payment of the Note;

then and in any such event, the whole of the Indebtedness shall at once, at the option of the Mortgagee, become immediately due and payable without notice to Mortgagor. If while any insurance proceeds or condemnation awards are held by or for the Mortgagee to reimburse Mortgagor or any lessee or association for the cost of repair, rebuilding or restoration of buildings or other improvements on the Premises, set forth in Paragraphs 6 and 18 hereof, the Mortgagee shall be or become entitled to accelerate the maturity of the

Indebtedness then in such event, the Mortgagee shall be entitled to apply all such insurance proceeds and condemnation awards then held by or for it in reduction of the Indebtedness, and any excess held by it over the amount of the Indebtedness shall be paid to Mortgagor or any party entitled thereto, without interest, as the same appear on the records of the Mortgagee.

13. **FORECLOSURE; EXPENSE OF LITIGATION.**

When the Indebtedness or any part thereof shall become due, whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereof for such Indebtedness or part thereof. In any civil action to foreclose the lien hereof, there shall be allowed and included as additional Indebtedness in the order or judgment for foreclosure and sale all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimates as to items to be expended after entry of said order or judgment) or procuring all such abstracts of title, title searches and examination, title insurance policies, Torrens' Certificates and similar data and assurances with respect to the title as Mortgagee may deem reasonably necessary either to prosecute such civil action or to evidence to bidders at any sale which may be had pursuant to such order or judgment the true condition of the title to, or the value of, Premises. All expenditures and expenses of the nature in this paragraph mentioned and such expenses and fees as may be incurred in the protection of the Premises and the maintenance of the lien of this Mortgage, including the fees of any attorneys employed by Mortgagee in any litigation or proceeding affecting this Mortgage, the Note or the Premises, including probate, appellate and bankruptcy proceedings, or in preparations for the commencement or defense of any action or proceeding or threatened action or proceeding, shall be immediately due and payable to Mortgagor, with interest thereon at the rate set forth in the Note applicable to a period when a default exists thereunder, and shall be secured by this Mortgage.

At all times, the Mortgagor shall appear in and defend any suit, action or proceeding that might in any way in the sole judgment of Mortgagee affect the value of the Premises, the priority of this Mortgage or the rights and powers of Mortgagee hereunder or under any document given at any time to secure the Indebtedness. Mortgagor shall at all times, indemnify, hold harmless and reimburse Mortgagee on demand for any and all loss, damage, expense or cost, including cost of evidence of title and attorneys' fees, arising out of or incurred in connection with any such suit, action or proceeding, and the sum of such expenditures shall be secured by this Mortgage, and shall bear interest after demand at the rate specified in the Note applicable to a period when an uncured default exists thereunder, and such interest shall be secured hereby and shall be due and payable on demand.

14. APPLICATION OF PROCEEDS OF FORECLOSURE SALE.

The proceeds of any foreclosure sale of the Premises shall be distributed and applied in the following order of priority: first, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in the preceding Paragraph hereof; second, all other items which may under the terms hereof constitute secured Indebtedness additional to that evidenced by the Note, with interest thereon as herein provided; third, all principal and interest remaining unpaid on the Note; and fourth, any over plus to any party entitled thereto as their rights may appear.

15. APPOINTMENT OF RECEIVER OR MORTGAGEE IN POSSESSION.

Upon, or at any time after, the commencement of an action to foreclose this Mortgage, the court in which such action was commenced may, upon request of the Mortgagee, appoint a receiver of the Premises either before or after foreclosure sale, without notice and without regard to the solvency or insolvency of Mortgagor or Borrower at the time of application for such receiver and without regard to the then value of the Premises or whether the same shall be then occupied as a homestead or not; and the Mortgagee or any holder of the Note may be appointed as such receiver or as a mortgagee in possession. Such receiver or the Mortgagee in possession shall have the power to collect the rents, issues and profits of the Premises during the pendency of such foreclosure action and, in case of a sale and a deficiency, during the full statutory period of redemption (if any), whether there be redemption or not, as well as during any further times (if any) when Mortgagor, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases of the protection, possession, control, management and operation of the Premises during the whole of said period. The court from time to time may authorize the receiver or the mortgagee in possession to apply the net income in its hands in payment in whole or in part of: (a) the Indebtedness secured hereby or by any order or judgment foreclosing the lien of this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or the lien of such order or judgment, provided such application is made prior to foreclosure sale; and (b) the deficiency in case of a sale and deficiency.

