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THIRD COLLATERAL ASSIGNMENT OF LEASES AND RENTS

THIS THIRD COLLATERAL ASSIGNMENT OF LEASES AND RENTS (this "Assignment"), dated as of the 12 day of May, 1993, by AUGUSTA ASSOCIATES LIMITED PARTNERSHIP, an Illinois limited partnership ("Borrower"), to the ILLINOIS HOUSING DEVELOPMENT AUTHORITY ("Lender"), a body politic and corporate established pursuant to the Illinois Housing Development Act, 20 ILCS 3805/1 et seq. (1992), as amended and supplemented (the "Act") having its principal office at 401 N. Michigan Ave., Chicago, Illinois 60611.

. DEPT-01 RECORDING \$57.00
 . T43333 TRAM 6467 06/18/93 15:09:00
 . \$2128 + *-93-469041
 COOK COUNTY RECORDER

RECITALS:

A. Borrower is the fee owner of certain real property located at 3301 West Palmer Place, in Chicago, Illinois, which real property is legally described in Exhibit A attached hereto and by this reference made a part hereof (the "Real Estate") and the improvements now or hereinafter thereon (the Real Estate and such improvements shall hereinafter be referred to as the "Premises");

B. Augusta Development, Corp. is the general partner of Borrower (the "General Partner");

C. Borrower has executed its note of even date herewith to the order of Lender in the principal amount of FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (500,000.00) ("Note"), and its Third Mortgage and Security Agreement ("Mortgage") to secure the Note;

D. Borrower has agreed to execute and deliver this Assignment;

NOW, THEREFORE, Borrower, for and in consideration of these presents and the mutual agreements herein contained and for other good and valuable consideration, the receipt thereof is hereby acknowledged, and as further and additional security for payment of the Note; the principal sum, interest, premiums and other indebtedness evidenced thereby; any amendments, extensions or renewals of the Note; any other indebtedness or obligation secured or guaranteed by the Mortgage; payment of all other sums with interest thereon becoming due and payable to Lender under the provisions of this Assignment; and the performance and discharge of each and every obligation, covenant and agreement of Borrower contained in this Assignment, the Note, the Mortgage or

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THIS INSTRUMENT WAS PREPARED BY
 AND AFTER RECORDING RETURN TO:
 Diane K. Corbett
 Illinois Housing Development
 Authority
 401 N. Michigan, Suite 900
 Chicago, Illinois 60611

Permanent Index Tax
 Identification No.
 13-35-224-007
 Property Address
 3301 West Palmer Place
 Chicago, Illinois

Box 430

57 or

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any of the other Loan Documents (as defined in the Mortgage), does hereby sell, assign and transfer unto the Lender its interest in all leases, licenses or tenancies (including concessions) of the Premises or any part thereof, or any letting of or agreement for the use or occupancy of the Premises or any part thereof, whether written or oral, heretofore or hereafter made or agreed to by any party, including without limitation the Lender in the exercise of the powers herein conferred or otherwise; and any and all extensions, renewals and replacements of any of the foregoing (all of the leases, tenancies and rights described above are herein referred to as the "Leases"), together with all the rents, income, issues and profits now due and which may hereafter become due under, in connection with or by virtue of the Leases, together with all guaranties of any of the foregoing, it being the intention hereby to establish an absolute transfer and assignment of all the foregoing to Lender.

To protect and further the security of this Assignment, Borrower agrees as follows:

1. Agreements Regarding Leases. Borrower agrees, represents and warrants unto Lender as follows:

(a) Borrower is the sole owner of the entire interest of the landlord under the Leases; without Lender's prior written consent, Borrower will not transfer, sell, assign, pledge, encumber or grant a security interest in any of the Leases other than to the Senior Lender (as hereinafter defined); without Lender's prior written consent, Borrower will not consent to, suffer or permit the assignment or subletting of any leasehold estate created under the Leases, except in the ordinary course of business of operating residential rental property; provided, however, that such assignment or subletting is in compliance with the terms of that certain Regulatory and Land Use Restriction Agreement of even date herewith between Borrower and Lender (the "Regulatory Agreement"); any attempted assignment of the Leases or subletting of the Premises without Lender's written consent, except as provided for above, whether by Borrower or by a tenant of the Premises, shall be void;

