REAL ESTATE MORTGAGE

This Mortgage is made and entered into as of October 8, 1993, by HOFFMAN NORTHWEST, A WISCONSIN LIMITED PARTNERSHIP ("Mortgagor") to FIRST BANK (N.A.), a national banking association ("Lender"):

R E C I T A L S :

A. Mortgagor is the owner of the Premises, as hereinafter defined.

B. Mortgagor is indebted to Lender, as evidenced by a Mortgage Note of even date, in the principal sum of Two Million Four Hundred Thousand and No/100 Dollars ($2,400,000.00), together with interest on the outstanding principal sum with principal and interest being payable at the main office of Lender, the entire balance of principal and interest (said interest being calculated at a variable rate fluctuating daily based upon Lender's reference rate as determined from time to time) being due and payable on or before October 8, 1998, all as more specifically set forth therein.

C Lender has required and Mortgagor and Lender intend that payment of the above Mortgage Note, and all extensions, renewals and modifications thereof (the "Note"), be secured by this Mortgage, a Security Agreement and all other documents or agreements, now or hereafter given as security for the Note, all of which are referred to collectively as the "Security Documents" and singularly as "Security Document."

GRANTING CLAUSE:

To secure the payment of the principal, interest, and all other obligations of Mortgagor under the Note, and to secure the performance by Mortgagor of each and every term, covenant, agreement and condition contained in the Security Documents (collectively, the "Obligations"), Mortgagor hereby grants, mortgages, conveys and warrants unto Lender, its successors and assigns, the following described properties:

a. The real estate described and set forth in **Exhibit A** which is attached to and hereby made a part of this Mortgage (the "Land");

b. All right, title, and interest of Mortgagor, now or at any time hereafter existing, in and to all roads, streets, alleys and other public thoroughfares, bordering on or adjacent to the Land, and all strips and gores adjoining or within the Land or any part thereof;

c. All buildings, structures, improvements, equipment and fixtures now or at any time hereafter located on the Land and, without any further act, all extensions, additions, betterments, substitutions, and replacements thereof;

d. All rights, privileges, permits, licenses, easements, consents, tenements, hereditaments, and appurtenances now or at any time hereafter belonging to or in any wise appertaining to the Land or to any property now or at any time hereafter comprising a part of the property subject to this Mortgage and all right, title and interest of Mortgagor whether now or at any time hereafter existing, in all reversions and remainder to the Land and such other property, and all rents, income, issues, profits, royalties, and revenues derived from or belonging to such Land and other property subject to this Mortgage or any part thereof; and

e. Any and all proceeds of the conversion, whether voluntary or involuntary, of all or any part of the Land and other property and interests subject to this Mortgage into cash or liquidated claims, including without limitation proceeds of insurance and condemnation awards.

Any reference herein to the "Premises" shall be deemed to apply to the Land and other property and items covered by this Granting Clause, unless the context shall require otherwise.

ARTICLE 1.

WARRANTIES OF MORTGAGOR

Mortgagor hereby warrants to and covenants with Lender, its successors and assigns, that:

1.1 Mortgagor has good and indefeasible title to the Premises in fee simple, free and clear of all liens, charges, and encumbrances whatever except the Permitted Encumbrances set forth on **Exhibit B** hereto.

1.2 Mortgagor has the full right and authority to execute and deliver to Lender the Note and the Security Documents.

1.3 Mortgagor has taken all action required by law or otherwise necessary to make the Note and Security Documents the valid, binding, and legal obligations of Mortgagor.

1.4 The lien and security interest created by this Mortgage are and will be kept a first lien and security interest upon the Premises, except for the Permitted Encumbrances set forth on **Exhibit B** hereto, and Mortgagor will forever warrant and defend the same to Lender, its successors and assigns, against any and all claims and demands whatever.

ARTICLE 2.