16. RIGHTS CUMULATIVE.

Each right, power, election, option and remedy conferred upon the Mortgagee by this Mortgage and by all other documents evidencing or securing the Indebtedness and conferred by law and in equity is cumulative and in addition to every other right, power, election, option and remedy, express or implied, given now or hereafter existing, at law and in equity; and each and every right, power, election, option and remedy herein or therein set forth or otherwise

so existing may be exercised from time to time as often and in such order as may be deemed expedient by the Mortgagee; and the exercise or the beginning of the exercise of one right, power, election, option or remedy shall not be a waiver of the right to exercise at the same time or thereafter any other right, power, election, option or remedy; and no delay or omission of, or discontinuance by, the Mortgagee in the exercise of any right, power, election, option or remedy accruing hereunder or arising otherwise shall impair any such right, power, election, option or remedy, or be construed to be a waiver of any default or acquiescence therein.

17. MORTGAGEE'S RIGHT OF INSPECTION.

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

18. CONDEMNATION.

Mortgagor hereby assigns, transfers and sets over unto the Mortgagee the entire proceeds of any award and any claim for damages for any of the Premises taken or damaged under the power of eminent domain or by condemnation. In the event of a taking or condemnation, the Mortgagee may apply the proceeds of the award or claim upon or in reduction of the Indebtedness, whether due or not.

19. RELEASE OF THIS MORTGAGE.

Mortgagee shall release this Mortgage and the lien hereof by proper instrument upon the earlier to occur of the following two events: (i) payment and discharge of all Indebtedness secured hereby (including any prepayment charges and late charges provided for herein or in the Note); (ii) the occurrence of the condition specified in Paragraph 15(h) of that certain FIRST MORTGAGE CONDOMINIUM CONSTRUCTION LOAN COMMITMENT dated October 19, 1987, as amended by a FIRST AMENDMENT thereto dated March 1, 1988, a SECOND AMENDMENT thereto dated March 29, 1988 and a THIRD AMENDMENT thereto dated April 27, 1988 (collectively, the "Loan Commitment") issued by Mortgagee to the Beneficiary of Borrower; and, in either case, upon payment of a reasonable fee to Mortgagee for the execution of such proper instrument.

20. GIVING OF NOTICE.

Any notice which either party hereto may desire or be required to give to the other party shall be in writing and the mailing thereof, by certified mail addressed to the Mortgagor or to the Mortgagee, as the case may be, at the respective addresses set forth on the first page hereof or at such other place as any party hereto

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may be notice in writing designate as a place for service of notice, shall constitute service of notice hereunder.

21. WAIVER OF DEFENSES.

No action for the enforcement of the lien or of any provision hereof shall be subject to any defense which would not be good and available to the party interposing same in an action at law upon the Note.

22. WAIVER OF STATUTORY RIGHTS.

Mortgagor shall not and will not apply for or avail itself of any appraisement, valuation, stay, extension or exemption laws or any so-called "Moratorium Laws", now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of the lien of this Mortgage, but hereby waives the benefit of such laws. Mortgagor, for itself and all who may claim through or under it, waives any and all right to have the property and estates comprising the Premises marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Premises sold as an entirety. Mortgagor does hereby expressly waive any and all rights of redemption from sale under any order or judgment of foreclosure of this Mortgage or under any sale or statute or order, decree or judgment of any court relating to this Mortgage, on behalf of itself and each and every person acquiring any interest in or title to any portion of the Premises, it being the intent hereof that any and all such rights of redemption of Mortgagor and of all such other persons are and shall be deemed to be hereby waived to the maximum extent and with the maximum effect permitted by the provisions of the Illinois Mortgage Foreclosure Law, including without limitation Sections 15-1601 and 15-1602 and any other applicable sections thereof, and to the maximum extent and with the maximum effect permitted by the provisions of all other applicable laws or by any successor or replacement statutes.