(b) any Leases are and will be valid and enforceable in accordance with their terms, and shall remain in full force and effect irrespective of any merger of the interest of landlord and tenant thereunder;

(c) Borrower will promptly notify Lender of any default or claimed default by the landlord or any tenant under the Leases of which it becomes aware;

(d) if any Lease provides for the abatement of rent during repair of the premises demised thereunder by reason

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of fire or other casualty, Borrower shall furnish rent loss insurance to Lender in amount and form and written by insurance companies as shall be satisfactory to Lender;

(e) Borrower shall not hereafter permit any Lease to become subordinate to any lien other than the lien of the Mortgage and any liens to which the Mortgage is now, or may pursuant to its terms become, subordinate, nor terminate, modify or amend any of the Leases or any of the terms thereof without the prior written consent of Lender, and any attempted termination, modification or amendment of any of the Leases without such written consent shall be null and void;

(f) except in the ordinary course of business of operating residential rental property, and in compliance with the terms of the Regulatory Agreement, no payment of rent under any Lease has been or will be made by any tenant or by any person in possession of any portion of the Premises for more than one month's installment in advance or has been or will be waived, released, reduced, or discounted, or otherwise discharged or compromised by Borrower, and the Borrower waives any right of set-off against any tenant or any person in possession of any portion of the Premises; Borrower has not made and will not make any other or further assignment of the rents, issues, income or profits of the Premises or of the Leases except subsequent to or in connection with the release of this Assignment with respect to such portion of the Premises so released;

(g) Borrower shall perform all of its covenants and agreements under the Lease and shall not suffer or permit any release of liability of, or right to withhold payment of rent by, the tenants therein; and

(h) except in the ordinary course of business of operating residential rental property, and in compliance with the terms of the Regulatory Agreement, Borrower shall not waive, cancel, release, modify, excuse, condone, discount, set-off, compromise or in any manner release or discharge any tenant under any of the Leases from any obligation, covenant, condition or requirement of said Leases, without prior written consent of Lender.

Any amounts received by Borrower or its agents for performance of any actions prohibited by the terms of this Assignment, including any amounts received in connection with any cancellation, modification or amendment of any of the Leases prohibited by the terms of this Assignment and any amounts received by Borrower as rents, income, issues or profits from the Premises from and after the date of any Default under any of the Loan Documents, which

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default shall not have been cured within the time periods, if any, expressly established therefor, shall be held by Borrower as trustee for Lender and all such amounts shall be accounted for to Lender and shall not be commingled with other funds of Borrower. Any person acquiring or receiving all or any portion of such trust funds shall acquire or receive the same in trust for Lender as such person has actual or constructive notice that such funds were impressed with a trust in accordance herewith; by way of example and not of limitation, such notice may be given by an instrument recorded with the Recorder of Deeds of the county in which the Premises are located stating that Borrower has received or will receive such amounts in trust for Lender.

2. Waiver of Liability. Nothing herein contained shall be construed as constituting Lender a "mortgagee in possession" in the absence of the taking of actual possession of the Premises by Lender pursuant to the provisions hereinafter contained. In the exercise of the powers granted by the Mortgage, no liability shall be asserted or enforced against Lender, all such liability being expressly waived and released by Borrower, except to the extent any such liability arises from the gross negligence or willful misconduct of Lender.

3. Further Assurances and Assignments. Borrower further agrees to execute and deliver immediately upon the request of Lender, all such further assurances and assignments concerning the Leases or the Premises as Lender shall from time to time require.

