BOX 333

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VERSAILLE1

PREPARED BY AND AFTER
RECORDING RETURN TO:
STEPHEN A. MALATO, ESQ.
HINSHAW, CULBERTSON, MOELMANN,
HOBAN & FULLER
222 North LaSalle Street
Chicago, Illinois 60601

FIMCI Loan No.

Property address: Algonquin
Road near Versailles Road
Hoffman Estates, Illinois

Permanent Tax Nos. 02-30-100-015
02-30-100-016

$48.00

CONSTRUCTION MORTGAGE AND SECURITY AGREEMENT

THIS MORTGAGE made this 20th day of June, 1989, between AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association, not personally but solely as Trustee pursuant to Trust Agreement dated July 11, 1988 and known as Trust Number 105942-08 ("Trust") as to Parcel 1 ("Parcel 1") of "Land" (hereafter defined) and AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally but solely as Trustee pursuant to Trust Agreement dated December 11, 1985 and known as Trust Number 66268 ("Trust No. 66268") as to Parcel 2 ("Parcel 2") of Land (Trust and Trust No. 66268 hereinafter together referred to as "Mortgagor"), and FIRST INTERSTATE MORTGAGE COMPANY OF ILLINOIS, a corporation duly organized and validly existing under and by virtue of the laws of the State of Delaware, with its principal place of business located in Chicago, Illinois ("Mortgagee").

W I T N E S S E T H:

That Mortgagor is justly indebted to Mortgagee for money borrowed in the amount of THREE MILLION FIVE HUNDRED THOUSAND AND NO/100 DOLLARS ($3,500,000.00) as evidenced by note executed by Mortgagor of even date herewith, made payable to the order of and delivered to Mortgagee ("Note"), by the provisions of which Mortgagor promises to pay to Mortgagee, at its principal place of business in Chicago, Illinois (or at such other place as the legal owner and holder of Note may, from time to time, designate), said principal sum, or so much thereof as may be advanced by Mortgagee from time to time, together with interest thereon as set forth in Note, and all other sums (up to but not exceeding two hundred percent (200%) of the principal amount of Note) advanced by Mortgagee to protect "Mortgaged Premises" (hereafter defined) or to preserve the priority of the lien created hereby ("Other Sums"); the principal amount of Note, interest due thereon and Other Sums are sometimes collectively

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hereinafter referred to as "Indebtedness". The terms of the Note provide for the payment of accrued interest only on the first day of each and every month commencing on the first day of the month immediately following the date of making the initial disbursement of funds under Note up to and including the first day of December, 1990, and a final installment of Indebtedness shall be due and payable on the 31st day of December, 1990 ("Maturity Date"), PROVIDED THAT pursuant to the terms and conditions of the "Building Loan Agreement" (hereafter defined) Maturity Date may be extended to June 30, 1991 ("First Extended Maturity Date") and First Extended Maturity Date may be extended to December 31, 1991 ("Second Extended Maturity Date").

NOW, THEREFORE, Mortgagor, to secure the payment of Indebtedness and the performance of the terms, covenants, conditions and agreements contained herein and in the Note, and any other documents executed and delivered to secure Indebtedness (collectively "Other Loan Documents"), and the Building Loan Agreement of even date herewith among Mortgagor, VERSAILLES PARTNERSHIP, an Illinois general partnership ("Beneficiary"), the owner of one hundred percent (100%) of the beneficial interest in and to Trust ("Beneficial Interest") and Mortgagee ("Building Loan Agreement"), Mortgagor DOES, by these presents, MORTGAGE, GRANT, SELL, AND CONVEY unto Mortgagee, its successors and assigns, forever, the real estate described on Exhibit "A" attached hereto and made a part hereof ("Land") and the improvements constructed and to be constructed thereon ("Improvements") TOGETHER WITH the following (collectively "Other Interests").

A. All right, title and interest of the Mortgagor, including any after-acquired title or reversion, in and to the beds of ways, roads, streets, avenues and alleys adjoining Land.

B. All and singular the tenements, hereditaments, easements, appurtenances, passages, waters, water rights, water courses, riparian rights, other rights, liberties and privileges thereof or in any way now or hereafter appertaining, including any other claim at law or in equity as well as any after-acquired title, franchise or license and the reversion and reversions and remainder and remainders thereof.

C. All buildings and improvements of every kind and description now or hereafter located or placed upon Land and all materials intended for construction, reconstruction, alteration and repairs of Improvements all of which materials shall be deemed a part thereof immediately upon the delivery of same, and all fixtures

and articles of personal property now or hereafter owned by the Mortgagor and attached to or contained in and used in connection with Land and Improvements, including but not limited to all furniture, furnishings, apparatus, machinery, motors, elevators, fittings, radiators, gas ranges, ice boxes, mechanical refrigerators, awnings, shades, screens, blinds, office equipment, carpeting and other furnishings, and all plumbing, heating, lighting, cooking, laundry, ventilating, refrigerating, incinerating, air-conditioning and sprinkler equipment and fixtures and appurtenances thereto, and all renewals or replacements thereof or articles in substitution therefor, whether or not the same are or shall be attached to Improvements in any manner, excepting therefrom, however, any furniture, fixtures, equipment and articles of personal property, regardless of the manner or mode of attachment, belonging to any present or future tenant or lessee of Land and Improvements (any reference hereafter made to fixtures, equipment or personal property shall be deemed to exclude the same); IT BEING MUTUALLY AGREED that all the aforesaid property owned by Mortgagor and placed by it on Land and Improvements shall, so far as permitted by law, be deemed to be fixtures and a part of the realty and security for the payment of Indebtedness and, as to any such property not deemed to be fixtures and a part of "Mortgaged Premises" (hereafter defined), this Mortgage shall be and is a security agreement for the purpose of establishing a security interest in said property, pursuant to the Uniform Commercial Code of the State of Illinois, and additional security for the payment of Indebtedness and the performance of all other obligations of Mortgagor herein and in Building Loan Agreement and Other Loan Documents set forth.

D. All rents, issues, proceeds and profits accruing and to accrue from Mortgaged Premises and all right, title and interest of Mortgagor in and to any and all leases approved by Mortgagee now or hereafter on or affecting Mortgaged Premises, whether written or oral, and all other leases and agreements for the use thereof ("Leases"), together with all security therefor and all monies payable thereunder, subject, however, to the conditional permission of Mortgagee given to Mortgagor to collect the rentals to be paid pursuant thereto.

E. Except as herein provided, all:

(1) proceeds heretofore or hereafter made to Mortgagor and all subsequent owners of Mortgaged Premises

("Proceeds") by reason of loss or damage by fire and such other hazards, casualties and contingencies ("Casualty") insured pursuant to "Insurance Policies" (hereafter defined); and

(2) all awards and other compensation heretofore or hereafter to be made to Mortgagor and all subsequent owners of Mortgaged Premises ("Awards") for any taking by condemnation or eminent domain proceedings, either permanent or temporary ("Condemnation"), of all or any part of Mortgaged Premises or any easement or appurtenance thereof, including severance and consequential damage and change in grade of streets;

which Proceeds or Awards are hereby assigned to Mortgagee and Mortgagor hereby appoints Mortgagee its attorney-in-fact, coupled with an interest, and authorizes, directs and empowers such attorney-in-fact, at its option, on behalf of Mortgagor, its personal representatives, successors and assigns, to adjust or compromise the claim for Proceeds or Awards and to collect and receive the proceeds thereof, to give proper receipts and acquittances therefor and, after deducting expenses of collection, to apply the net proceeds received therefrom (except as otherwise provided in Paragraphs 6 and 7 hereof) as a credit upon any part, as may be selected by Mortgagee, of Indebtedness, notwithstanding that the amount owing thereon may not then be due and payable or that the same is otherwise adequately secured.

For convenience, Land, Improvements and Other Interests are herein collectively referred to as "Mortgaged Premises".

TO HAVE AND TO HOLD Mortgaged Premises unto Mortgagee, its successors and assigns, forever, for the uses and purposes herein set forth (Mortgagor hereby RELEASING AND WAIVING all rights under and by virtue of the homestead exemption laws of the State of Illinois); PROVIDED, HOWEVER, that if and when Mortgagor shall pay Indebtedness and shall perform all of the terms, covenants, conditions and agreements contained herein in Building Loan Agreement and in Other Loan Documents, this Mortgage, Note, Building Loan Agreement and Other Loan Documents, shall be released, at the sole cost and expense of Mortgagor; otherwise the same shall be and remain in full force and effect.

MORTGAGOR HEREBY FURTHER COVENANTS AND AGREES AS FOLLOWS:

1. PRIORITY OF LIEN AND SUBORDINATE ENCUMBRANCES: This

Mortgage is and shall remain a first and valid lien on Mortgaged Premises, until the payment in full of Indebtedness. Mortgagor shall keep Mortgaged Premises free and clear of superior or subordinate liens or claims of every nature and kind and shall not execute, deliver or grant any other mortgage, trust deed or security interest encumbering Mortgaged Premises, now or at any time hereafter.