23. FURNISHING OF FINANCIAL STATEMENTS TO MORTGAGEE.

(Intentionally deleted)

24. FILING AND RECORDING CHARGES AND TAXES.

Mortgagor will pay all filing, registration, recording and search and information fees, and all expenses incident to the execution and acknowledgment of this Mortgage and all other documents securing the Note and all federal, state, county and municipal taxes, other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution, delivery, filing, recording or

registration of the Note, this Mortgage and all other documents securing the Note and all assignments thereof.

25. USURY LAW EXEMPTION.

Mortgagor has been advised by its beneficiaries that the proceeds of the loan secured by this Mortgage will be used for the purposes specified in Paragraph 6404(1) of Chapter 17 of the Illinois Revised Statutes, and that the principal obligation secured hereby constitutes a "business loan" and a "loan secured by a mortgage on real estate" which come within the purview and operation of said Paragraph.

26. SECURITY AGREEMENT AND FINANCING STATEMENT.

Mortgagor and Mortgagee agree: (i) that this Mortgage shall constitute a Security Agreement within the meaning of the Uniform Commercial Code of the State in which the Premises are located (the "Code") with respect to all sums on deposit with the Mortgagee pursuant to Paragraph 6 and 18 hereof ("Deposits") and with respect to any property included in the definition herein of the word "Premises", which property may not be deemed to form a part of the real estate described in EXHIBIT "A" or may not constitute a "fixture" (within the meaning of §9-313 of the Code), and all replacements of such property, substitutions for such property, additions to such property, and the proceeds thereof (said property, replacements, substitutions, additions and the proceeds thereof being sometimes herein collectively referred to as the "Collateral"); and (ii) that a security interest in an to the Collateral and the Deposits is hereby granted to the Mortgagee; and (iii) that the Deposits and all of Mortgagor's right, title and interest therein are hereby assigned to the Mortgagee; and to secure payment of the Indebtedness and to secure performance by the Mortgagor of the terms, covenants and provisions hereof.

In the event of a default under this Mortgage, the Mortgagee, pursuant to the appropriate provisions of the Code, shall have an option to proceed with respect to both the real property and Collateral in accordance with its rights, powers and remedies with respect to the real property, in which event the default provisions of the Code shall not apply. The parties agree that if the Mortgagee shall elect to proceed with respect to the Collateral separately from the real property, five (5) days notice of the sale of the Collateral shall be reasonable notice. The reasonable expenses of retaking, holding, preparing for sale, selling and the like incurred by the Mortgagee shall include, but not be limited to, reasonable attorneys' fees and legal expenses incurred by Mortgagee. The Mortgagor agrees that, without the written consent of the Mortgagee, the Mortgagor will not remove or permit to be removed from the Premises any of the Collateral except that so long as the Mortgagor is not in default hereunder, Mortgagor shall be permitted to sell or otherwise dispose of the Collateral when obsolete, worn out, inadequate, unserviceable

or unnecessary for use in the operation of the Premises, but only upon replacing the same or substituting for the same other Collateral at least equal in value and utility to the initial value and utility of that disposed of and in such manner that said replacement or substituted Collateral shall be subject to the security interest created hereby and that the security interest of the Mortgagee shall be perfected and first in priority, it being expressly understood and agreed that all replacements, substitutions and additions to the Collateral shall be and become immediately subject to the security interest of this Mortgage and covered hereby. The Mortgagor shall, from time to time, on request of the Mortgagee, deliver to the Mortgagee at the cost of the Mortgagor: (i) such further financing statements and security documents and assurances as Mortgagee may require to the end that the liens and security interests created hereby shall be and remain perfected and protected in accordance with the requirements of any present or future law; and (ii) an inventory of the Collateral in reasonable detail. The Mortgagor covenants and represents that all Collateral now is, and that all replacements thereof, substitutions therefor or additions thereto, unless the Mortgagee otherwise consents, will be free and clear of liens, encumbrances, title retention devices and security interests of others. The Mortgagor and the Mortgagee agree, to the extent permitted by law, that: (i) all of the goods described within the definition of the word "Premises" herein are or are to be come fixtures on the land described in EXHIBIT "A"; (ii) this instrument, upon recording or registration in the real estate records of the proper office, shall constitute a "fixture filing" within the meaning of §§9-313 and 9-402 of the Code; and (iii) Mortgagor is a record owner of the land described in EXHIBIT "A".