4. Exercise of Remedies. From and after a Default hereunder, or a Default under the Note, Mortgage or under any other Loan Documents, Lender is hereby vested with full power to use all measures, legal and equitable, deemed by it necessary or proper to enforce this Assignment and to collect the rents, income and profits assigned hereunder, including the right of Lender or its designee to enter upon the Premises, or any part thereof, with or without force and with or without process of law, with power to eject or dispossess tenants and to rent or lease any portion of the Premises on any terms approved by Lender and take possession of all or any part of the Premises together with all personal property, fixtures, documents, books, records, papers and accounts of Borrower relating thereto, and to exclude Borrower, its agents, and servants, wholly therefrom. Borrower hereby grants full power and authority to Lender to exercise all rights, privileges and powers herein granted at any and all times from and after such Default, with full power to use and apply all of the rents and other income herein assigned to the payment of the costs of managing and operating the Premises and of any indebtedness or liability of Borrower to Lender, including but not limited to the payment of taxes, special assessments, insurance premiums, damage claims, the costs of maintaining, repairing, rebuilding and restoring the Premises or of making the

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same rentable, attorneys' fees incurred in connection with the enforcement of this Assignment, and of principal and interest payments due from Borrower to Lender on the Note and the Mortgage, all in such order as Lender may determine; Lender shall be under no obligation to exercise or prosecute any of the rights or claims assigned to it hereunder or to perform or carry out any of the obligations of the landlord under any of the Leases and does not assume any of the liabilities in connection with or arising or growing out of the covenants and agreements of Borrower in the leases. Borrower hereby agrees to indemnify Lender and to hold it harmless from any liability, loss or damage, including, without limitation, reasonable attorneys' fees, which may be incurred by it under the Leases or by reason of this Assignment and from any and all claims and demands whatsoever which may be asserted against Borrower by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in any of the leases. It is further understood that this assignment of rents and leases shall not operate to place responsibility for the control, care, management or repair of the Premises, or parts thereof, upon Lender, nor shall it operate to make Lender liable for the performance of any of the terms and conditions of any of the leases, or for any waste of the Premises by any tenant under any of the leases or by any other person, or for any dangerous or defective condition of the Premises or for any negligence in the management, upkeep, repair or control of the Premises resulting in loss or injury or death to any lessee, licensee, employee or stranger.

5. Indemnity. Lender shall not at any time (regardless of any exercise by Lender, or right of Lender to exercise, any powers herein conferred) be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability under any Leases or rental agreements relating to the Premises, and Borrower shall and does hereby agree to indemnify and hold Lender harmless of and from any and all liability, loss or damage which Lender may or might incur under or by reason of (a) any Leases, (b) the assignment thereof, (c) any action taken by Lender or its agents hereunder, unless constituting willful misconduct or gross negligence, or (d) claims and demands which may be asserted against it by reason of any alleged obligations or undertakings on its part to (or to cause Borrower to) perform or discharge any of the terms, covenants or agreements contained in the Leases.

6. Application of Proceeds. Lender, in the exercise of the rights and powers conferred upon it by this Assignment, shall have full power to use and apply the rents, income, issues and profits of the Premises to the payment of or on account of the following, in such order as Lender may determine:

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(a) Operating expenses of the Premises, including costs of management and leasing thereof (including reasonable compensation to Lender and its agents, and lease commissions and other compensation and expenses of seeking and procuring tenants and entering into Leases), establishing any claims for damages and premiums on insurance hereinabove authorized; it being expressly understood and agreed that Lender in the exercise of such powers may so pay any claims purporting to be for any operating expenses of the Premises, without inquiry into, and without respect to, the validity thereof and whether such claims are in fact for operating expenses of the Premises;

(b) taxes and special assessments now due or which may hereafter become due on the Premises;

(c) the costs of all repairs, decorating, renewals, replacements, alterations, additions, or betterments, and improvements of the Premises, including, without limitation, the cost from time to time of installing or replacing such fixtures, furnishings and equipment therein, and of placing the Premises in such condition as will, in the reasonable judgment of Lender, make it readily rentable;

(d) any indebtedness secured or guaranteed by the Mortgage or any deficiency which may result from any foreclosure sale.

7. Power of Attorney. Borrower does hereby irrevocably appoint the Lender its true and lawful attorney in its name and stead and hereby authorizes Lender, with or without taking possession of the Premises, to rent, lease or let all or any portion of the Premises to any party or parties at such rental and upon such terms, in its discretion as it may determine, and to collect all of said rents, income, issues and profits now or hereafter arising from or accruing or due under the Leases with the same rights of recourse and indemnity as Lender would have upon taking possession of the Premises pursuant to the provisions hereinafter set forth. Powers of attorney conferred upon Lender pursuant to this Assignment are powers coupled with an interest and cannot be revoked, modified or altered without the written consent of Lender.