2. SUBROGATION: To the extent Mortgagee, following the date hereof, pays any sum due pursuant to any provision of law, instrument or document establishing any lien prior or superior to the lien of this Mortgage, Mortgagee shall have and be entitled to a lien on Mortgaged Premises equal in parity to that discharged and liens possessed, held or enjoyed by the holder of such lien, which shall remain in existence and benefit Mortgagee to secure the payment of Indebtedness. Mortgagee shall be subrogated, notwithstanding its release of record, to mortgages, trust deeds, superior titles, vendors' liens, and other liens, charges, encumbrances, rights and equities on Mortgaged Premises to the extent that any obligation thereunder is paid or discharged from the principal sum secured hereby.

3. PROMPT PAYMENT: Mortgagor shall promptly pay Indebtedness at the times and in the manner provided in Note.

4. TAX AND INSURANCE DEPOSITS AND APPLICATION: At such time as the reserve established under Building Loan Agreement to assure the prompt payment of real estate taxes, assessments and insurance premiums shall be depleted, Mortgagor shall have the option of either depositing with Mortgagee such sum as shall be acceptable to Mortgagee to replenish such reserve or commence to pay to Mortgagee, concurrently with the payments required pursuant to Note, an amount equal to the real estate taxes and special assessments, if any, next due on Mortgaged Premises, plus the premiums that will next become due and payable on Insurance Policies, as estimated by Mortgagee, less all sums already paid therefor, divided by the number of months to elapse before one month prior to the date when such taxes, assessments and premiums will become delinquent. Any funds held by Mortgagee, or its duly authorized agent under the provisions of this paragraph, will be held in trust to pay the real estate taxes, assessments and insurance premiums when the same become due and payable, and no interest will accrue or be allowed to Mortgagor.

In the event the amount deposited with Mortgagee as required in the paragraph immediately proceeding this paragraph shall not be sufficient to pay said real estate taxes, assessments or insurance premiums in full when due, Mortgagor shall deposit with Mortgagee or its duly authorized agent, an amount sufficient to pay the same. Default in making any of the said payments

required for the purpose of providing funds for the payment of taxes, assessments and insurance premiums as aforesaid shall at the option of the Mortgagee, mature the entire Indebtedness secured hereby.

In the event the amount deposited with Mortgagee as hereinabove required exceeds the amount required to pay such real estate taxes, assessments and insurance premiums, the surplus shall, upon the written demand of Mortgagor, with the approval of Mortgagee (which approval will not be unreasonably withheld) be refunded to Mortgagor.

If as a result of a Monetary Default or Non-Monetary Default, Mortgaged Premises are sold, foreclosed upon or Mortgagee acquired Mortgaged Premises otherwise after such Monetary Default or Non-Monetary Default, it shall apply, at the time of commencement of such proceedings, or at the time Mortgaged Premises are otherwise acquired, the balance then remaining of the funds accumulated under the provisions of this paragraph, as a credit against the amount of said principal sum then remaining unpaid under Note.

5. PAYMENT OF TAXES AND OTHER IMPOSITIONS: Mortgagor shall promptly pay, when due and payable, all ground rents, if any, and all taxes and assessments (general and special), water and sewer charges, public impositions, levies, dues and other charges, of whatever nature (collectively "Impositions"), which now or shall hereafter be levied or assessed or which may otherwise be or become a lien upon or against Mortgaged Premises, or any part thereof.

6. INSURANCE POLICIES, PAYMENT AND APPLICATION OF PROCEEDS AND SETTLEMENT OF CLAIMS: Until Indebtedness is fully paid, Mortgagor shall keep Mortgaged Premises continuously insured against Casualty by policies of insurance hereafter set forth, in such amounts and for such periods as may, from time to time, be required by Mortgagee ("Insurance Policies") which Insurance Policies shall be written in standard policies and by insurance companies acceptable to Mortgagee, and all Insurance Policies and renewals thereof shall have attached thereto standard non-contributory mortgagee clauses, which shall provide that such coverage cannot be terminated as to Mortgagee, except upon thirty (30) days written notice. At Mortgagee's option all Insurance Policies shall, with all premiums fully paid, be delivered to Mortgagee as issued at least thirty (30) days before the expiration of old Insurance Policies and shall be held by Mortgagee until Indebtedness is fully paid. In case of sale pursuant to a foreclosure of this Mortgage or other transfer of title to Mortgaged Premises and extinguishment of Indebtedness, complete title to all Insurance Policies held by Mortgagee and to

all prepaid or unearned premiums thereon shall pass to and vest to the purchaser or grantee. If any renewal Insurance Policy is not delivered to Mortgagee thirty (30) days before the expiration of any existing Insurance Policy, with evidence of premium paid, Mortgagee may obtain the required insurance on behalf of Mortgagor (or insurance in favor of Mortgagee alone) and pay the premiums thereon. Any monies so advanced shall be so much additional Indebtedness secured hereby and shall become immediately due and payable with interest thereon at the Default Rate (hereafter defined). Mortgagee shall not by reason of accepting, rejecting, approving or obtaining insurance incur any liability for payment of losses.

Without in any way limiting the generality of the foregoing, Mortgagor agrees to maintain the following Insurance Policies on Mortgaged Premises:

a). Builders' Risk Completed Value Form (non-reporting), (including vandalism and malicious mischief) for an amount equal to not less than 100% of the full replacement cost of the Improvements to be constructed upon Mortgaged Premises;

b). Comprehensive General Public Liability and Property Damage Insurance for an amount not less than $1,000,000 combined single limit for claims arising from any accident or occurrence in or upon the subject property;

c). Flood Insurance whenever in the opinion of Mortgagee such protection is necessary and is available;

d). Such other Insurance Policies as may be reasonably required from time to time by Mortgagee.

In the event any, or all, of the Insurance Policies required above is furnished by a lessee occupying space within Mortgaged Premises, Mortgagor agrees to provide Mortgagee with duplicate original Insurance Policies, if obtainable, or certificates evidencing such coverages. Such certificates are subject to Mortgagee's approval, and shall at Mortgagee's option have attached thereto mortgage clauses in favor of and in form and content satisfactory to Mortgagee, or name Mortgagee as an additional insured, and contain thirty (30) days notice of cancellation clauses.

Mortgagor shall not purchase separate insurance, concurrent in form or contributing in the event of loss with Insurance Policies unless Mortgagee is included thereon pursuant to a standard mortgagee clause acceptable to Mortgagee, and in the event

Mortgagor does purchase such separate insurance, Mortgagor shall immediately notify Mortgagee thereof and promptly deliver to Mortgagee such policy or policies.

In case of loss by any Casualty insured against, Mortgagor is hereby authorized to settle and adjust any claim under Insurance Policies with the consent of Mortgagee, provided that all insurance proceeds shall be payable to Mortgagee. In the absence of such consent, Mortgagee is authorized to settle and adjust all such claims and collect and receipt for Proceeds. Proceeds shall be used to repair or restore Mortgaged Premises if the Improvements so damaged can be completed prior to the "Completion Date" and "Ace Lease" (as defined in Building Loan Agreement) is in full force and effect, otherwise, at the sole discretion of Mortgagee, either be applied in reduction of Indebtedness, whether due or not, or be held by Mortgagee and used to reimburse Mortgagor for the cost of the rebuilding or restoring of Mortgaged Premises.

If the Proceeds are used for rebuilding or restoring Mortgaged Premises, Mortgaged Premises shall be rebuilt or restored to the extent reasonably possible, as similar to the condition which existed prior to such Casualty. Proceeds shall be made available to Mortgagor, from time to time, upon the delivery to Mortgagee of satisfactory evidence of the estimated cost of completing such rebuilding or restoration, together with such architect's certificates, contractor's sworn statements, waivers of lien and other evidence of cost and payments as Mortgagee may reasonably require and approve. No payment made prior to final completion of such repair or restoration shall exceed ninety per cent (90%) of the value thereof, and at all times, the undisbursed balance of Proceeds shall be at least sufficient to pay for the cost of completion thereof, free and clear of liens. In the event Proceeds are insufficient to cover the cost of such rebuilding or restoring, Mortgagor shall pay such excess costs prior to any disbursement of Proceeds to it or shall otherwise satisfy Mortgagee (in Mortgagee's sole opinion) that sufficient funds are available to complete such rebuilding or restoration. Any surplus Proceeds, after the payment of all costs of rebuilding or restoring shall, at the option of Mortgagee, be applied on account of Indebtedness or paid to Mortgagor.

7. CONDEMNATION: In the event Mortgaged Premises, or any part thereof, is taken by Condemnation, Mortgagee is hereby empowered to collect and receive Awards, which shall be used to repair or restore Mortgaged Premises if the Improvements so damaged can be completed prior to the Completion Date and Ace Lease is in full force and effect, otherwise, Awards may be applied by Mortgagee, as it may elect, to the payment of Indebtedness or to the repair and restoration of that part of

Mortgaged Premises so taken or damaged.