COVENANTS OF MORTGAGOR

Mortgagor does hereby covenant and agree with Lender, its successors and assigns, as follows:

2.1 Payment. Mortgagor shall duly and punctually pay the principal and interest under the Note hereby secured, when and as the same shall become due and payable in accordance with the terms thereof, and shall duly and punctually perform and observe all of the terms, covenants, and conditions to be performed or observed by Mortgagor in the Note and the Security Documents.

2.2 Negative Covenants. Except for liens or encumbrances inferior to the lien of the Mortgage securing payment of indebtedness, the proceeds of which are used for betterment of the Land, or of any buildings, structures, improvements, equipment or fixtures thereon, Mortgagor will not, directly or indirectly, without the prior written consent of Lender, create or permit to exist, any other lien or encumbrance upon the Premises or any part thereof or any interest therein other than (1) the Mortgage lien and security interest of Lender created by the Security Documents, and (2) the Permitted Encumbrances, if any, set forth in **Exhibit B** hereto.

2.3 Affirmative Covenants. Mortgagor shall:

Property Taxes and Impositions. Pay all personal property taxes, real estate taxes and assessments, water and sewer charges, and all other governmental charges which may accrue, be levied or assessed upon the Premises or any part thereof and which may be or become a lien upon the Premises or have priority in payment to the indebtedness hereby secured when and as the same becomes due, and before any delinquency occurs or any penalty is assessed thereon. Upon request by Lender, pay to Lender on the day monthly installments of principal and interest are due and payable under the Note, an amount equal to one-twelfth (1/12) of the sum of (a) the premiums that will next become due and payable on the liability and hazard insurance policies covering the Premises, or any part thereof, plus (b) taxes and assessments next due on the Premises or any part thereof, as estimated by Lender. If requested by Lender, upon Mortgagor's execution of this Mortgage, Mortgagor shall deposit with Lender an amount reasonably estimated by Lender which when combined with the monthly deposits required pursuant to this paragraph will provide sufficient amounts to pay the next due annual insurance premiums thirty (30) days prior to the date due and to pay the assessments and taxes next due on the Premises thirty (30) days prior to the date such taxes and assessments become delinquent.

Liens. Pay and discharge all claims for labor, materials, or supplies, which, if unpaid, might by law become a lien or charge against the Premises.

Maintenance, Waste, Use. Maintain, preserve, and keep the Premises, and all parts thereof, in good repair, working order and condition, and from time to time make all necessary repairs and replacements thereto so as at all times to maintain the efficiency thereof. Mortgagor shall abstain from and will not suffer the commission of waste on the Premises and will promptly notify Lender in writing of the occurrence of any material loss or damage to the Premises. Mortgagor shall not materially alter the buildings, improvements, fixtures, equipment, machinery or other property now or hereafter acquired upon the Land comprising the Premises without the prior written consent of Lender. Mortgagor will comply promptly with all laws, statutes, ordinances, regulations, rules and orders of all public authorities having jurisdiction thereof and with all covenants, agreements and restrictions relating to the Premises or the use, occupancy and maintenance thereof. Nonpayment of any taxes, assessments or other governmental charges levied or assessed upon the Premises or the failure to maintain any insurance policy covering the Premises, or any part thereof, as required by this Mortgage, shall constitute waste.

Conduct of Business. Do or cause to be done all things necessary to preserve and keep in full force and effect any and all licenses, rights, and privileges necessary for the conduct of its business.

Insurance. Procure and maintain insurance covering the Premises against loss or damage by fire and extended coverage perils and such other hazards as may reasonably be required by Lender; procure and maintain comprehensive general public liability insurance covering Mortgagor's claims arising from any occurrence in or upon the Premises; and procure and maintain insurance to cover such other risks as Lender may require. All policies of insurance to be furnished hereunder shall be in a form and in amounts reasonably satisfactory to Lender, with mortgagee clauses attached to all policies in favor of and in a form satisfactory to Lender, including a provision requiring that the coverage evidenced thereby shall not be terminated or materially modified without thirty (30) days prior written notice to Lender. Mortgagor shall deliver copies of all policies, including additional and renewal policies, together with evidence of payment of premiums thereon, to Lender, and, in the case of insurance about to expire, shall deliver renewal policies not less than thirty (30) days prior to their respective dates of expiration.