8. Occurrence of Default. Although it is the intention of the parties that this assignment is a present assignment, Lender shall not exercise any of the rights and powers conferred upon it herein until and unless there shall occur a Default (as defined in any of the Loan Documents), or a default in the performance and observance by any party other than the Lender of its obligations and agreements, under the Note, the Mortgage or the other Loan Documents, in each instance after any applicable grace

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periods shall have expired. Nothing herein contained shall be deemed to affect or impair any rights which Lender may have under the Note, Mortgage or Loan Documents or to affect the impression of a trust upon funds received by a trustee in the manner provided for in Paragraph 1 above.

9. Instruction to Tenants. The Borrower further specifically and irrevocably authorizes and instructs each and every present and future tenant under any Lease of the whole or any part of the Premises to pay all unpaid rental agreed upon in any Lease or other agreement for occupancy of any part of the Premises to Lender upon receipt of demand from Lender so to pay the same, without any inquiry as to whether or not said demand is made in compliance with the immediately preceding paragraph hereof. Lender acknowledges that it has not received or been transferred any security deposit with respect to any Lease, and assumes no responsibility for any such security deposit until such time such security deposit (specified as such with specific reference to the Lease pursuant to which deposited) may be transferred to Lender and accepted by Lender by notice to the tenant under said Lease.

10. Election of Remedies. The provisions set forth in this Assignment shall be deemed a special remedy given to Lender, and shall not be deemed exclusive of any of the remedies granted in the Note, the Mortgage or the Loan Documents but shall be deemed an additional remedy and shall be cumulative with the remedies therein and elsewhere granted Lender, all of which remedies shall be enforceable concurrently or successively. No exercise by Lender of any of its rights hereunder shall cure, waive or affect any default hereunder or Default under the Note, the Mortgage or the Loan Documents. No inaction or partial exercise of rights by Lender shall be construed as a waiver of any of its rights and remedies, and no waiver by Lender of any such rights and remedies shall be construed as a waiver by Lender of any of its other rights and remedies.

11. Continual Effectiveness. No judgment or decree which may be entered on any debt secured or intended to be secured by Lender shall operate to abrogate or lessen the effect of this instrument, but the same shall continue in full force and effect until the payment, discharge and performance of any and all indebtedness and obligations evidenced by the Note or secured or guaranteed by the Mortgage or the Loan Documents, in whatever form, and until all bills incurred by virtue of the authority herein contained have been fully paid out of rents, income, issues and profits of the Premises, or by the Borrower, or until such time as this instrument may be voluntarily released. This instrument shall also remain in full force and effect during the pendency of any foreclosure proceedings, both before and after sale, until the issuance of a deed pursuant to a foreclosure decree, unless all indebtedness secured or guaranteed by the

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Mortgage or the Loan Documents is fully satisfied before the expiration of any period of redemption.

12. Bankruptcy. In the event any tenant under the Leases should be the subject of any proceeding under the Federal Bankruptcy Code, as amended from time to time, or any other Federal, State, or local statute which provides for the possible termination or rejection of the Lease assigned hereby, the Borrower covenants and agrees that if any of the Leases is so terminated or rejected, other than in the ordinary course of business operating rental residential property and in compliance with the Regulatory Agreement, no settlement for damages shall be made without the prior written consent of Lender, and any check in payment of damages for termination or rejection of any such Lease will, subject to the rights of Senior Lender, be made payable both to the Borrower and Lender. The Borrower hereby assigns any such payment to Lender, subject to the rights of Senior Lender, and further covenants and agrees that upon the request of Lender, it will, subject to the rights of Senior Lender, duly endorse to the order of Lender any such check, the proceeds of which will be applied to whatever portion of the indebtedness secured by this Assignment Lender may elect.

13. Release of Mortgage. To the extent, if any, that any provisions of the Mortgage may provide for the partial release thereof upon conditions therein stated, the Leases of any portion of the Premises which may be released from the lien of the Mortgage pursuant to such provisions, and any rents, issues and profits thereafter accruing with respect thereto, shall ipso facto be immediately released from this Assignment without the necessity of further action or instrument.