In the event Mortgagee elects to permit the use of Awards for rebuilding or restoring Mortgaged Premises, Mortgaged Premises shall be rebuilt or restored to the extent reasonably possible, as similar to the condition which existed prior to such Condemnation. In the event Mortgagor is entitled to reimbursement out of Awards, the proceeds of same shall be paid in the same manner as provided in paragraph 6 hereof with respect to a loss by Casualty. In the event Awards are insufficient to cover the cost of such rebuilding or restoring, Mortgagor shall pay such excess costs prior to any disbursement of Awards to it or shall otherwise satisfy Mortgagee (in Mortgagee's sole opinion) that sufficient funds are available to complete such rebuilding or restoration. Any surplus Awards, after the payment of all costs of rebuilding or restoring shall, at the option of Mortgagee, be applied on account of Indebtedness or paid to Mortgagor.

8. CASUALTY OR CONDEMNATION AFTER FORECLOSURE: In the event of Casualty or Condemnation after foreclosure proceedings have been instituted, Proceeds or Awards, if not applied as specified in Paragraphs 6 and 7 above, shall be used to pay the amounts due in accordance with any decree of foreclosure which may be entered in any such proceedings and the balance, if any, shall either be paid to the owner of the equity redemption, if such owner shall be entitled to the same, or as the court may direct.

9. MORTGAGEE'S LIABILITY FOR COLLECTION OF PROCEEDS OR AWARDS: Mortgagee shall not be held liable for any failure to collect Proceeds or Awards, regardless of the cause of such failure and the power and authority granted to Mortgagee to collect Proceeds or Awards is irrevocable and coupled with an interest and shall, in no way, affect the security of this Mortgage or the liability of Mortgagor for payment of Indebtedness. The entry of a decree of foreclosure of the lien hereof shall not affect or impair the power and authority granted to the Mortgagee pursuant to this paragraph 9.

10. USE, CARE OR WASTE: Mortgagor shall:

a). not abandon Mortgaged Premises or do or suffer anything to be done which would depreciate or impair the value thereof or the security of this Mortgage;

b). not remove or demolish any part of Improvements of a structural nature which would adversely affect the value of Mortgaged Premises;

c). pay promptly all services, labor and material

necessary and required to complete construction of Improvements or Repair or Restoration pursuant to contracts therefor approved by Mortgagee ("Construction Contracts");

d). not make any changes, additions or alterations to Mortgaged Premises of a structural nature or which would adversely affect the structural integrity thereof, except as required by Building Loan Agreement or if required by any applicable statute, law or ordinance of any governmental authority having jurisdiction over Mortgaged Premises and the intended use thereof, or as otherwise approved in writing by Mortgagee;

e). maintain, preserve and keep Mortgaged Premises in good, safe and insurable condition;

f). promptly restore and replace any Improvements or Other Interests which are destroyed or damaged; and

g). not commit or permit to exist any waste of Mortgaged Premises.

Mortgagor shall comply with and cause Mortgaged Premises, and the use and condition thereof, to comply with all covenants, restrictions, easements, statutes, ordinances, requirements, regulations, orders and decrees relating to Mortgagor or Mortgaged Premises, or the use thereof, by any and all private agreements, federal, state, county or other governmental authority and with all conditions and requirements necessary to preserve and extend any and all rights, licenses, permits, privileges, franchises and concessions (including, without limitation, those relating to land use and development, construction, access, water rights, noise and pollution) which are applicable to Mortgagor or have been granted for Mortgaged Premises, or the use thereof.

11. HAZARDOUS OR TOXIC SUBSTANCES:

a). Mortgagor hereby represents to Mortgagee that, no hazardous or toxic substances, within the meaning of any applicable statute or regulation, are presently stored or otherwise located on the Mortgaged Premises, and further within the definition of such statutes, no part of the Mortgaged Premises, including the ground-water located thereon, is presently contaminated by any such substance.

b). Mortgagor covenants and agrees with Mortgagee that,

until the Indebtedness is paid in full all hazardous or toxic substances, within the definition of any applicable statute or regulation, which may be used by any person for any purpose upon the Mortgaged Premises shall be used or stored thereon only in a safe, approved manner, in accordance with all industrial standards and all laws, regulations and requirements for such storage promulgated by any governmental authority or the Mortgagor's insurance carriers, that the Mortgaged Premises will not be used for the principal purpose of storing such substances and that no such storage or use will otherwise be allowed on the Mortgaged Premises which will cause, or which will increase the likelihood of causing, the release of such substances onto the Mortgaged Premises.

c). Mortgagor covenants and agrees with Mortgagee that Mortgagor shall promptly notify Mortgagee as soon as Mortgagor knows or suspects that a toxic or hazardous substance has been released on the Mortgaged Premises.

d). Mortgagor shall indemnify and hold Mortgagee harmless of and from all loss, cost (including reasonable attorney's fees), liability and damage whatsoever incurred by Mortgagee by reason of any violation of any applicable statute or regulation for the protection of the environment which occurs upon the Mortgaged Premises, or by reason of the imposition of any governmental lien for the recovery of environmental cleanup costs expended by reason of such violation; provided that, to the extent that Mortgagee is strictly liable under any such statute, Mortgagor's obligations to lender under this indemnity shall likewise be without regard to fault on the part of Mortgagor with respect to the violation of law which results in liability to Mortgagee.

12. MORTGAGEE'S PERFORMANCE OF MORTGAGOR'S OBLIGATIONS: In the event of a default by Mortgagor in:

a). the prompt discharge of any liens or encumbrances;

b). defending the title to Mortgaged Premises;

c). the payment of any Impositions;

d). diligently and continuously pursuing the

construction of Improvements or rebuilding or restoration of Mortgaged Premises in the event of loss by Casualty or Condemnation;

e). the procurement and maintenance of Insurance Policies;

f). the proper maintenance and preservation of Mortgaged Premises, including, but not limited to, the maintenance of the Mortgaged Premises free from all hazardous or toxic wastes as described in Paragraph 11 herein;

and said default is not cured or otherwise secured against, to the satisfaction of Mortgagee, within thirty (30) days following written notice by Mortgagee to Mortgagor, Mortgagee may, at its election and without further demand or notice, pay and discharge such lien or encumbrance, defend the title to Mortgaged Premises, pay such Impositions (plus any interest and penalties thereon), procure Insurance Policies and pay the premiums therefor, complete such rebuilding or restoration and maintain and preserve Mortgaged Premises, or perform on behalf of Mortgagor all of the terms, covenants, conditions and agreements to be performed by Mortgagor pursuant to the provisions hereof, in Note and Other Loan Documents, in which event, all expenditures therefor, including attorneys' fees incurred by Mortgagee shall forthwith become due and payable to Mortgagee, together with interest thereon at Default Rate, which shall be added to and become a part of Indebtedness and shall be secured by the lien of this Mortgage, all without prejudice to the right of Mortgagee to declare Indebtedness immediately due and payable by reason thereof. Mortgagee shall have the sole right of determination as to the validity of any lien, encumbrance or Imposition attributable to or assessed against Mortgaged Premises and the payment thereof by Mortgagee shall establish its right to recover the amount so paid, with interest at Default Rate, subject to the provisions of paragraph 13 following.

13. CONTEST OF LIENS OR ENCUMBRANCES: If the Mortgagor desires to contest the validity of any lien, encumbrance or Imposition attributable to or assessed against Mortgaged Premises, it will:

a). prior to the due date thereof, notify Mortgagee in writing that it intends to so contest the same;

b). on or before the due date thereof, on demand, deposit with Mortgagee or a depository acceptable to Mortgagee, insurance over any such lien, encumbrance or Imposition or other security (in form and content

satisfactory to Mortgagee) that when added to the monies or other security, if any, deposited with Mortgagee pursuant to any other provision contained in this Mortgage is sufficient in Mortgagee's judgment for the payment of the full amount of such lien, encumbrance or Imposition, or any balance thereof then remaining unpaid (or provide to Mortgagee such other indemnity as may be reasonably acceptable to it); and

c). from time to time deposit additional security or indemnity, so that, at all times adequate security or indemnity will be available for the payment of the full amount of the lien, encumbrance or Imposition remaining unpaid, together with all interest, penalties, costs and charges accrued or accumulated thereon.

If the foregoing deposits are made and Mortgagor continues, in good faith, to contest the validity of such lien, encumbrance or Imposition, by appropriate legal proceedings which shall operate to prevent the collection thereof and the sale of the Mortgaged Premises or any part thereof, to satisfy the same, Mortgagor shall be under no obligation to pay such lien, encumbrance or Imposition until such time as the same have been decreed, by court order, to be a valid lien on Mortgaged Premises. Mortgagee shall have full power and authority to reduce any such security or indemnity to cash and apply the amount so received to payment of any unpaid lien, encumbrance or Imposition to prevent the sale or forfeiture of Mortgaged Premises for non-payment thereof, without liability on said Mortgagee for failure to apply the security or indemnity so deposited,, unless Mortgagor, in writing, requests the application thereof to the payment of the particular lien, encumbrance or Imposition for which such deposit was made. Any surplus deposit retained by Mortgagee after the payment of the lien, encumbrance or Imposition for which the same was made, shall be repaid to the Mortgagor unless a Monetary Default or Non-Monetary Default shall exist, in which event, such surplus shall be applied by Mortgagee towards the cure of same.