Adjustment of Losses with Insurer and Application of Proceeds of Insurance. Give immediate notice to Lender in the event of any loss or damage covered by insurance required to be carried hereunder. Lender may thereupon make proof of such

loss or damage, if the same is not promptly made by Mortgagor. All proceeds of insurance, in the event of such loss or damage, shall be payable to Lender and any affected insurance company is authorized and directed to make payment thereof directly to Lender. Lender may, at its option, apply such proceeds to payment of the Note or may make them available to Mortgagor for repair and replacement of the Premises.

Payment of Obligations. Pay all sums, the failure to pay which may result in the imposition of a lien, charge or encumbrance on all or any portion of the Premises or which may result in conferring upon a tenant of any part of the Premises a right to recover such sums as prepaid rent or to deduct such sums from future rental payments.

Further Instruments. Execute, acknowledge, deliver, and cause to be recorded or filed in the manner and place required by any present or future law any instrument that may be reasonably requested by Lender, to publish notice, protect or continue the lien of the Security Documents and Mortgagor will pay or cause to be paid (i) all filing and recording fees incident to each filing and recording, and (ii) all expenses incurred by Lender in connection with the preparation, execution, and acknowledgement of all such instruments, other taxes, duties, imposts, assessments, and charges arising out of or in connection with the execution and delivery of such instruments.

Compliance with Agreements. Perform and comply with all of the terms, covenants, and conditions to be performed and complied with by Mortgagor under the Note, the Security Documents and all other agreements now or at any time hereafter existing between Mortgagor and Lender, including, without limitation, the commitment letter from Lender to Mortgagor dated June 3, 1993; all of which agreements shall survive the execution and delivery of this Mortgage.

Compliance with Lease. Promptly observe and perform all covenants, conditions, and agreements contained in any lease or other agreements now or hereafter affecting or relating to the Premises, or any portion thereof, on the part of the Mortgagor to be observed and performed; enforce the observance and performance of all covenants, conditions, and agreements by other parties to such lease; and do or cause to be done all things necessary to preserve, intact and unencumbered, any and all easements, appurtenances, and other interests and rights in favor of or constituting any portion of the Premises.

2.4 Environmental Matters. As used herein, a "Hazardous Substance" means any substance, material, or matter (including without limitation asbestos or asbestos containing materials and

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polychorinated biphenyls) that may give rise to liability under any of the following laws and as amended from time to time: (i) the Resource Conservation Recovery Act, as amended by the Hazardous and Solid Waste Amendments of 1984; (ii) the Comprehensive Environmental Response, Compensation and Liability Act, as amended by the Superfund Amendments and Reauthorization Act; (iii) the Clean Water Act; (iv) the Safe Drinking Water Act; (v) the Toxic Substances Control Act; (vi) the Hazardous Materials Transportation Act; (vii) the Resource Conservation and Recovery Act; (viii) the Clean Air Act; (ix) any similar local, state or federal laws, rules, ordinances or regulations either in existence as of the date hereof, or enacted or promulgated after the date of this Mortgage, that concern the management, control, discharge, treatment, containment, and/or removal of substances or materials that are or may become a threat to public health or the environment; or (x) any common law theory based on nuisance, trespass, negligence, strict liability or other tortious conduct (collectively, the "Hazardous Waste Laws").

(a) Mortgagor shall immediately notify Lender of any discharge or discovery of any Hazardous Substance affecting the Premises.

(b) Any handling transportation, storage, treatment or usage of Hazardous Substances on the Premises shall be in compliance with all applicable Hazardous Materials Laws.

(c) If Lender reasonably suspects the discharge or the presence of any Hazardous Substance that may affect the Premises, then in such event promptly upon the written request of Lender, Mortgagor shall provide Lender with an environmental site assessment or environmental audit report prepared by an environmental engineering firm acceptable to Lender, to assess with a reasonable degree of certainty the presence or absence of any Hazardous Substance and the potential costs in connection with abatement, cleanup or removal of any Hazardous Substance found on, under, at or within the Premises.