14. Notices. Any notice, demand, request or other communication which any party may desire or may be required to give to any other party hereunder shall be given in writing, at the addresses set forth below, by any of the following means: (a) personal service; (b) electronic communication, whether by telegram or telecopier, together with confirmation of receipt; (c) overnight courier; or (d) registered or certified United States mail, postage prepaid, return receipt requested.

(a) If to Lender: Illinois Housing Development Authority
401 North Michigan Ave., Suite 900
Chicago, Illinois 60611
Attention: Legal Department

(b) If to Borrower: Augusta Associates Limited Partnership
c/o Augusta Development, Corp.
65 East Wacker Drive
Chicago, Illinois 60601

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Attention: Mr. Hipolito Roldan

With a copy to: Keck, Mahin & Cate
77 W. Wacker Drive
49th Floor
Chicago, Illinois 60601
Attention: Thomas Thorne-Thomsen

Such addresses may be changed by notice to the other party given in the same manner as herein provided. Any notice, demand, request or other communication sent pursuant to either subsection (a) or (b) hereof shall be served and effective upon such personal service or upon dispatch by such electronic means. Any notice, demand, request or other communication sent pursuant to subsection (c) shall be served and effective upon deposit with the overnight courier. Any notice, demand, request or other communication sent pursuant to subsection (d) shall be served and effective two days after proper deposit with the United States Postal Service.

15. Binding Agreements. This Assignment and all provisions hereof shall be binding upon the Borrower, its successors, assigns, executors, administrators and legal representatives and all other persons or entities claiming under or through it, and the word "Borrower", when used herein, shall include all such persons and entities and any others liable for the payment of the indebtedness secured hereby or any part thereof, whether or not they have executed the Note or this Assignment. The word "Lender", when used herein, shall include Lender's successors, assigns, and legal representatives, including all other holders, from time to time, of the Note.

16. Governing Law; Interpretation. This Assignment shall be governed by the laws of the State of Illinois in which State the Note and this Assignment were executed and delivered, the Premises are located, the proceeds of the Loan were or are to be disbursed by Lender, and the principal and interest due under the Note are to be paid. Wherever possible each provision of this Assignment shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Assignment. Time is of the essence of this Assignment.

17. Miscellaneous. Neither this Assignment nor any provision hereof may be amended, modified, waived, discharged or terminated orally. The Section headings used herein are for convenience of reference only and shall not define or limit the provisions of this Assignment. As used in this Assignment, the singular shall include the plural and the plural shall include

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the singular, and masculine, feminine, and neuter pronouns shall be fully interchangeable, where the context so requires.

18. Subordination. This Mortgage shall be subject and subordinate in all respects to the interests of First National Bank of Chicago and the City of Chicago, Department of Housing (collectively, the "Senior Lenders") in connection with a loan in the principal amount of Eight Hundred Twenty-Five Thousand and No/100 Dollars (\$825,000.00) and One Million Six Hundred Sixty-Nine Thousand Nine Hundred Seventy-Five and No/100 Dollars (\$1,669,975.00), respectively, to Mortgagor (the "Senior Loans") and the documents evidencing or securing the Senior Loans, including, without limitation, the promissory notes evidencing the Senior Loans (the "Senior Notes") and the mortgages (collectively, the "Senior Mortgage") all dated as of June 18, 1993 (the Senior Notes, the Senior Mortgages, and the other documents evidencing, securing or governing the Senior Loans are collectively referred to herein as the "Senior Loan Documents"). Mortgagor shall not modify, extend or amend the Senior Loan Documents, increase the amount of the indebtedness secured thereby, or incur additional indebtedness secured by liens against any or all of the Premises without the prior written consent of Mortgagee. So long as the Senior Loan Documents are in full force and effect, in the event of any conflict between the provisions of the Loan Documents and the Senior Loan Documents, the provisions of the Senior Loan Documents shall control. Any waiver or forbearance by Senior Lenders of any right or remedy under the Senior Loan Documents shall not impair the priority of its lien under the Senior Loan Documents.