14. WAIVERS: To the full extent permitted by law, Mortgagor:

a). shall not, at any time, insist upon or plead or, in any manner whatsoever, claim, or take any advantage of any stay, exemption or extension law or any so-called "Moratorium Law" (now or at any time hereafter in force) nor claim, take or insist upon any benefit or advantage of or from any law (now or hereafter in force) providing for the valuation or

appraisement of Mortgaged Premises, or any part thereof, prior to any sale or sales thereof to be made pursuant to any provision herein contained or to any decree, judgment or order of any court of competent jurisdiction or after such sale or sales, claim or exercise any rights pursuant to any statute now or hereafter in force to redeem Mortgaged Premises so sold, or any part thereof, or relating to the marshalling thereof, upon foreclosure sale or other enforcement hereof;

b). hereby expressly waives any and all rights of redemption which Mortgagor may have at law or in equity as a result of, or in connection with, foreclosure of this Mortgage, on its own behalf, and on behalf of all persons claiming or having an interest (direct or indirect) by, through or under Mortgagor and on behalf of each and every person acquiring any interest in or title to the Mortgaged Premises subsequent to the date hereof, it being the intent of Mortgagor hereby that any and all such rights of redemption of Mortgagor and all other persons are and shall be deemed to be hereby waived; and

c). agrees that it will not, by invoking or utilizing any applicable law or laws or otherwise hinder, delay or impede the exercise of any right, power or remedy herein or otherwise granted or delegated to Mortgagee but will suffer and permit the exercise of every such right, power and remedy as though no such law or laws has, have been or will have been made or enacted.

15. APPLICATION OF PRINCIPAL SUM SECURED HEREBY: The principal amount evidenced by the Note and secured by this Mortgage ("Principal") shall be used in payment of the costs of construction of Improvements and other costs and expenses set forth in the Building Loan Agreement, in accordance with the provisions thereof and:

a). Mortgagor shall perform and satisfy all of the terms, covenants, conditions and agreements required of it pursuant to Building Loan Agreement.

b). Principal shall be used to pay all the costs of constructing Improvements on the Land and other costs and expenses, all in accordance with Budget attached to and made a part of Building Loan Agreement. All advances and indebtedness arising and

accruing pursuant to Building Loan Agreement from time to time, whether or not the total amount thereof may exceed the face amount of Note, shall be secured hereby to the same extent as though Building Loan Agreement were fully incorporated herein.

c). This Mortgage is granted to secure future disbursements of Principal by Mortgagee to or as directed by Mortgagor as provided in Building Loan Agreement, all costs and expenses incurred in enforcing Mortgagor's obligations pursuant hereto and pursuant to Note, Building Loan Agreement and Other Loan Documents, and to pay for the cost of construction of Improvements, as provided in Building Loan Agreement, constitutes a "construction loan" within the meaning of Section 9-313 (1) (c) of the Illinois Uniform Commercial Code. All disbursements required by Building Loan Agreement are obligatory advances up to the full amount of Indebtedness and shall, to the extent permitted by law, have priority over Mechanic's liens, if any, arising after the recording of this Mortgage.

d). Notwithstanding anything contained herein to the contrary, until Mortgagor, Beneficiary and Mortgagee shall have performed all of the terms, covenants, conditions and agreements required of each of them pursuant to Building Loan Agreement:

i). Note shall be subject to the terms and conditions of Building Loan Agreement and any amendments thereto:

ii). any default by Mortgagor or Beneficiary pursuant to Building Loan Agreement, which is not cured within the applicable cure period, shall constitute a default pursuant hereto, in which event, at the option of the Mortgagee, Principal, together with interest thereon at Default Interest, and any other sum due and owing on Note, without further notice, shall become immediately due and payable; and

iii). in the event of a conflict between any of the terms and provisions hereof and any comparable terms and provisions of Building Loan Agreement, Mortgagee shall, at its sole discretion, determine which of such terms and provisions shall prevail.

16. UNPERMITTED TRANSFERS: For the purpose of protecting Mortgagee's security, keeping Mortgaged Premises free from subordinate financing liens and/or permitting Mortgagee to raise the rate of interest due on Note and to collect assumption fees, Mortgagor agrees that any sale, installment sale, conveyance, assignment or other transfer of or grant of a security interest in and to all or any part of the:

a). legal and/or equitable title to Mortgaged Premises;

b). beneficial interest or the beneficial interest of any trust which holds title to Mortgaged Premises;

c). shares of stock, constituting the controlling interest, (20% or more of the voting stock) of any corporate owner of Mortgaged Premises or of any corporation which is the beneficiary of any trust which holds title to Mortgaged Premises;

d). the general partnership interests of the general partners of any partnership owning Mortgaged Premises or any general partnership which is the beneficiary of any trust which holds title to Mortgaged Premises; or

e). limited partnership interests of any limited partnership owning Mortgaged Premises or any limited partnership which is the beneficiary of any trust which holds title to Mortgaged Premises, which exceed fifty per cent (50%) of the total limited partnership interests thereof;

shall be deemed to be an unpermitted transfer (collectively "Unpermitted Transfers"). Provided, however, Mortgagee may condition its consent to an Unpermitted Transfer upon the payment of a fee to Mortgagee and/or an increase in the rate of interest due on Note, PROVIDED THAT a consent by Mortgagee to an Unpermitted Transfer or a waiver of a default by reason thereof, shall not constitute a consent to or waiver of any right, remedy or power accruing to Mortgagee by reason of any subsequent Unpermitted Transfer.

Notwithstanding anything contained in this Paragraph No. 16 to the contrary, the assignment of the Beneficial Interest shall not be considered an Unpermitted Transfer so long as First Interstate has reviewed and, in its sole discretion, approved such assignment and, additionally, Mortgagee will allow the following exceptions without any further consent:

a). Borrower may transfer Beneficial Interest to a general or limited partnership so long as the present general partners of the Beneficiary shall be general partners and maintain the controlling interest of such assignee partnership;

b). any change in part or all of the partnership interests so long as at least two of the general partners (one being any one of Mark T. Lambert, Craig A. Whitehead, Michael J. Anderson, Margaret A. Christie or James Whiteside from The Crown Group, Inc., an Illinois corporation, and the other being either Kenneth Ralston or Richard Krautsack) remain as general partners owning not less than a thirty five percent (35%) interest in such partnership, Borrower shall forward to Mortgagee a certified copy of such partnership agreement within thirty (30) days of such conveyance or transfer or transfers in the partnership interests if such interests are being transferred in trust to the general partners, as trustees, or to third party trustees, for the benefit of said general partners or the benefit of their families or by testamentary transfer or transfer to a conservator.

17. DEFAULT: In the event:

(a) of a default in the payment of any of the several installments of the Note or Other Sums due on account of Indebtedness, when due, and such default shall continue for ten (10) days after written notice to Mortgagor ("Monetary Default"); or

(b) of the failure of the Mortgagor and Beneficiary to satisfy the conditions specified in the Building Loan Agreement for the advance of the "Subsequent Disbursements" (as such term is defined therein) or of a default in the performance of any of the terms, agreements, covenants or conditions contained in this Mortgage or in the performance of the terms, agreements, covenants or conditions contained in Other Loan Documents and such default shall continue after thirty (30) days' prior written notice to Mortgagor, PROVIDED HOWEVER that in the event of a default which is not capable of being cured within said thirty (30) day period, the time to cure the same shall be extended for an additional sixty (60) day period if within said thirty (30) day period, the undersigned shall initiate and diligently pursue a course of action reasonably expected to cure such default;

(c) Mortgagor or Beneficiary shall file a petition in voluntary bankruptcy or pursuant to any provision of the Federal Bankruptcy Act or similar state or federal law, whether now or hereafter existing, or an answer admitting insolvency or inability to pay its debts;

(d) Mortgagor or Beneficiary shall be adjudicated a bankrupt or a trustee or receiver shall be appointed for Borrower for all or the major part of its property, in any involuntary proceeding, or any court shall have taken jurisdiction of all or the major part of the property of Borrower, in any involuntary proceeding, for the reorganization, dissolution, liquidation or winding up of Borrower and such trustee or receiver shall not be discharged or such jurisdiction relinquished, vacated or stayed on appeal;

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

(f) Mortgagor or Beneficiary shall default in the performance of any obligation contained in any document evidencing any indebtedness due and owing to Mortgagee which is secured by any part or all of Mortgaged Premises, and such default is not cured within the time permitted pursuant thereto;

(g) of an Unpermitted Transfer;

[(b) through (g) collectively "Non-Monetary Defaults"] then, or at any time thereafter during the continuance of any Monetary Default or Non-Monetary Default, as the case may be, the entire Indebtedness, together with interest accrued thereon, shall, at the election of Mortgagee, without notice of such election and without demand or presentment, become immediately due and payable, anything contained herein or in the Note secured hereby to the contrary notwithstanding, and the principal balance so accelerated and declared due as aforesaid shall thereafter bear interest at the rate of five (5) percentage points over what would otherwise be the Note Rate per annum ("Default Rate").