If the Collateral is sold in connection with a sale of the Premises, Mortgagor shall notify the Mortgagee prior to such sale and shall require as a condition of such sale that the purchaser specifically agree to assume Mortgagor's obligations as to the security interests herein granted and to execute whatever agreements and filings are deemed necessary by the Mortgagee to maintain Mortgagee's first perfected security interest in the Collateral, Deposits and the deposits described in Paragraph 4 above.

27. LIEN FOR LOAN COMMISSIONS, SERVICE CHARGES AND THE LIKE.

So long as the original Mortgagee named on page 1 hereof is the owner of the Note, and regardless of whether any proceeds of the loan evidenced by the Note have been disbursed, this Mortgage also secures the payment of all loan commitment fees and commissions, service charges, liquidated damages, expenses and advances due to or incurred by the Mortgagee in connection with the loan transaction intended to be secured hereby.

28. DUE ON SALE OR FURTHER ENCUMBRANCE CLAUSE.

(a) Mortgagor acknowledges that, in determining whether to make the loan secured hereby, Mortgagee has examined the credit-worthiness of Mortgagor and Borrower and their present beneficiary, found it acceptable and relied and continues to rely upon same as the means of repaying the loan. Mortgagee also evaluated the background and experience of Mortgagor and Borrower and their present beneficiary in owning and operating property such as the Premises, found them acceptable and relied and continues to rely upon same as the means of maintaining the value of the Premises which is Mortgagee's security for the loan. Borrower's and Mortgagor's present beneficiary is well-experienced in borrowing money and owning and operating property such as the Premises, was ably represented by a licensed attorney at law in the negotiation and documentation of the loan secured hereby and bargained at arm's length and without duress of any kind for all of the terms and provisions of the loan, including this provision. Mortgagor recognizes that Mortgagee is entitled to keep its loan portfolio at current interest rates by either making new loans at such rates or collecting assumption fees and/or increasing the interest rate of a loan, the security for which is purchased by a party other than the original Mortgagor. Mortgagor and Mortgagor's present beneficiary further recognize that any secondary or junior financing placed upon the Premises (1) may divert funds which would otherwise be used to pay the Note, (2) could result in acceleration and foreclosure by any such junior lender which would force Mortgagee to take measures and incur expenses to protect its security, (3) would detract from the value of the Premises should Mortgagee come into possession thereof with the intention of selling same, and (4) would impair Mortgagee's right to accept a deed in lieu of foreclosure, as a foreclosure by Mortgagee would be necessary to clear title to the Premises.

In recognition of such considerations and for the purposes of (i) protecting Mortgagee's security, both of the repayment by Borrower and value of the Premises, (ii) giving Mortgagee the full benefit of its bargain and contract with the present beneficiary of Mortgagor and Borrower, (iii) allowing Mortgagee to raise the interest rate and/or collect assumption fees and (iv) keeping the Premises free of any subordinate financing liens, Mortgagor has agreed to the provisions of Paragraph 28(b) and agrees that if such provisions may be deemed a restraint on alienation that they are reasonable restraints.

(b) Any sale, conveyance, assignment, further encumbrance or other transfer of title to the Premises or any interest therein (whether voluntary or by operation of law), direct or indirect, without the Mortgagee's prior written consent, shall be an event of default hereunder. For the purpose of, and without limiting the generality of, the preceding sentence, the occurrence at any time of any of the following events shall be deemed to be an unpermitted transfer of title to the Premises and therefore an event of default hereunder:

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(1) any sale, conveyance, assignment or other transfer of, or the grant of a security interest in, all or any part of the beneficial interest or power of direction under the trust agreement with the Mortgagor;

(2) any sale, conveyance, assignment or other transfer of, or the grant of a security interest in, any share of stock of any corporation which is (i) the beneficiary or one of the beneficiaries under the trust agreement with the Mortgagor or (ii) a corporation directly or indirectly controlling such beneficiary or beneficiaries;

(3) any sale, conveyance, assignment, or other transfer of, or the grant of a security interest in, any general partnership interest in any limited partnership or general partnership which is (i) the beneficiary or one of the beneficiaries under the trust agreement with the Mortgagor or (ii) a partnership directly or indirectly controlling such beneficiary or beneficiaries.