(d) Mortgagor's obligations hereunder shall arise upon the actual knowledge of Mortgagor of the presence of any Hazardous Substance, whether or not any federal agency or any state or local agency has taken or threatened any action in connection with the presence of any Hazardous Substance affecting the Premises, or upon written notice thereof to Mortgagor by Lender that Lender reasonably suspects the presence of any Hazardous Substance.

(e) In the event of any discharge of any Hazardous Substance, the threat of a discharge of any Hazardous Substance, or the presence of any Hazardous Substance affecting the Premises, whether or not the same originates or

emanates from the Premises or any contiguous real estate, and/or if Mortgagor shall fail to comply with any of the requirements of the Hazardous Waste Laws or related regulation or any other environmental law or regulation, Lender may at its election, but without the obligation so to do, give such notices and/or cause such work to be performed at the Premises and/or take any and all other actions as Lender shall deem necessary or advisable in order to abate the discharge of any Hazardous Substance, remove the Hazardous Substance or cure Mortgagor's noncompliance if Mortgagor fails to remove the Hazardous Substance or to cure Mortgagor's noncompliance within thirty (30) days after the commencement of Mortgagor's obligations to do so, or if such removal or cure cannot be reasonably completed within such thirty (30) day period, if Mortgagor fails to commence the same within such period or thereafter fails to diligently prosecute the same to completion.

(f) Mortgagor shall indemnify and hold Lender harmless from and against any and all foreseeable or unforeseeable claims, demands, damages, losses, lawsuits or other proceedings and the cost and expense, including, without limitation, reasonable attorneys' fees arising directly or indirectly from, or out of, or in any way connected with, any Hazardous Substances located in, on or affecting the Premises, whether or not the same originates or emanates from the Premises, or any contiguous real estate, including, but not limited to, any loss of value of the Premises as a result of the existence or alleged existence of such Hazardous Substances, claims of third parties, including governmental agencies, for damages, penalties, costs and/or injunctive or other relief, the cost of removal and restoration, including fees of attorneys and experts, and the cost of reporting the existence of any Hazardous Substance to any governmental agency and any liability asserted against Lender as the result of a violation of paragraph 2.4(b) hereof. The provisions of this section 2.4(f) shall survive the release, foreclosure or deed in lieu of foreclosure of this Mortgage.

ARTICLE 3.

ASSIGNMENT OF RENTS

3.1 Additional Security. As additional security, Mortgagor hereby assigns to Lender the Mortgagor's interest in and to any leases or occupancy agreements pertaining to the Premises now existing or hereafter entered into and all of the rents, profits or revenue income of the Premises ("Rents") whether now due, past due, or to become due from any party; provided that, prior to the occurrence of an event of default under Article 4 or abandonment of the Premises, Mortgagor shall have a license to collect and retain the Rents as they become due and payable, which license shall

automatically be revoked upon the occurrence of an event of default. Upon the occurrence of an event of default hereunder, this shall constitute a direction to and full authority to each occupant or tenant to pay all Rents to Lender without proof of default. Mortgagor hereby irrevocably authorizes each occupant or tenant to rely on and comply with any demand by Lender for the payment to Lender of Rents that are due or to become due. It is understood and agreed that the foregoing assignment of Rents to Lender shall not be deemed to make Lender a mortgagee in possession or otherwise responsible or liable in any manner with respect to the Premises or the use, occupancy, enjoyment or operation of all or any portion thereof unless or until Lender, in person or by agent, assumes actual possession thereof.

3.2 Mortgagor shall, at all times, perform the obligations of lessor under all leases and occupancy agreements.

ARTICLE 4.