18. REMEDIES NOT EXCLUSIVE: No remedy or right of Mortgagee hereunder or pursuant to Note or Other Loan Documents or

otherwise available under applicable law, shall be exclusive of any other remedy or right but each such remedy or right shall be in addition to every other remedy or right now or hereinafter existing at law or in equity pursuant thereto. No delay in the exercise of or omission to exercise any remedy or right accruing upon the event of a Monetary Default or Non-Monetary Default shall impair any such remedy or right or be construed to be a waiver of any such default or an acquiescence therein nor shall the same affect any subsequent Monetary Default or Non-Monetary Default of the same or a different nature. Every such remedy or right may be exercised concurrently or independently, when and as often as may be deemed expedient by Mortgagee. All obligations of Mortgagor and all rights, powers and remedies of Mortgagee expressed herein shall be in addition to and not in limitation of those provided by law and in this Mortgage and Other Loan Documents.

19. MORTGAGEE'S RIGHT TO COMPLETE CONSTRUCTION AND REPAIR OR RESTORATION: In the event of a Monetary Default or Non-Monetary Default by Mortgagor hereunder or pursuant to Note, Building Loan Agreement or Other Loan Documents:

a). Mortgagor hereby waives all right to possession, and income and rents of Mortgaged Premises and Mortgagee is hereby expressly authorized and empowered to enter into and upon Mortgaged Premises, or any part thereof, take possession of the same and complete construction of Improvements, at the expense of Mortgagor, lease the same, collect and receive all rents therefor and apply the same, less the necessary or appropriate expenses of collection thereof, including a reasonable management fee to itself, attorneys' fees, either for the care, operation and preservation of Mortgaged Premises or, at the election of Mortgagee, in its sole discretion, to a reduction of Indebtedness, in such order as Mortgagee may elect.

b). Mortgagee, in addition to the exercise of the rights and remedies provided hereunder and pursuant to Building Loan Agreement and Other Loan Documents, is also hereby granted full and complete authority to:

i). enter upon Mortgaged Premises for the purpose of protecting and preserving the same from damage or depreciation and to employ watchmen for the purposes thereof;

ii). continue any and all outstanding Construction Contracts and make and enter into any

contracts and obligations wherever necessary, in its own name; and

iii). pay and discharge all debts, obligations and liabilities incurred by reason of the foregoing, all at the expense of Mortgagor, which expenditures by Mortgagee shall be added to and become a part of Indebtedness and shall become immediately due and payable upon demand.

c). Mortgagee may disburse that part of Indebtedness not previously disbursed or Proceeds or Awards to complete construction of Improvements or perform any obligation of Mortgagor pursuant to any contract for the sale of Mortgaged Premises.

20. REMEDIES: Upon the occurrence of a Monetary Default or Non-Monetary Default pursuant hereto or pursuant to Note, Building Loan Agreement or Other Loan Documents, Mortgagee shall have the right to immediately foreclose this Mortgage. Upon the filing of any complaint by reason thereof, the court in which the same is filed may:

a). upon application of Mortgagee or at any time thereafter and without notice to Mortgagor or to any party claiming under Mortgagor;

b). without regard to the solvency or insolvency at the time of such application of Mortgagor or Beneficiary any person then liable for the payment of Indebtedness, or any part thereof;

c). without regard to the then value of Mortgaged Premises or whether the same shall then be occupied in whole or in part, as a homestead by the owner of the equity of redemption; and

d). without requiring any bond from Mortgagee;

appoint a receiver for the benefit of Mortgagee, with power to take possession, charge and control of Mortgaged Premises, to lease the same, keep Mortgaged Premises insured and in good repair, and collect all rentals during the pendency of such foreclosure suit and, in the event of foreclosure sale and a deficiency in the proceeds received therefrom, during any period of redemption. The court may, from time to time, authorize such receiver to apply the net amounts remaining in its possession, after deducting reasonable compensation for itself and its counsel to be allowed by the court, in payment (in whole or in

part) of any part or all of Indebtedness, including, without limitation, the following, in such order of application as Mortgagee may elect:

i). to the payment of Indebtedness;

ii). to any amount due upon any decree entered in any suit foreclosing this Mortgage;

iii). to costs and expenses of foreclosure and litigation upon Mortgaged Premises;

iv). to the payment of premiums due on Insurance Policies, repairs, Impositions (and any interest, penalties and costs thereon) or any other lien or charge upon Mortgaged Premises which may be or become superior to the lien of this Mortgage or of any decree foreclosing the same;

v). to the payment of all sums advanced by Mortgagee to cure or attempt to cure any Monetary Default or Non-Monetary Default by Mortgagor in the performance of any obligation or condition contained herein, in Note, Building Loan Agreement, Other Loan Documents or otherwise, to protect the security provided herein and therein, with interest on such advances at Default Rate.

Any overplus of the proceeds of foreclosure sale shall then be paid to Mortgagor, upon request. This Mortgage may be foreclosed at any time against all or successively against any part or parts of Mortgaged Premises, as Mortgagee may elect and this Mortgage and the right of foreclosure hereunder shall not be impaired or exhausted by one or any foreclosure or by one or any sale and may be foreclosed successively and in parts until all of Mortgaged Premises shall have been foreclosed and sold. In the event of any foreclosure of Mortgaged Premises (or commencement of or preparation for the same) in any court, all expenses of every kind paid or incurred by Mortgagee for the enforcement, protection or collection of this security, including reasonable costs, attorneys' fees, stenographers' fees, costs of advertising, title charges and other costs and expenses shall be paid by Mortgagor.

21. POSSESSORY RIGHTS OF MORTGAGEE: Upon the occurrence of a Monetary Default or Non-Monetary Default pursuant hereto or pursuant to Note, Building Loan Agreement or Other Loan Documents, whether before or after the institution of legal

proceedings to foreclose the lien of this Mortgage or any sale thereunder, Mortgagee shall be entitled, in its sole discretion, to perform any of the following:

a). enter and take actual possession of Mortgaged Premises, Leases and the rents payable pursuant thereto, personally or by its agents or attorneys and excluding Mortgagor therefrom;

b). with or without process of law, enter upon and take and maintain possession of all of the documents, books, records, papers and accounts of Mortgagor relating thereto;

c). as attorney-in-fact or agent of Mortgagor, or in its own name as Mortgagee and pursuant to the powers herein granted, hold, operate, manage and control Mortgaged premises and Leases and collect all rentals payable pursuant thereto and conduct the business, if any, thereof, either personally or by its agents, contractors or nominees, with full power to use such measures, legal or equitable, as, in its discretion, may be deemed proper or necessary to enforce the terms and conditions of Leases and the rentals payable pursuant thereto (including actions for the recovery of rents, actions in forcible detainer and actions in distress of rent);

d). cancel or terminate any Lease or sublease for any cause or for any reason which would entitle Mortgagor to cancel the same;

e). make all necessary or proper repairs, decoration, renewals, replacements, alterations, additions, betterments and improvements to Mortgaged Premises which, in Mortgagee's sole discretion, may seem appropriate;

f). insure and re-insure Mortgaged Premises against all risks incidental to Mortgagee's possession, operation and management thereof; and

g). perform such other acts in connection with the management and operation of Mortgaged Premises as Mortgagee, in its sole discretion, may deem proper.

Mortgagor hereby granting full power and authority to Mortgagee to exercise each and every of the rights, privileges and powers contained herein at any and all times following the occurrence of a Monetary Default or Non-Monetary Default.

Mortgagee, in the exercise of the rights and powers conferred upon it hereby, shall have full power to use and apply the rentals collected by it to the payment or on account of the following, in such order as it may determine:

i). operating expenses of Mortgaged Premises, including the cost of management and leasing thereof (which shall include reasonable compensation to Mortgagee and its agents or contractors, if management be delegated to agents or contractors, and leasing commissions and other compensation and expenses in seeking and procuring tenants and entering into Leases), established claims for damages, if any, and premiums on Insurance Policies;

ii). Impositions, costs of repairs, decorating, renewals, replacements, alterations, additions or betterments and Improvements of Mortgaged Premises, including the cost, from time to time, of installing, replacing or repairing Mortgaged Premises and of placing Mortgaged Premises in such condition as will, in the judgment of Mortgagee, make the same readily rentable; and

iii). Indebtedness, or any part thereof.

22. OTHER REMEDIES: Whenever any Monetary Default or Non-Monetary Default shall be existing, Mortgagee may exercise, from time to time, any rights and remedies available to it pursuant to applicable law. Mortgagor shall, promptly upon request by Mortgagee, assemble all goods, wares, merchandise, furniture, fixtures, equipment and supplies situated on and used and useful in the operation of Mortgaged Premises ("Personal Property") and make the same available to Mortgagee at such place or places reasonably convenient for Mortgagee and Mortgagor as Mortgagee shall designate. Any notification required by law of intended disposition by Mortgagor of any part of Mortgaged Premises shall be deemed reasonably and properly given if mailed as herein provided at least five (5) days prior to such disposition. Without limiting the foregoing, whenever a Monetary Default or Non-Monetary Default is existing, Mortgagee may, with respect to Personal Property, without further notice, advertisement, hearing or process of law of any kind:

a). notify any person obligated on Personal Property to perform, directly for Mortgagee, its obligations thereunder;

b). enforce collection of any part of Personal Property by suit or otherwise and surrender, release or exchange all or any part thereof or compromise, extend or renew, for any period (whether or not in excess of the original period), any obligations of any nature of any party with respect thereto;

c). endorse any checks, drafts or other writings in the name of Mortgagor to permit collection of Personal Property and control of any proceeds thereof;

d). enter upon any part of Mortgaged Premises where Personal Property may be located and take possession of and remove the same;

e). sell any part or all of Personal Property free of all rights and claims of Mortgagor therein and thereto, at any public or private sale; and

f). bid for and purchase any part or all of Personal Property at any such sale.