Any consent by the Mortgagee, or any waiver of an event of default, under this Paragraph shall not constitute a consent to, or waiver of any right, remedy or power of the Mortgagee upon, a subsequent event of default under this Paragraph.

29. **ADDITIONAL REPRESENTATIONS AND COVENANTS; INDEMNITY; SURVIVAL.**

Mortgagor represents to and covenants with Mortgagee that:

(a) there are no defects in the soils, sub-soils, grading or compaction of the Premises which would or might materially interfere with the eventual construction on or use of the Premises;

(b) the Premises are not now and will not be in violation of any applicable zoning, building, environmental occupational, health, safety or other land use law, ordinance, regulation or other legal requirement;

(c) Neither Mortgagor nor its beneficiary has received notice of any violation of any of the matters set forth in clause (b) and neither is aware of any such violation; and that

(d) there are not presently located on or under the Premises any hazardous or toxic substances or waste or (without limiting the generality of the foregoing) any asbestos or PCBs;

and Mortgagor will fully defend, indemnify and hold Mortgagee harmless of and from any claims, damages, causes of action, actions, damages or expenses which Mortgagee may incur if any such covenant or representation is untrue or inaccurate, which indemnity shall survive the repayment of the Loan secured hereby and the foreclosure or release of record by Mortgagee of this Mortgage.

30. CONSTRUCTION MORTGAGE.

(Intentionally deleted)

31. MISCELLANEOUS.

31.0 **Binding Nature.** This Mortgage and all provisions hereof shall extend to and be binding upon the original Mortgagor named on page 1 hereof and its successors, grantees, assigns, each subsequent owner or owners of the Premises and all persons claiming under or through Mortgagor; and the word "Mortgagor" when used herein shall include all such persons and all persons primarily and secondarily liable for (i) the payment of the Indebtedness or any part thereof, and (ii) any guarantor of completion of any improvements on the Premises, in either case whether or not such persons shall have executed the Note or this Mortgage.

31.1 **Release of Previous Holder.** The word "Mortgagee" when used herein shall include the successors and assigns of the original Mortgagee named on page 1 hereof, and the holder or holders, from time to time, of the Note. However, whenever the Note is sold, each prior holder shall be automatically freed and relieved, on and after the date of such sale, of all liability with respect to the performance of each covenant and obligation of Mortgagee hereunder thereafter to be performed, provided that any monies in which the Mortgagor has an interest, which monies are then held by the seller of the Note, are turned over to the purchaser of the Note.

31.2 **Severability and Applicable Law.** In the event one or more of the provisions contained in this Mortgage or in the Note or in any other document given at any time to secure the payment of the Note or in any other document given at any time to secure the payment of the Note shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of the Mortgagee, not affect any other provision of this Mortgage, the Note or other document and this Mortgage, the Note or other document shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein. The validity and interpretation of this Mortgage and the Note it secures are to be construed in accordance with and governed by the laws of the State in which the Premises are situated.

31.3 **Governmental Compliance.** Mortgagor shall not by act or omission permit any lands or improvements not subject to the lien of this Mortgage to include the Premises or any part thereof in fulfillment of any governmental requirement, and Mortgagor hereby assigns to Mortgagee any and all rights to give consent for all or any portion of the Premises to be so used. Similarly, no lands or improvements comprising the Premises shall be included with any lands or improvements not subject to the lien of this Mortgage in fulfillment of any governmental requirement. Mortgagor shall not by act or omission

impair the integrity of the Premises as a single zoning lot separate and apart from all other premises. Any act or omission by Mortgagor which would result in a violation of an for the provisions of this Section 31.3 shall be void.

31.4 Estoppel Certificate. Mortgagor, within fifteen (15) days after mailing of a written request by the Mortgagee, agrees to furnish from time to time a signed statement setting forth whether or not any default, offset or defense then is alleged to exist against the Indebtedness and, if so, specifying the nature thereof.