EVENTS OF DEFAULT: REMEDIES

4.1 Events of Default; Acceleration. If any one or more of the following events (hereinafter defined and designated as "Events of Default") shall occur:

(a) failure to make any payment of all or any of the principal and interest on the Note, or payment of any other sum due under the Security Documents; or

(b) any warranty or representation made by any Mortgagor in the Note, Security Documents, or in any statement or certificate furnished pursuant to any of the foregoing, shall be false, materially misleading or inaccurate ; or

(c) failure in the due observance or performance of any other covenant, condition, or agreement on the part of Mortgagor to be observed or performed pursuant to the provisions of the Note or the Security Documents ; or

(d) any judgment shall be recovered against Mortgagor or any attachment or other court process shall issue, which shall become or create a lien upon the Premises or any part thereof and such judgment, attachment or other court process shall not be discharged or effectually secured or execution thereon stayed within sixty (60) days from the entry thereof; or

(e) upon the filing of any proceeding by or against Mortgagor or any general partner thereof or any guarantor in bankruptcy, assignment by Mortgagor or any general partner thereof or any guarantor of any of its/his property for the benefit of creditors, or the placing of Mortgagor's or any

general partner's or any guarantor's property in receivership, trusteeship or conservatorship with or without action or suit in any court;

then and in any such case, Lender may declare the then outstanding principal of the Note to be forthwith due and payable, and upon such declaration, the principal, together with interest accrued thereon shall become due and payable forthwith at the place of payment specified in the Note, anything in this Mortgage or in the Note to the contrary notwithstanding. In addition, Lender may proceed to protect and enforce its rights under the Note, and/or any of the Security Documents, by foreclosure proceedings as against all or any part of the Premises.

4.2 Receiver. At any time after an Event of Default, Lender shall be entitled to as a matter of right, without notice and without giving bond or other security and without regard to the solvency or insolvency of Mortgagor or any person liable for any indebtedness hereby secured or to the value of the Premises, to have a receiver appointed for all or any part of the Premises and to collect the rents, income, issues, profits, royalties and revenues thereof with such powers as the court making such appointment shall confer, and Mortgagor does hereby irrevocably consent to such appointment.

4.3 Possession by Lender. At any time after an Event of Default, Lender, either itself or by its agents or attorneys, may, in its discretion, enter upon and take possession of the Premises, or any part or parts thereof, and may exclude Mortgagor and its agents and employees wholly therefrom, and having and holding the same, and may use, operate, manage, and control the Premises or any part thereof, and conduct the business thereof, either personally or by agents, employees and attorneys, and may maintain and restore and may insure and keep insured, the buildings, structures, improvements, fixtures, and other property, real and personal, comprising the Premises. After paying the expense of operating the Premises, including a reasonable commission, Lender shall apply the monies arising therefrom to the amount then due on the Note.

4.4 Foreclosure and Sale. At any time after an Event of Default, Lender, may institute an action in any court of competent jurisdiction to judicially foreclose the lien of this Mortgage in a manner as provided by law and cause to be sold to the highest bidder all or any part of the Premises, and all right, title, interest, claim and demand therein in one lot as an entirety, or in separate lots, as Lender may elect, and in one sale or in any number of separate sales, held at one time or at any number of times.

4.5 Purchase by Lender. At any sale of the Premises pursuant to any judgment or decree of any court in connection with the enforcement of any of the terms of this Mortgage, Lender, its

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successors or assigns, may become the purchaser, and if Lender, its successors or assigns is a purchaser at such sale, it shall be entitled to use and apply all or any portion of the judgment or decree entered in its favor in the foreclosure action in settlement or payment of all or any portion of the purchase price of the property so purchased.

4.6 Payment of Other Expenses. If Lender commences any proceeding to foreclose this Mortgage or any other appropriate proceeding to enforce its rights under the Note or any of the Security Documents, Mortgagor covenants and agrees to pay to Lender all costs and expenses (including reasonable attorneys' fees) paid or incurred by Lender in connection therewith, which costs and expenses may be included in any judgment in Lender's favor in any such suit, action or proceeding.