Any proceeds of any disposition by Mortgagee of any part of Personal Property may be applied by Mortgagee to the payment of expenses incurred in connection therewith, including reasonable attorneys' fees and legal expenses, and any balance of such proceeds shall be applied by Mortgagee in the payment of such part of Indebtedness and in such order of application as Mortgagee may, from time to time, elect. Mortgagee may exercise, from time to time, any rights and remedies available to it pursuant to the Uniform Commercial Code, other applicable laws in effect from time to time or otherwise available to it by reason of any applicable law. Mortgagor hereby expressly waives presentment, demand, notice of dishonor and protest in connection with Indebtedness and, to the fullest extent permitted by applicable law, any and all other notices, advertisements, hearings or process of law in connection with the exercise by Mortgagee of any of its rights and remedies hereunder.

23. PERFORMANCE OF CONSTRUCTION CONTRACTS: Mortgagor shall notify any person obligated to it or to Beneficiary of Mortgagor pursuant to a Construction Contract, of the existence of a Monetary Default or Non-Monetary Default hereunder or pursuant to Building Loan Agreement or Other Loan Documents and require that performance be made directly to Mortgagee, at the expense of Mortgagor, and advance such sums as may be necessary or appropriate to satisfy Mortgagor's obligations thereunder.

24. NON-LIABILITY OF MORTGAGEE: Notwithstanding anything contained herein, Mortgagee shall not be obligated to perform or discharge, and does not hereby undertake to perform or discharge, any obligations, duty or liability of Mortgagor pursuant to Leases or otherwise and Mortgagor shall and does hereby agree to indemnify and hold Mortgagee harmless of and from any and all liability, loss or damage which it may or might incur pursuant thereto or by reason of its exercise of its rights hereunder and of and from any and all claims and demands whatsoever which may be asserted against it by reason of any alleged obligations or undertakings, on its part, to perform or discharge any of the terms, covenants or agreements with respect to Mortgaged Premises except in the event such loss, liability or damage is caused by the willful misconduct, bad faith or negligence of Mortgagee, its employees or agents. Prior to the exercise of its rights hereunder Mortgagee shall not have responsibility for the control, care, management or repair of Mortgaged Premises nor shall Mortgagee be responsible or liable for any negligence in the management, operation, upkeep, repair or control of Mortgaged Premises resulting in loss, injury or death to any tenants, licensee, employee or stranger upon Mortgaged Premises. No liability shall be enforced or asserted against Mortgagee in the exercise of the powers herein granted to it and Mortgagor expressly waives and releases any such liability. In the event Mortgagee incurs any such liability, loss or damage prior to the exercise of its rights hereunder pursuant hereto and to any Lease or in the defense of any claim or demand, Mortgagor agrees to reimburse Mortgagee, immediately upon demand, for the amount thereof, including costs, expenses and reasonable attorneys' fees.

25. USURY: Mortgagor represents and agrees that Loan will be used for business purposes and this Mortgage is exempt from limitations upon lawful interest, pursuant to the terms of the Illinois Revised Statutes, Chapter 17, Paragraph 6404.

26. CHANGE OF LAW: In the event of an enactment, following the date hereof, of any law in the state of Illinois deducting from the value of Mortgaged Premises, for the purpose of taxation, the amount of any lien, encumbrance or Imposition or imposing upon Mortgagee the payment of the whole or any part thereof or changing, in any way, the laws relating to the taxation of mortgages or debts secured by mortgages or the manner of collection of liens, encumbrances or Impositions, so as to affect this Mortgage, Indebtedness or Mortgagee, Mortgagor shall, in any such event, upon demand by Mortgagee, pay such liens, encumbrances or Impositions or reimburse Mortgagee therefor; PROVIDED, HOWEVER, that if, in the opinion of counsel for Mortgagee:

a). it may be unlawful to require Mortgagor to make such payment; or

b). the making of such payment may result in the payment of interest beyond the maximum amount permitted by law;

then, and in such event, Mortgagee may elect, by notice in writing given to Mortgagor, to declare Indebtedness, together with interest thereon, to be and become due and payable within six (6) months from the giving of such notice. Notwithstanding the foregoing, it is understood and agreed that Mortgagor is not obligated to pay any part of Mortgagee's federal, state or local income tax.

27. PERFORMANCE OF CONTRACTS: Mortgagor shall perform, for the benefit of Mortgagee, fully and promptly, each obligation and satisfy each condition imposed upon it pursuant to "Contractual Agreements" (as such term is defined in Building Loan Agreement) and any Construction Contract or other agreement relating to the construction or maintenance of Improvements so that there will be no default thereunder and the persons (other than Mortgagor) obligated thereon shall be and shall remain, at all times, obligated to perform, for the benefit of Mortgagee, their respective covenants, conditions and agreements pursuant thereto and not permit to exist any condition, event or fact which could permit any such person to avoid such performance.

28. COMPLIANCE WITH AGREEMENTS: Mortgagor shall pay promptly and keep, observe, perform and comply with all covenants, terms and provisions of operating agreements, Leases, instruments and documents relating to Mortgaged Premises or evidencing or securing any indebtedness secured thereby and shall observe all covenants, conditions and restrictions affecting the same.

29. FINANCIAL STATEMENTS: Within ninety (90) days following the close of Beneficiary's fiscal year, it shall deliver to Mortgagee its financial statement and a financial statement of each of the General Partners of Beneficiary prepared and certified by such general partner. Mortgagor, and Beneficiary of Mortgagor, shall permit Mortgagee and its agents, at Mortgagee's expense and at reasonable times and intervals, to inspect and audit Mortgagor's and Beneficiaries' books and records relating to Mortgaged Premises, for any reasonable purpose.

30. PAYMENT AND PERFORMANCE BY MORTGAGEE: In the event Mortgagor shall fail to pay or perform any of its obligations herein contained (including the payment of expenses of foreclosure and court costs), Mortgagee may, but need not,

following the occurrence of a Monetary Default or Non-Monetary Default, make payment or perform (or cause to be paid or performed) any obligation of Mortgagor hereunder, in any form and manner deemed reasonably expedient by Mortgagee, as agent or attorney-in-fact of Mortgagor, and any amount so paid or expended (plus reasonable compensation to Mortgagee for its out-of-pocket and other expenses for each matter for which it acts hereunder),' with interest thereon at Default Rate, shall be and become a part of Indebtedness and shall be paid to Mortgagee upon demand. By way of illustration and not in limitation of the foregoing, Mortgagee may, but need not:

a). complete construction of Improvements, make any repairs thereto;

b). collect rentals due and owing pursuant to Leases and prosecute the collection of Personal Property or the proceeds thereof;

c). purchase, discharge, compromise or settle any Imposition, lien or any other lien, encumbrance, suit, proceeding, title or claim thereof;

d). redeem from any tax sale or forfeiture affecting Mortgaged Premises or contest any Imposition.

In making any payment or securing any performance relating to any obligation of Mortgagor hereunder, Mortgagee, so long as it acts in good faith, shall have the sole discretion as to the legality, validity and amount of any lien, encumbrance or Imposition and of all other matters necessary to be determined in satisfaction thereof. No such action of Mortgagee shall be considered a waiver of any right accruing to it on account of the occurrence of any Monetary Default or Non-Monetary Default.

31. SECURITY AGREEMENT: Mortgagor and Mortgagee agree that:

a). this Mortgage shall constitute a security agreement within the meaning of the Illinois Uniform Commercial Code ("Code") with respect to any and all sums at any time on deposit for the benefit of or held by Mortgagee (whether deposited by or on behalf of Mortgagor or others) pursuant to any provision of this Mortgage, Note, Building Loan Agreement, or Other Loan Documents and any personal property included in the granting clauses of this Mortgage, which may not be deemed to be affixed to Mortgaged Premises or may not constitute a "fixture" (within the meaning of Section 9-313 of Code) and all replacements thereof, substitutions therefor,

additions thereto and the proceeds thereof (collectively "Collateral");

b). a security interest in and to Collateral is hereby granted to Mortgagee;

c). Collateral and all of Mortgagor's right, title and interest therein are hereby assigned to Mortgagee to secure the payment of Indebtedness;

d). all of the terms, provisions, conditions and agreements contained herein shall pertain and apply to Collateral as fully and to the same extent as the same apply to any other property comprising Mortgaged Premises; and

e). the following provisions shall not limit the applicability of any other provision of this Mortgage but shall be in addition thereto:

i). Mortgagor (being the "Debtor", as such term is defined in Code) is and will be the true and lawful owner of Collateral, subject to no liens, charges or encumbrances other than the lien hereof, other liens and encumbrances benefitting Mortgagee only and liens and encumbrances, if any, expressly permitted pursuant hereto and to Note, Building Loan Agreement and Other Loan Documents.