19. Recourse. The Loan is a partial recourse obligation of Borrower under this Assignment and the other Loan Documents, including, without limitation, the liability created pursuant to that certain Environmental Indemnity Agreement by and among Borrower, General Partner and Lender, and is fully chargeable to and recoverable from the Borrower and the General Partner, to the extent of the partnership and corporate assets thereof in an amount not to exceed the Developer's Fee (as that term is defined in the Note). Notwithstanding the foregoing, as additional recourse, the Borrower may exercise its rights against the Premises and related security thereunder for repayment of the Loan.

20. Counterparts. This Assignment may be executed in counterparts, and each counterpart shall, for all purposes for which an original of this Assignment must be produced or exhibited, be the Assignment, but all such counterparts shall constitute one and the same agreement.

21. Rider. The provisions of the Rider to Mortgage attached hereto is incorporated herein and made a part hereof

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IN WITNESS WHEREOF, the undersigned have caused this Assignment to be Executed as of the day and year first above written.

BORROWER:

AUGUSTA ASSOCIATES LIMITED PARTNERSHIP, an Illinois limited partnership

By: AUGUSTA DEVELOPMENT, CORP., an Illinois corporation, its general partner

By: _____

Its: _____

GENERAL PARTNER:

AUGUSTA DEVELOPMENT, CORP., an Illinois corporation

By: _____

Its: _____

AUTHORITY:

ILLINOIS HOUSING DEVELOPMENT AUTHORITY, a body politic and corporate

By: _____

Its: _____

DIRECTOR

collet. 280
(17/02/5/10/93)

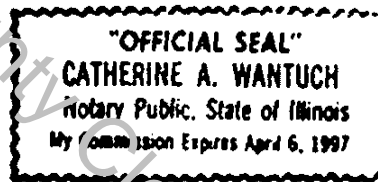
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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that HIPOLITO BALDAN, personally known to me to be the PRESIDENT of AUGUSTA DEVELOPMENT, CORP., as general partner of AUGUSTA ASSOCIATES LIMITED PARTNERSHIP, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument in his capacity as PRESIDENT of AUGUSTA DEVELOPMENT, CORP., as general partner of AUGUSTA ASSOCIATES LIMITED PARTNERSHIP as his free and voluntary act and deed and as the free and voluntary act and deed of AUGUSTA DEVELOPMENT, CORP., as general partner of AUGUSTA ASSOCIATES LIMITED PARTNERSHIP, for the uses and purposes therein set forth.

Given under my hand and official seal this 1ST day of May, 1993.

Catherine A. Wantuch
Notary Public



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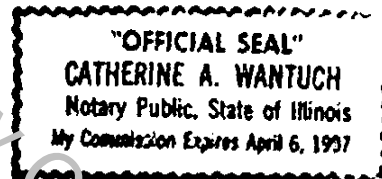
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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that HIPOLITO BALCAN, personally known to me to be the PRESIDENT of AUGUSTA DEVELOPMENT, CORP., personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument in his capacity as PRESIDENT of AUGUSTA DEVELOPMENT, CORP., as his free and voluntary act and deed and as the free and voluntary act and deed of AUGUSTA DEVELOPMENT, CORP., for the uses and purposes therein set forth.

Given under my hand and official seal this 1ST day of May, 1993.

Catherine A. Wantuch
Notary Public



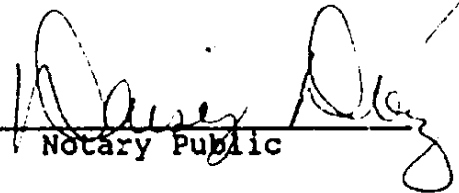
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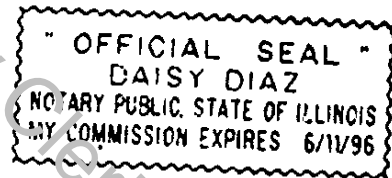
STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that PETER R. DWARS, personally known to me to be the DIRECTOR of the ILLINOIS HOUSING DEVELOPMENT AUTHORITY and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument in his capacity as DIRECTOR of the ILLINOIS HOUSING DEVELOPMENT AUTHORITY as his free and voluntary act and deed and as the free and voluntary act and deed of the ILLINOIS HOUSING DEVELOPMENT AUTHORITY for the uses and purposes therein set forth.