4.7 Remedies Cumulative. No remedy herein conferred upon or otherwise available to Lender is intended to be or shall be construed to be exclusive of any other remedy or remedies; but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder and under any of the Security Documents and now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power, or shall be construed to be a waiver of any such default, or an acquiescence therein; nor shall the giving, taking or enforcement against any other or additional security, collateral or guaranty for the payment of the indebtedness secured under this Mortgage operate to prejudice, waive or affect the security of this Mortgage or any rights, powers or remedies hereunder; nor shall Lender be required to first look to, enforce, or exhaust any such other or additional security, collateral, or guaranty.

4.8 Indulgence by Lender. If Lender (a) grants any extension of time or forbearance with respect to the payment of any indebtedness secured by this Mortgage; (b) takes other or additional security for the payment thereof; (c) waives or fails to exercise any right granted herein or under the Note or any of the Security Documents; (d) grants any release, with or without consideration, of the whole or any part of the security held for the payment of the Obligations or the release of any person liable for payment of such debt; (e) amends or modifies in any respect any of the terms and provisions hereof or of the Note (including substitution of another note) or of any of the Security Documents; then and in any such event, such act or omission to act shall not, unless otherwise agreed in writing by Lender, release any Mortgagor under any covenant of the Note or any Security Document, nor preclude Lender from exercising any right, power, or privilege herein granted or intended to be granted in the event of any other default then made or any subsequent default or Event of Default, and without in any way impairing or affecting the lien or priority of this Mortgage or of any Security Document.

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4.9 Application of Proceeds. The proceeds of any sale or sales of the Premises or any part thereof pursuant to this Article IV shall be applied in the following order:

(a) To the payment of all costs of the sale and the foreclosure proceedings, including attorneys' fees and the cost of title searches, abstracts, and surveys;

(b) To the payment of all other expenses of Lender, including all monies expended by Lender and all other amounts payable by Mortgagor to Lender hereunder or under the Security Documents, with interest thereon; and all taxes, assessments or liens superior to the lien thereof;

(c) To the payment of the principal and interest on the Note;

(d) To the payment of any other sums owed by Mortgagor to Lender; and

(e) To the payment of the surplus, if any, to Mortgagor or to whomsoever shall be entitled thereto.

4.10 Abandonment of Proceedings. If Lender shall have proceeded to enforce any right under this Mortgage by foreclosure, sale, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason then, and in every such case, Mortgagor and Lender shall be restored to their former positions and rights hereunder with respect to the Premises subject to the lien hereof.

ARTICLE 5.

RELEASE OF THE PREMISES

5.1 Condemnation. If all or any part of the Premises is damaged, taken, or acquired, either temporarily or permanently, in any condemnation proceeding, by exercise of the right of eminent domain, by sale in lieu of condemnation or eminent domain, then the amount of any award or other payment for such taking or damages made in consideration thereof, to the extent of the full amount of the then remaining unpaid indebtedness secured hereby, is hereby assigned to Lender, who is empowered to collect and receive the same and to give proper receipts therefor in the name of Mortgagor, and the same shall be paid forthwith to Lender. Lender may, at its option, apply such proceeds to payment of the Note or may make them available to the Mortgagor for repair and replacement of the Premises. Mortgagor shall nevertheless be empowered to contest any such condemnation proceeding, and should Mortgagor make such contest, Lender's right to the award shall only be enforceable following a final, non-appealable court order.

5.2 Satisfaction of Mortgage. Whenever Mortgagor shall pay or cause to be paid the entire principal and interest due and to become due upon the Note, and shall have performed and observed all of the terms, covenants, and conditions by it to be performed or observed under the Note, and Security Documents, then and in such event Lender shall forthwith execute and deliver to Mortgagor an appropriate instrument of release.

ARTICLE 6.

MISCELLANEOUS

6.1 Severability. If any term, covenant, or condition of the Note or any Security Document, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of the Note, and the Security Documents, and the application of such term, covenant, or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant, or condition of the Note and the Security Documents shall be valid and be enforced to the fullest extent permitted by law.