ii). Collateral shall be used by Mortgagor solely for business purposes.

iii). Collateral shall be kept at Mortgaged Premises and, except for obsolete Collateral, will not be removed therefrom without the prior consent of Mortgagee.

iv). No financing statement (other than financing statements indicating Mortgagee as the sole "Secured Party" (as such term is defined in Code) or except as permitted in writing by Mortgagee or with respect to liens or encumbrances, if any, expressly permitted pursuant hereto and to Note, Building Loan Agreement, Other Loan Documents covering any part of Collateral or any proceeds thereof is on file in any public office. Mortgagor shall, upon demand and at its sole cost and expense, furnish to Mortgagee such further

information, execute and deliver such financing statements and other documents (in form satisfactory to Mortgagee) and do all such acts and things as Mortgagee may, at any time or from time to time, request or as may be necessary or appropriate to establish and maintain a perfected security interest in Collateral as security for Indebtedness, free and clear of all liens or encumbrances other than liens or encumbrances benefitting Mortgagee only and liens and encumbrances, if any, expressly permitted hereby or pursuant to Note, Building Loan Agreement or Other Loan Documents and Mortgagor will pay the cost of filing or recording this instrument and such financing statements or other documents in all public offices wherever filing or recording is deemed necessary or desirable by Mortgagee.

v) In the event of the occurrence of a Monetary Default, or a Non-Monetary Default, Mortgagee shall have the remedies of a Secured Party pursuant to Code, including, without limitation, the right to take immediate and exclusive possession of Collateral, or any part thereof and, for that purpose, may, insofar as Mortgagor can give authority therefor, with or without judicial process, enter (if the same can be done without breach of the peace) upon any place in which Collateral, or any part thereof, may be situated and remove the same therefrom (provided that if Collateral is affixed to real estate, such removal shall be subject to the conditions stated in Code); and Mortgagee shall be entitled to hold, maintain, preserve and prepare Collateral for sale (until disposed of) or may propose to retain the same subject to Mortgagor's right of redemption, in satisfaction of Mortgagor's obligations, as provided in Code. Mortgagee may render Collateral unusable without removal and may dispose of the same on Mortgaged Premises. Mortgagee may require Mortgagor to assemble Collateral and make the same available to Mortgagee for its possession at a place to be designated by Mortgagee which is reasonably convenient to both parties. Mortgagee will furnish to Mortgagor not less than ten (10) days' prior written notice of the time and

place of any public sale of Collateral or of the time after which any private sale or any other intended disposition thereof is made. The requirements of reasonable notice shall be met if such notice is mailed by certified United States mail (or equivalent), postage prepaid, to the address of Mortgagor hereafter set forth. Mortgagee may purchase, at any public sale and, if Collateral is of a type customarily sold in a recognized market or the subject of widely distributed standard price quotations, Mortgagee may purchase Collateral at private sale. Any such sale may be held as a part of and in conjunction with any foreclosure sale of Mortgaged Premises and Collateral and Mortgaged Premises may be sold as one lot, if Mortgagee so elects. The net proceeds realized upon any such disposition, after deduction for the expenses of re-taking, holding, preparing for sale, selling or the like, and reasonable attorneys' fees and legal expenses incurred by Mortgagee shall be applied against Indebtedness in such order or manner as Mortgagee shall select. Mortgagee will account to Mortgagor for any surplus realized on such disposition.

vi). The terms and provisions contained in this Paragraph 31 shall, unless the context otherwise requires, have the meanings contained and be construed as provided in Code.

vii). This Mortgage is intended to be a financing statement within the purview of Section 9-402(6) of Code with respect to Collateral and the goods described herein, which are or may become fixtures relating to Mortgaged Premises; the addresses of Mortgagor (Debtor) and Mortgagee (Secured Party) are hereafter set forth; this Mortgage shall be filed or recorded with the Recorder of Deeds of Cook County in which Mortgaged Premises are located; and Mortgagor is the record owner of Mortgaged Premises.

viii). To the extent permitted by applicable law, the security interest established hereby is specifically intended to cover and include all of the right, title and interest of Mortgagor,

as landlord, in and to Leases, including all extended terms and extensions and renewals thereof, together with any amendments to or replacements thereof and all right, title and interest of Mortgagor, as landlord thereunder, including, without limitation, the present and continuing right to make claim for, collect, receive and receipt for any and all rents, income, revenues, issues, profits and monies payable as damages or, in lieu of the rents and monies payable, as the purchase price of Mortgaged Premises, or any part thereof or of awards or claims of money and other sums of money payable or receivable thereunder, howsoever payable, and to bring actions and proceeds thereunder or for the enforcement thereof and to do any and all things which Mortgagor or any landlord is or may become entitled to do pursuant to Leases.

32. EXECUTION OF SEPARATE SECURITY AGREEMENT AND FINANCING STATEMENT: In addition to this Mortgage being deemed a security agreement, Mortgagor shall, upon the written request of Mortgagee, as additional security for the payment of Indebtedness and the performance of all of the terms, covenants, conditions and agreements set forth herein and in Note, Building Loan Agreement and Other Loan Documents, execute and deliver to Mortgagee a security agreement, granting to Mortgagee a first security interest in and to Collateral, all right, title and interest of Mortgagor, as landlord, in and to Leases and all rents, issues and profits due or which may hereafter become due and payable pursuant to the terms and provisions thereof; and, further, execute and deliver Financing Statements pursuant to the Uniform Commercial Code, State of Illinois. Mortgagor agrees, from time to time, to execute such additional Security Agreements and Financing Statements as may be necessary to vest in Mortgagee a security interest in and to Collateral and Leases until Indebtedness is paid in full.

33. RELEASE: Upon payment in full of Indebtedness, this conveyance shall be null and void and, upon demand therefor following such payment, an appropriate instrument of reconveyance or release shall, in due course, be made by Mortgagee to Mortgagor, at Mortgagor's expense.

34. CARE: Mortgagee shall be deemed to have exercised reasonable care, in the custody and preservation of any part of Mortgaged Premises in its possession if it takes such action for that purpose, as Mortgagor requests in writing, but failure of Mortgagee to comply with any such request shall not, of itself,

be deemed a failure to exercise reasonable care and no failure of Mortgagee to preserve or protect any rights with respect to Mortgaged Premises against prior parties or do any act with respect to the preservation thereof not so requested by Mortgagor shall be deemed a failure to exercise reasonable care in the custody or preservation of Mortgaged Premises.

35. MORTGAGOR'S CONTINUING LIABILITY: This Mortgage is intended only as security for Indebtedness and anything herein contained to the contrary notwithstanding:

a). Mortgagor shall be and remain liable to perform all of the obligations assumed by it pursuant hereto; and

b). Mortgagee shall have no obligation or liability by reason of or arising out of this Mortgage and shall not be required or obligated, in any manner, to perform or fulfill any of the obligations of Mortgagor pursuant hereto.

36. MECHANICS LIENS: The lien of any mechanic or materialman shall not be permitted to attach to or remain against Mortgaged Premises unless the same is being contested as permitted under Paragraph 13 hereof.

37. INSPECTIONS: Mortgagee, by any authorized agent or employee and for the protection of its interest in Mortgaged Premises, is hereby authorized and empowered to enter in and upon Mortgaged Premises at any and all reasonable times, for the purpose of inspecting the same and ascertaining the condition thereof.

38. INDEMNIFICATION: Mortgagor shall indemnify Mortgagee from all losses, damages and expenses, including reasonable attorneys' fees, incurred in connection with any suit or proceeding in or to which Mortgagee may be made a party for the purpose of protecting the lien of this Mortgage.

39. ADDITIONAL DOCUMENTS: Mortgagor, from time to time, will execute, acknowledge and deliver to Mortgagee upon request such other documents, in form and substance satisfactory to Mortgagee, as Mortgagee may request in order to perfect, preserve, continues extend or maintain the assignments herein contained, the lien and security interest under this Mortgage or Other Loan Documents, and the priority thereof. Mortgagor will pay to Mortgagee upon request therefor all costs and expenses incurred in connection with the preparation, execution, recording and filing of any such document.

40. EXTENSION OF MATURITY DATE AND RIGHT TO PROVIDE FINANCING: Pursuant to the terms and conditions of the Building Loan Agreement, the Mortgagor or the Mortgagee has the right under certain circumstances to extend the Maturity Date to the First Extended Maturity Date and the First Extended Maturity Date to the Second Extended Maturity Date, and the Mortgagee has certain rights to provide "Permanent Financing" or "Shopping Center Financing" (as such terms are therein defined), which right of Mortgagee shall not survive the release of the lien hereof upon payment of the Indebtedness.

41. GOVERNING LAW: This Mortgage has been delivered at Chicago, Illinois and shall be construed in accordance with and governed by the laws thereof. Whenever possible, each provision of this Mortgage shall be interpreted in such a manner as to be effective and valid pursuant to applicable law; however, if the same shall be prohibited by or invalid thereunder, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder thereof or the remaining provisions of this Mortgage.