31.5 Non-joinder of Tenants. After an event of default, Mortgagee shall have the right and option to commence a civil action to foreclose the lien of this Mortgage and to obtain an order or judgment of foreclosure and sale subject to the rights of any tenant or tenants of the Premises. The failure to join any tenant or tenants of the Premises as party defendant or defendants in any such civil action or the failure of any such order or judgment to foreclose their rights shall not be asserted by the Mortgagor as a defense in any civil action instituted to collect the Indebtedness secured hereby, or any part thereof, or any deficiency remaining unpaid after foreclosure and sale of the Premises, any statute or rule of law at any time existing to the contrary notwithstanding.

31.6 Regulation G Clause.

(Intentionally deleted)

32. MULTIPLE MORTGAGE CLAUSE.

The Note secured by this Mortgage is further secured by another mortgage (the "Additional Mortgage") conveying lands and other property in Cook County, Illinois (the "County"), adjoining the Premises and legally described in EXHIBIT "B" attached hereto and made a part hereof. This Mortgage and the Additional Mortgage are collectively hereafter referred to as "the Mortgage Instruments". Wherever in this Paragraph the word "Mortgagee" occurs, it shall be deemed to include, as the context indicates, the original Mortgagee named on the first page hereof, an assignee of this Mortgage or other holder of the Note, or a State or County officer engaged in any aspect of the enforcement of the lien of any of the Mortgage Instruments.

It is understood and agreed that all of the properties of all kinds conveyed by the Mortgage Instruments are security for the debt evidenced by the Note without allocation of any one or more of the parcels or portions thereof to any portion of the mortgage debt less than the whole amount thereof.

Upon any default in payment of principal or interest when due under the Note or upon any breach of covenant in this Mortgage or in any other Mortgage Instrument securing the Note, all sums (including

without limitation the entire principal) due the holder of the Note may, at the option of the holder of the Note, be declared immediately due and payable.

A default or breach of covenant under any of the Mortgage Instruments is a default or breach of covenant under all of the Mortgage Instruments; and the Mortgagee may thereupon accelerate the entire mortgage debt secured thereby and foreclose any or all of the other Mortgage Instruments and resort to any or all of its other rights, powers, privileges, options and remedies thereunder. It is specifically covenanted and agreed that upon such default or breach of covenant as aforesaid:

(i) the Mortgagee may proceed, at the same or at different times, to foreclose the Mortgage Instruments, or any of them, by any proceedings appropriate in the County; and

(ii) no event of enforcement taking place in any Court, including, without limiting the generality of the foregoing, any pending foreclosure judgment or decree of foreclosure, foreclosure sale, rents received, possession taken, deficiency judgment or decree, or judgment taken on the Note, shall in any wise stay, preclude or bar enforcement of the Mortgage Instruments or any of them in any other Court; and

(iii) the Mortgagee may pursue any or all its rights, powers, privileges, options and remedies to the maximum extent permitted by law until all the debt now or hereafter secured by any or all of the Mortgage Instruments has been paid and discharged in full.

Neither the Mortgagor, nor any person claiming under it, shall have or enjoy any right to marshalling of assets, all such right being hereby expressly waived as to the Mortgagor and all persons claiming under it, including junior lienors. No release of personal liability of any person whatever and no release of any portion of the property now or hereafter subject to the lien of any of the Mortgage Instruments shall have any affect whatever by way of impairment or disturbance of the lien or priority of any of the Mortgage Instruments. Any foreclosure or other appropriate remedy brought in any Court or County may be brought and prosecuted as to any part of the Mortgaged security, wherever located, without regard to the fact that foreclosure proceedings or other appropriate remedies have or have not been instituted elsewhere on any other land subject to the lien of the Mortgage Instruments or any of them.

33. LAND TRUSTEE EXCULPATORY CLAUSE.

This Mortgage is executed by the Mortgagor, 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 LASALLE NATIONAL BANK hereby warrants that it possesses full power and authority to execute this instrument), and it is expressly understood and agreed

that nothing contained herein or in the Note shall be construed as creating any liability on the Mortgagor personally or on LASALLE NATIONAL BANK personally to pay the Note or any interest, late charge or premium that may accrue thereon, or any Indebtedness secured by this Mortgage, or to perform any covenant, either express or implied herein contained, all such liability, if any, being expressly waived by Mortgagee and by every person now or hereafter claiming any right or security hereunder, and that so far as Mortgagor and LASALLE NATIONAL BANK personally are concerned, the legal holder or holders of the Note and the owner or owners of any Indebtedness secured hereby shall look solely to the Premises and Collateral hereby mortgaged, conveyed and assigned and to any other security given at any time to secure the payment thereof; but nothing herein contained shall discharge or impair any personal liability expressly assumed by any individual or entity in connection with the Indebtedness hereby secured.