Given under my hand and official seal this 1st day of May, 1993.



Notary Public



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EXHIBIT A

TO THIRD COLLATERAL ASSIGNMENT OF LEASES AND RENTS

THE PREMISES

LOTS 1 AND 2 IN BLOCK 9 IN SHIPMAN, BILL AND MERRILL'S
SUBDIVISION OF THE EAST 1/2 OF THE NORTH EAST 1/4 OF SECTION 35,
TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN,
IN COOK COUNTY, ILLINOIS.

Address: 3301 West Palmer Place, Chicago, Illinois

P.I.N.: 13-35-224-007

Property of Cook County Clerk's Office

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RIDER TO MORTGAGE DATED AS OF MAY 1ST, 1993, BY AND BETWEEN AUGUSTA ASSOCIATES LIMITED PARTNERSHIP ("MORTGAGOR") AND ILLINOIS HOUSING DEVELOPMENT AUTHORITY ("MORTGAGEE")

Mortgagor and Mortgagee are executing simultaneously herewith that certain Third Mortgage and Security Agreement (the "Mortgage") in connection with the loan in the amount of FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$500,000.00) being made by Mortgagee to Mortgagor. All capitalized terms not defined herein shall have the meanings ascribed in the Mortgage. In consideration of the respective covenants of the parties contained in the Mortgage, and for other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, Mortgagor and Mortgagee further mutually agree as follows:

R-1 Senior Mortgages. Mortgagor has executed and delivered to First National Bank of Chicago ("First National") and to City of Chicago, Department of Housing (the "City") (First National and City shall hereinafter be referred to collectively as "Senior Lenders") (i) those certain notes in the original principal amounts of EIGHT HUNDRED TWENTY-FIVE THOUSAND AND NO/100 DOLLARS (\$825,000.00) and ONE MILLION SIX HUNDRED SIXTY-NINE THOUSAND NINE HUNDRED SEVENTY-FIVE AND NO/100 DOLLARS (\$1,669,975.00) respectively (collectively, the "Senior Notes"); (ii) that certain first mortgage executed by Mortgagor in favor of the First National in the original principal amount of EIGHT HUNDRED TWENTY-FIVE THOUSAND AND NO/100 DOLLARS (\$825,000.00), recorded on June 18, 1993, as Document Number 93469035 with the Recorder of Deeds of Cook County, Illinois and that certain second mortgage executed by Mortgagor in favor of the City in the original principal amount of ONE MILLION SIX HUNDRED SIXTY-NINE THOUSAND NINE HUNDRED SEVENTY-FIVE AND NO/100 DOLLARS (\$1,669,975.00), recorded on June 18, 1993, as Document Number 93469037 with the Recorder of Deeds for Cook County, Illinois (collectively, "Senior Mortgages"); and (iii) various other documents in connection with or securing the Senior Notes (collectively, the "Senior Loan Documents"). Mortgagee acknowledges that the Mortgage is junior and subordinate to the lien of the Senior Mortgages.

R-2 Mortgagor's Covenants with Respect to Senior Instruments.

(a) Mortgagor covenants and agrees to comply with all of the terms and provisions of the Senior Notes, the Senior Mortgages and all other Senior Loan Documents (collectively, the "Senior Instruments"). If Mortgagor shall default in the performance of any term or provision contained in the Senior Mortgages, the owner or holder of the Note may, but shall not be obligated to, pay any principal or interest due under the Senior Notes or any of the Senior Instruments. To the extent the owner and holder of the Note pays any installment of principal or interest or any other sums due under the Senior Notes or the Senior Instruments,

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the said owner and holder shall become entitled to a lien on the Development covered by this Mortgage and by the Senior Instruments, equal in rank and priority to the Senior Instruments, and in addition to the extent necessary to make effective such rank and priority (a) the Mortgagee shall become subrogated to receive and enjoy all of the rights, liens, powers and privileges granted to the Senior Lenders; and (b) the Senior Instruments shall remain in existence for the benefit of and to further secure the debt and other sums secured, or hereafter to become secured hereunder.