42. MARSHALLING OF ASSETS: At any foreclosure sale, the Mortgaged Premises may, except as provided in Paragraph 44 b)., following, at Mortgagee's option, be offered for sale for one total price, and the proceeds of such sale accounted for in one account without distinction between the items of security or without assigning to them any proportion of such proceeds, Mortgagor hereby waiving the application of any doctrine of marshalling and, in case Mortgagee, in the exercise of the power of sale herein given, elects to sell the Mortgaged Premises in parts or parcels, said sales may be held from time to time, and the power shall not be fully executed until all of the Mortgaged Premises not previously sold shall have been sold.

43. CORRECTIVE DOCUMENTS: Mortgagor shall, at the written request of Mortgagee and without separate direction from Beneficiary, promptly correct any defect, error or omission which may be discovered in the contents of this Mortgage or in the execution or acknowledgment hereof or in any other instrument executed in connection with Note, Other Loan Documents and Building Loan Agreement, or in the execution or acknowledgment of such instrument and will execute and deliver any and all additional instruments as may be requested by Mortgagee to correct such defect, error or omission. For the purposes of this Paragraph 43, this Mortgage shall be deemed to be a continuing irrevocable direction to the Mortgagor to execute any such corrective documents or instruments.

44. CONSENT OR APPROVAL: The consent by Mortgagee in any single instance shall not be deemed or construed to be

Mortgagee's consent in any like matter arising at a subsequent date and the failure of Mortgagee to promptly exercise any right, power, remedy or consent provided herein or at law or in equity shall not constitute or be construed as a waiver of the same nor shall Mortgagee be estopped from exercising such right, power, remedy or consent at a later date.

Any consent or approval required of and granted by Mortgagee pursuant hereto shall be narrowly construed to be applicable only to Mortgagor and the facts identified in such consent or approval and no third party shall claim any benefit by reason thereof and not be deemed to constitute Mortgagee, a venturer or partner with Mortgagor or Beneficiary whatsoever nor shall privity of contract be presumed to have been established with any such third party.

If, to consider a request by Mortgagor or Beneficiary, Mortgagee deems it to be to its best interests to retain the assistance of any person, firm or corporation (such as, but not limited to, attorneys, appraisers, engineers, surveyors, environmentalists, etc.), Mortgagor or Beneficiary shall reimburse Mortgagee for all reasonable costs incurred in connection with the employment of such parties.

45. RELEASE OF LIEN AS TO PARCEL 2: Pursuant to the terms and conditions of the Building Loan Agreement, Trust No. 66268 is required to execute this Construction Mortgage and Security Agreement solely for the purpose of securing the payment of Note up to but not exceeding the sum of FOUR HUNDRED SEVENTEEN THOUSAND AND NO/100 DOLLARS ($417,000.00) and with respect thereto:

a). at such time as the Indebtedness is reduced to THREE MILLION EIGHTY-THREE THOUSAND AND NO/100 DOLLARS ($3,083,000.00) from funds other than the sale of Parcel 1 pursuant to foreclosure proceedings instituted by Mortgagee, the Mortgagee shall within five (5) business days followng the written request of Trust No. 66268 release the lien of the Mortgage as to Parcel 2;

b). in the event of the occurrence of a Monetary Default or Non-Monetary Default and the commencement of foreclosure proceedings by the Mortgagee, the Mortgagee shall file its petition in such proceedings requesting that the court order that Parcel 1 be first offered for sale and that the proceeds of the sale of Parcel 2 be applied on account of Indebtedness up to but not exceeding the sum of FOUR HUNDRED SEVENTEEN THOUSAND AND NO/100 DOLLARS ($417,000.00).

46. NOTICES: Any notice, consent or other communication to be given hereunder or pursuant to Building Loan Agreement and Other Loan Documents shall be in writing and shall be delivered either personally or by United States certified or registered mail, postage prepaid, return receipt requested, which shall be deemed received three (3) days after the deposit thereof with the United States Postal Service and shall be mailed to Mortgagor and Mortgagee at their respective addresses set forth below or to such other addresses as Mortgagor, Mortgagee or such other parties, to whom copies of notices, consents or other communications are to be mailed, direct in writing:

If to Mortgagor at 33 North LaSalle Street, Chicago, Illinois 60690, with a copy to Gregg Dorman, Esq., 999 Plaza Drive, Schaumburg, Ill. 60173;

If to Mortgagee, at 100 South Wacker Drive, Suite 400, Chicago, Illinois, 60606, attention: Raymond J. Walschlager, Esq.

47. TIME IS OF THE ESSENCE: It is specifically agreed that time is of the essence of this Mortgage and that the waiver of the options, or obligations secured hereby, shall not at any time thereafter be held to be abandonment of such rights. Notice of the exercise of any option granted to the Mortgagee herein, or in the Note secured hereby, is not required to be given.

48. BENEFIT: All grants, conditions and provisions hereof shall apply, extend to and be binding upon Mortgagor and all persons claiming any interest in Mortgaged Premises by, through or under Mortgagor, and shall inure to the benefit of Mortgagee, its successors and assigns.

This MORTGAGE is executed by AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally but solely as Trustee pursuant to the terms of Trust Agreement dated July 11, 1988 and known as Trust No. 105942-08 and AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally but solely as Trustee pursuant the terms of Trust Agreement dated February 11, 1985 and known as Trust No. 66268, solely in the exercise of the power and authority conferred upon and vested in it as such Trustee (and Mortgagor hereby warrants that it possesses full power and authority to execute this Mortgage). It is expressly understood and agreed that nothing herein contained or contained in the Note or Other Loan Documents, shall be construed as establishing any personal liability on Borrower, its agents or employees, or on the Beneficiary or any general or limited partner of the

Beneficiary except as set forth in the Building Loan Agreement, the "Payment Guaranty", the "Completion Guaranty" (as defined in the Building Loan Agreement) and in Other Loan Documents because of or in respect of this Construction Mortgage and Security Agreement or the making, issuance or transfer thereof all such personal liability, if any, being expressly waived. Nothing herein contained shall modify or discharge the liability expressly assumed by the "Guarantors" (as defined in the Building Loan Agreement) in their capacity as such and Mortgagee and each successive assignee hereof accepts the same upon the express condition that no duty shall rest upon Borrower to sequester the rents, issues and profits arising from the property described in this Mortgage, or the proceeds arising from the sale or other disposition thereof, but that in case of a Monetary Default or Non-Monetary Default, the payment of this Mortgage or of any installment thereof, the sole remedies of the Mortgagee or the assignee hereof shall be any one or more of the following:

(w) foreclosure or other enforcement of this Mortgage against the Mortgaged Premises in accordance with the terms and provisions thereof;

(x) resort to any other security given to secure Loan;

(y) enforcement of the personal liability of the Guarantors;

(z) enforcement of the rights and remedies under the Loan Documents as provided by law or in equity.

IN WITNESS WHEREOF, Mortgagor has caused this Mortgage to be signed by its duly authorized officers and its corporate seal to be hereunto affixed on the day and year first above written.

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO not personally but solely as Trustee pursuant to Trust Agreement dated July 11, 1988 and known as Trust Number 105942-08

By: _____

Title: Second Vice-President

ATTEST: _____

Title: ASSISTANT SECRETARY

FOR ADDITIONAL SIGNATURES, SEE PAGE FOLLOWING

COOK COUNTY, ILLINOIS
FILED FOR RECORD

1989 JUL 26 PM 3:38

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AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally but solely as Trustee pursuant to Trust Agreement dated December 11, 1985 and known as Trust Number 66268.

By: _____
Title: Second Vice President

ATTEST:

_____
Title: ASSISTANT SECRETARY

STATE OF ILLINOIS)
) SS:
COUNTY OF Cook)

I, KAREN E. BURNS a Notary Public in and for and residing in said County, in the State aforesaid, DO HEREBY CERTIFY that SUZANNE G. BAKER, Second Vice President of AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, as Trustee under Trust No. 105942-08 and under Trust No. 66268, and J. MICHAEL WHELAN, ASSISTANT SECRETARY Secretary of said association, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Second Vice President President and ASSISTANT SECRETARY Secretary, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said association, as Trustee aforesaid, for the uses and purposes therein set forth; and the said ASSISTANT SECRETARY Secretary did also then and there acknowledge that (she) (he), as custodian of the corporate seal of said association, did affix the said corporate seal of said association to said instrument as (his) (her) own free and voluntary act and as the free and voluntary act of said association, as Trustee aforesaid, for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this JUN 22 1989 day of June, 1989.

"OFFICIAL SEAL"
Karen E. Burns
Notary Public, State of Illinois
My Commission Expires 8/27/90

_____
Notary Public

My commission expires:

_____

89289393

LEGAL DESCRIPTION

PARCEL 1:

LOT 4 OF HUNTINGTON PLAZA BEING A SUBDIVISION OF PART OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 30, TOWNSHIP 42 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS AS RECORDED BY DOCUMENT NO. 87 407 887.

PARCEL 2:

LOT 3 OF HUNTINGTON PLAZA BEING A SUBDIVISION OF PART OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 30, TOWNSHIP 42 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS AS RECORDED BY DOCUMENT NO. 87 407 887.