6.2 Subrogation. Lender shall be subrogated to all liens, although released of record, which are paid out of the proceeds of the Note or other indebtedness secured by this Mortgage.

6.3 Notices. Whenever in this Mortgage it shall be required or permitted that notice be given by any party to the other, such notice shall be in writing, and any notice so sent shall be deemed to have been given upon receipt or three (3) days after the date that the same is deposited in the United States mail, postage prepaid, whichever is earlier. Notices shall be addressed to Lender at 201 West Wisconsin Avenue, Milwaukee, Wisconsin 53259-1000, and to the Mortgagor at Hoffman Northwest, c/o The Marcus Corporation, 250 East Wisconsin Avenue, Milwaukee, Wisconsin 53202, or at such other address as either party may from time to time designate in writing in lieu thereof.

6.4 Restrictions on Sale, Transfer, Conveyance, Easements, Restrictions, Covenants, Security Interests, Mortgages, Encumbrance and Assignment. Mortgagor shall not directly or indirectly grant, make, create or suffer to be made or created any sale, transfer, conveyance, easement, restriction, covenant, security interest, mortgage, encumbrance (except as permitted in section 2.2 hereof) or assignment of the Premises, or any part thereof or interest therein, including an assignment of the rents and leases thereof, or any transfer or assignment of legal or beneficial interests in Mortgagor or in the Premises or any of their respective assets, or any contract or agreement to do any of the same, without Lender's prior express written consent, which may be withheld in Lender's absolute discretion; otherwise Lender may, at its option, declare

all of the sums secured hereby to be immediately due and payable. Mortgagor shall not be permitted to create or transfer any general partnership interests, nor shall Mortgagor's corporate general partner be permitted to issue and/or transfer ownership of any shares of such general partner except to another subsidiary or affiliate of the Marcus Corporation, in each case without obtaining Lender's prior written consent, which consent Lender may grant or deny in its sole discretion.

6.5 Waivers by Mortgagor. Except as otherwise provided herein and to the fullest extent permitted by applicable law, Mortgagor, for itself, its successors and assigns, and each and every person with any interest in the Premises, or any part thereof, whether now owned or hereafter acquired, hereby waives, with respect to the indebtedness secured hereby, notice of maturity, demand, presentment for payment, diligence in collection, and notice of nonpayment and protest; hereby consents and agrees to any extension of time, whether one or more, for the payment thereof and/or to any and all renewals thereof. Mortgagor hereby waives all right of homestead exemption in or relating to the Premises.

6.6 Applicable Law. This Mortgage shall be interpreted in accordance with and, in all respects, governed by the internal laws of the State of Illinois.

6.7 Expenses of Lender. If Lender is made a party to any suit or proceeding by reason of the interest of Lender in the Premises, or if the Note or any Security Document is placed in the hands of an attorney or attorneys to defend or enforce any rights of Lender, then Mortgagor shall reimburse Lender for all costs and expenses, including reasonable attorneys' fees as provided in the Note incurred by Lender in connection therewith. All amounts incurred by Lender hereunder shall be secured hereby and shall be due and payable by Mortgagor to Lender forthwith on demand, with interest thereon at the rate at which interest accrues on amounts due under the Note after the same became due.

6.8 Waiver of Right of Redemption. In the event that title to the Premises, or any part thereof, shall be held by a trustee, then such trustee shall and does, by the terms hereof, waive any and all rights of redemption from sale under any order of foreclosure of this Mortgage on its own behalf and on behalf of each and every person, except decree or judgment creditors of the Mortgagor acquiring an interest in or title to the Premises subsequent to the date of this Mortgage.

6.9 Amendment. Neither this Mortgage nor any term, covenant, or condition contained herein may be amended, modified, or terminated, except by an agreement in writing, signed by the party against whom enforcement of the amendment, modification, or termination is sought.