(b) Mortgagor shall give Mortgagee a copy of all notices given to Mortgagor with respect to any of the Senior Instruments within five (5) days after receiving such notice.

(c) Mortgagor shall not, without the prior written consent of Mortgagee, enter into any modification, extension, amendment, agreement or arrangement in connection with the Senior Notes, Senior Mortgages or the other Senior Loan Documents.

R-3 Default under Senior Instruments; Mortgagee's Right to Cure. In the event Mortgagor is declared by the holder of the Senior Instruments to be in default beyond any applicable cure periods with respect to any requirement of any of the Senior Instruments, Mortgagor agrees that said default shall constitute a Default hereunder. Upon the occurrence of such Default, in addition to any other rights or remedies available to Mortgagee hereunder, Mortgagee may, but need not, make any payment or perform any act required to cure or attempt to cure any said default under any of the Senior Instruments in any manner and form deemed expedient by Mortgagee. Mortgagee shall not be responsible for determining the validity or accuracy of any claim of default made by the Senior Lender under the Senior Instruments and the payment of any sum by Mortgagee in curing or attempting to cure any alleged default or omission shall be presumed conclusively to have been reasonable, justified and authorized. Mortgagor hereby grants to Mortgagee an irrevocable power of attorney, which power of attorney is coupled with an interest, for the term of the Mortgage to cure any default or forfeiture which may occur and be continuing beyond the expiry of any applicable cure or grace period under the Senior Instruments. Mortgagor further agrees to execute a formal and recordable power of attorney granting such right at any time during the existence of this Mortgage if requested by Mortgagee. All monies paid by Mortgagee in curing any default under the Senior Instruments, including reasonable attorneys' fees and costs in connection therewith, shall bear interest from the date or dates of such payment at the Default Rate as described in the Note, shall be paid by Mortgagor to Mortgagee on demand, and shall be deemed a part of the Mortgage Debt and recoverable as such in all respects. Any inaction on the part of the Mortgagee shall not be construed as a waiver of any right accruing to Mortgagee

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hereunder on account of any default under the Senior Instruments.

R-4 Mortgagee's Right to Prepay Senior Notes. In the event of a Default hereunder or under the Senior Instruments, Mortgagee may prepay the entire balance due under the Senior Notes, and any prepayment fees or penalty incurred by Mortgagee in connection with such prepayment shall bear interest from the date of such payment at the Default Rate, as described in the Note, shall be paid by Mortgagor to Mortgagee upon demand, and shall be deemed a part of the Mortgage Debt and recoverable in all respects.

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In Witness Whereof, the undersigned have caused this Rider to be executed this 1st day of May, 1993.

BORROWER:

AUGUSTA ASSOCIATES LIMITED PARTNERSHIP, an Illinois limited partnership

By: Augusta Development, Corp., an Illinois corporation, its general partner

By: *D. J. [Signature]*
Its: *President*

LENDER:

ILLINOIS HOUSING DEVELOPMENT AUTHORITY, a body politic and corporate

By: *[Signature]*
Its: DIRECTOR

DC

GENERAL PARTNER:

AUGUSTA DEVELOPMENT, CORP. an Illinois corporation

By: *[Signature]*
Its: *President*

rider 290
(TFA-02/5/1093)

of Cook County Clerk's Office

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-4-

In Witness Whereof, the undersigned have caused this Rider to be executed this 1st day of May, 1993.

BORROWER:

AUGUSTA ASSOCIATES LIMITED PARTNERSHIP, an Illinois limited partnership

By: Augusta Development, Corp., an Illinois corporation, its general partner

By: *[Signature]*
Its: Resident

LENDER:

ILLINOIS HOUSING DEVELOPMENT AUTHORITY, a body politic and corporate

By: *[Signature]*

Its: DIRECTOR *PC*

GENERAL PARTNER:

AUGUSTA DEVELOPMENT, CORP. an Illinois corporation

By: *[Signature]*
Its: Resident

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(TP:chh/3/10/93)

of Cook County Clerk's Office

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