IN WITNESS WHEREOF, the Mortgagor has executed this instrument as of the day and year first above written.

LASALLE NATIONAL BANK, not personally, but as Trustee as aforesaid

By: _____
Its ASSISTANT VICE PRESIDENT

ATTEST:

By: _____
Its (Assistant) Secretary

(Impress corporate seal here)

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V4 5/6/88 RFK

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

The foregoing instrument was acknowledged before this 13 day of May, 1988 by Corinne Bok, ASSISTANT VICE PRESIDENT & Rosemary Collins ASSISTANT SECRETARY ~~President~~ of LASALLE NATIONAL BANK, a national banking association, on behalf of the association, as Trustee as aforesaid.

"OFFICIAL SEAL"
Harriet Denisewicz
Notary Public, State of Illinois
My Commission Expires Oct. 30, 1991

NOTARY PUBLIC

(Impress Notarial Seal Here)

My commission expires: _____, 19___.

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V4 5/6/88 RFK

EXHIBIT "A"

LEGAL DESCRIPTION--PHASE 3

PARCEL 1:

THAT PART OF LOT 1 IN GROVE TERRACE SUBDIVISION, A SUBDIVISION OF THE SOUTH 275.0 FEET OF THE WEST 1100.0 FEET OF THE EAST 1870.22 FEET OF THE SOUTHEAST QUARTER OF SECTION 4, TOWNSHIP 42 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, ACCORDING TO THE PLAT OF SUBDIVISION FILED FOR RECORD ON OCTOBER 5, 1987 AS DOCUMENT 87541520, AS AMENDED BY A CERTIFICATE OF CORRECTION FILED FOR RECORD ON DECEMBER 29, 1987 AS DOCUMENT NO. 87678578, LYING WEST OF A LINE DRAWN FROM A POINT ON THE NORTH LINE OF SAID LOT 1 WHICH IS 335.36 FEET EAST OF THE NORTHWEST CORNER THEREOF TO A POINT ON THE SOUTH LINE WHICH IS 337.19 FEET EAST OF THE SOUTHWEST CORNER OF SAID LOT 1.

PARCEL 2:

PERPETUAL NON-EXCLUSIVE EASEMENT APPURTENANT TO AND FOR THE BENEFIT OF PARCEL 1, CREATED BY A CERTAIN DECLARATION OF PROTECTIVE COVENANTS AND EASEMENTS DATED MARCH 1, 1988 MADE BY LA SALLE NATIONAL BANK, A NATIONAL BANKING ASSOCIATION, NOT PERSONALLY BUT AS TRUSTEE UNDER THREE TRUST AGREEMENTS RESPECTIVELY DATED JANUARY 10, 1979, OCTOBER 1, 1987 AND JANUARY 1, 1988 AND RESPECTIVELY KNOWN AS TRUST NUMBERS 10-34870-09, 112748 AND 112928, FILED FOR RECORD ON MARCH 29, 1988 AS DOCUMENT NO. 88128819, FOR INGRESS AND EGRESS, PARKING, USE OF RECREATIONAL FACILITIES, AND CONSTRUCTION AND MAINTENANCE OF UTILITIES, OVER, ALONG AND ACROSS (AND, WITH RESPECT TO UTILITIES, UNDER) LOT 1 IN GROVE TERRACE SUBDIVISION, A SUBDIVISION OF THE SOUTH 275.0 FEET OF THE WEST 1100.0 FEET OF THE EAST 1870.22 FEET OF THE SOUTHEAST QUARTER OF SECTION 4, TOWNSHIP 42 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, ACCORDING TO THE PLAT OF SAID SUBDIVISION FILED FOR RECORD ON OCTOBER 5, 1987 AS DOCUMENT NO. 87541520 AS AMENDED BY CERTIFICATE OF CORRECTION FILED FOR RECORD ON DECEMBER 29, 1987 AS DOCUMENT NO. 87678578, EXCEPTING THAT PART OF LOT 1 IMPROVED WITH BUILDINGS AND EXCEPTING THOSE AREAS OF LOT 1 DESIGNATED AS "EXCEPTION TO BLANKET EASEMENTS" ON SAID PLAT AND CERTIFICATE OF CORRECTION AND EXCEPTING THAT PART OF LOT 1 FALLING IN PARCEL 1 HEREOF.