6.10 Construction. The Note, this Mortgage, and the Security Documents shall be construed without regard to any presumption or rule requiring construction against the party causing such instruments to be drafted. The headings and captions contained in this Mortgage are solely for convenience of reference and shall not affect its interpretation. All terms and words used in this Mortgage, whether singular or plural and regardless of the gender thereof, shall be deemed to include any other number and any other gender as the context may require.

IN WITNESS WHEREOF, Mortgagor has caused these presents, to be duly executed, sealed, and delivered as of the day and year first above written.

HOFFMAN NORTHWEST, A WISCONSIN LIMITED PARTNERSHIP

By: Budgetel Partners, Inc., a general partner

by: _____
Stephen Marcus
President

attest: _____
Thomas F. Kissinger
Secretary

By: _____
David F. Lowe, a general partner

By: _____
Stephen W. Porter, a general partner

ACKNOWLEDGMENTS

STATE OF WISCONSIN)
) ss.
COUNTY OF MILWAUKEE)

The foregoing instrument was acknowledged before me this 15th day of October, 1993, by Stephen Marcus, President and Thomas F. Kissinger, Secretary of Budgetel Partners, Inc., a general partner of Hoffman Northwest, a Wisconsin Limited Partnership.

_____
Notary Public
State of Wisconsin, Milwaukee County
My Commission Expires: Sept. 28, 1997

District of Columbia
~~STATE OF~~ _____)
) ss.
~~COUNTY OF~~ _____)

The foregoing instrument was acknowledged before me this 25th day of October, 1993, by Stephen W. Porter, a general partner of Hoffman Northwest, a Wisconsin Limited Partnership.

Elizabeth O. Jones
Notary Public
~~State of~~ District of Columbia, ~~County of~~
My Commission Expires: July 31, 1998

STATE OF Wisconsin)
) ss.
COUNTY OF Milwaukee)

The foregoing instrument was acknowledged before me this 12th day of October, 1993, by David M. Lowe, a general partner of Hoffman Northwest, a Wisconsin Limited Partnership.

Notary Public
State of Wis., County of Milwaukee
My Commission Expires: is permanent

Drafted by Ronald S. Jacobs

After Recording Return To:

Ronald S. Jacobs, Esq.
Galanis, Friedland & Pollack, S.C.
Two Plaza East, Suite 560
330 E. Kilbourn Avenue
Milwaukee, Wisconsin 53202

100593fb/budgetel/hoffman.mtg

EXHIBIT A

PROPERTY DESCRIPTION

(P.I.N. No. 07-06-101-0000, Vol. 187)

LOT 1 IN HOFFMAN NORTHWEST SUBDIVISION, BEING A SUBDIVISION OF PART OF THE SOUTHWEST 1/4 OF SECTION 6, TOWNSHIP 41 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, EXCEPTING THEREFROM THAT PART OF LOT 1 DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 1 THENCE NORTH 89 DEGREES 45 MINUTES 10 SECONDS EAST ALONG THE SOUTH LINE OF SAID LOT, 230.00 FEET; THENCE NORTH 00 DEGREES 14 MINUTES 50 SECONDS WEST, 181.00 FEET; THENCE SOUTH 89 DEGREES 45 MINUTES 10 SECONDS WEST 230.00 FEET; THENCE SOUTH 00 DEGREES 14 MINUTES 50 SECONDS EAST, 181.00 FEET TO THE PLACE OF BEGINNING.

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EXHIBIT B

PERMITTED ENCUMBRANCES

1. Agreement for easement made by and between Harris Trust and Savings Bank, Trust Number 2777, First State Bank and Trust Company of Hanover Park, Trust Number 2500 and Hoffman Northwest for storm sewer connections, vehicular ingress and egress and sign purposes dated May 13, 1986 and recorded June 5, 1986 as Document No. 86227006.

2. Agreement for Easement made by and between Harris Trust and Savings Bank, Trust numbers 42711, 42776, 42777, First State Bank and Trust Company of Hanover Park Trust Number 2500 and Hoffman Northwest for vehicular ingress and egress, parking, sign purposes dated May 13, 1986 and recorded June 5, 1986 as Document No. 86227007.

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