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EXHIBIT "B"

LEGAL DESCRIPTION--PHASE 2

PARCEL 1:

LOT 1 IN GROVE TERRACE SUBDIVISION, A SUBDIVISION OF THE SOUTH 275.0 FEET OF THE WEST 1100.0 FEET OF THE EAST 1870.22 FEET OF THE SOUTHEAST QUARTER OF SECTION 4, TOWNSHIP 42 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, ACCORDING TO THE PLAT OF SUBDIVISION FILED FOR RECORD ON OCTOBER 5, 1987 AS DOCUMENT NO. 87541520, AS AMENDED BY CERTIFICATE OF CORRECTION FILED FOR RECORD ON DECEMBER 29, 1987 AS DOCUMENT NO. 87678578, EXCEPT THAT PART LYING WEST OF A LINE DRAWN FROM A POINT ON THE NORTH LINE OF SAID LOT 1 WHICH IS 335.36 FEET EAST OF THE NORTHWEST CORNER THEREOF TO A POINT ON THE SOUTH LINE WHICH IS 337.19 FEET EAST OF THE SOUTHWEST CORNER OF SAID LOT 1; AND EXCEPT THAT PART LYING EAST OF THE WEST LINE OF BUILDING BLOCK 3, EXTENDED NORTH AND SOUTH TO THE NORTH AND SOUTH LINES OF SAID LOT 1.

PARCEL 2:

PERPETUAL NON-EXCLUSIVE EASEMENT APPURTENANT TO AND FOR THE BENEFIT OF PARCEL 1, CREATED BY A CERTAIN DECLARATION OF PROTECTIVE COVENANTS AND EASEMENTS DATED MARCH 1, 1988, MADE BY LA SALLE NATIONAL BANK, A NATIONAL BANKING ASSOCIATION, NOT PERSONALLY BUT AS TRUSTEE UNDER THREE TRUST AGREEMENTS RESPECTIVELY DATED JANUARY 10, 1979, OCTOBER 1, 1987 AND JANUARY 1, 1988 AND RESPECTIVELY KNOWN AS TRUST NUMBERS 10-34870-09, 112748 AND 112928, FILED FOR RECORD ON MARCH 29, 1988 AS DOCUMENT NO. 88128819, FOR INGRESS AND EGRESS, PARKING, USE OF RECREATIONAL FACILITIES, AND CONSTRUCTION AND MAINTENANCE OF UTILITIES, OVER, ALONG AND ACROSS (AND, WITH RESPECT TO UTILITIES, UNDER) LOT 1 IN GROVE TERRACE SUBDIVISION, A SUBDIVISION OF THE SOUTH 275.0 FEET OF THE WEST 1100.0 FEET OF THE EAST 1870.22 FEET OF THE SOUTHEAST QUARTER OF SECTION 4, TOWNSHIP 42 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, ACCORDING TO THE PLAT OF SAID SUBDIVISION FILED FOR RECORD ON OCTOBER 5, 1987 AS DOCUMENT NO. 87541520 AS AMENDED BY CERTIFICATE OF CORRECTION FILED FOR RECORD ON DECEMBER 29, 1987 AS DOCUMENT NO. 87678578, EXCEPTING THAT PART OF LOT 1 IMPROVED WITH BUILDINGS AND EXCEPTING THOSE AREAS OF LOT 1 DESIGNATED AS "EXCEPTION TO BLANKET EASEMENTS" ON SAID PLAT AND CERTIFICATE OF CORRECTION AND EXCEPTING THAT PART OF LOT 1 FALLING IN PARCEL 1 HEREOF.

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SCHEDULE OF LEASES

Date of
Lease:

Name of Tenant:

There are no leases of the Premises and none are permitted under the terms of the CLC or BLA.

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