93266331

FORBEARANCE AGREEMENT

THIS FORBEARANCE AGREEMENT (this "Agreement") is made as of the 1st day of March, 1993 (the "Effective Date"), by and among Spectrum-Menard Limited Partnership, an Illinois limited partnership ("Beneficiary"), American National Bank and Trust Company of Chicago ("Mortgagor"), not personally but solely as Trustee under Trust Agreement dated June 14, 1989 and known as Trust No. 108597-00 (Beneficiary and Mortgagor hereinafter are referred to, collectively, as "Borrower"), Stephen A. Barron ("Barron"), William O. Brachman ("Brachman") and Donald Gianone ("Gianone"; Barron, Brachman and Gianone, collectively, the "Guarantors"), Spectrum-Menard Management Company, an Illinois corporation ("General Partner") and NBD Bank, an Illinois banking corporation, assignee of NBD Skokie Bank, N.A., a national banking association ("Lender").

Recitals

A. In accordance with, and subject to the terms and conditions of, a certain Construction Loan Agreement dated as of January 30, 1990, by and among Borrower and Lender (the "Loan Agreement"), Lender made a loan (the "Loan") to Mortgagor in the original principal amount of $1,500,000.00 evidenced by a certain Note dated January 30, 1990, executed by Mortgagor (the "Note"). Any capitalized term used herein and not otherwise defined herein shall have the corresponding meaning ascribed to such term in the Loan Agreement.

B. The payment and performance obligations under the Loan Agreement and the Note are secured and guaranteed, as the case may be, by, among other things, a certain Junior Mortgage and Security Agreement dated as of January 30, 1990, made by Mortgagor in favor of Lender (the "Mortgage"), and recorded in the office of the Recorder of Deeds of Cook County, Illinois as Document No. 90050095, a certain Guaranty of Payment dated as of January 30, 1990, given by the Guarantors to Lender (the "Guaranty of Payment"), a certain Guaranty of Completion dated as of January 30, 1990, given by the Guarantors to Lender (the "Guaranty of Completion") and certain other documents and instruments, which together with the Loan Agreement, the Note, the Mortgage, the Guaranty of Completion and the Guaranty of Payment are collectively referred to in the Loan Agreement and herein, as the "Loan Documents." A legal description of the real estate encumbered by the Mortgage is attached hereto as Exhibit A.

C. The Loan Documents were amended and modified by a First Modification Agreement dated as of January 30, 1991, between Borrower, the Guarantors, General Partner and Lender (the "First Modification"), and recorded as Document No. 91047552, pursuant to which the principal amount of the Loan was increased to $2,200,000.00 and certain other amendments were made to the Loan Documents, and further amended and modified by a Second Modification Agreement dated as of September 30, 1991, between Borrower, the Guarantors, General Partner and Lender (the "Second Modification"), and recorded as Document No. 92038121, pursuant to which additional land was added to the land encumbered by the Mortgage. The First Modification and Second Modification are hereinafter included within the "Loan Documents."

D. Borrower failed to pay the Note when due and Lender has declared Borrower to be in default under the Loan Documents. The principal, accrued interest, and all interest which continues to accrue during the term of this Agreement are hereinafter in the aggregate referred to as the "Indebtedness".

RETURN TO:
BOX 15

Prepared by ~~and after recording return to~~: Shepard Gould
Rudnick & Wolfe
203 N. LaSalle
Chicago, IL 60601

288387

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8_G1265 03/03/93 1323

N24-21656-14 N.HL.

E. Borrower hereby acknowledges that it is in default under the Loan Documents and admits that it is unable to cure such default at this time.

F. Borrower has requested that Lender enter into this Forbearance Agreement in order to give Borrower the time to make diligent efforts to repay the Indebtedness.

G. Lender is willing to enter into this Forbearance Agreement, but only under the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the above recitals and for other good and valuable considerations, the receipt and adequacy of which are hereby mutually acknowledged, the parties hereto do hereby agree as follows:

1. **Affirmation of Recitals**. The recitals set forth above are true and correct and are incorporated herein by this reference.

2. **Acknowledgement of Indebtedness and Default**. Borrower acknowledges that a default has occurred in the payment of the amounts due to Lender pursuant to the terms and conditions of the Loan Documents, and that Lender has the immediate and unconditional right to pursue enforcement and collection proceedings against Borrower, the Guarantors and the Mortgaged Property. As of January 31, 1993, the balance of the aggregate unpaid principal and accrued interest owed to Lender under the Loan Documents is Two Million One Hundred Ninety-Seven Thousand Seven Hundred Thirteen and 64/100 Dollars ($2,197,713.64). Interest continues to accrue upon the unpaid principal balance of the Loan after the date of this Agreement at the aggregate per diem rate of Four Hundred Twenty-Two and 222/1000 Dollars ($422.222). There is also due and owing to Lender all costs, expenses and attorney fees which Lender has incurred or may incur in the future in connection with the preparation of this Agreement, or otherwise arising as a result of the defaults of Borrower, or arising in connection with the preservation of and enforcement of rights against any of the Mortgaged Property, together with all unpaid or subsequently arising late payment fees, charges and other payments or fees to which Lender is entitled pursuant to the Loan Documents.

3. **Lender's Forbearance**. Provided that Borrower is not in default under the terms of this Agreement, Lender agrees not to file a foreclosure action or exercise its other remedies under the Loan Documents to collect the Indebtedness for the period (the "Forbearance Period") from the date of this Agreement until the earlier date to occur (the "Termination Date") of (i) January 4, 1994, and (ii) the date of delivery by Escrow Agent of the Escrow Documents (as such terms are hereinafter defined) out of escrow, pursuant to the terms of Paragraph 6 below. Borrower agrees that during the Forbearance Period, it shall continuously make diligent efforts to operate the Mortgaged Property in such a manner so as to enable Borrower to fully repay the Indebtedness in a timely manner. Nothing herein shall be deemed a consent by Lender to subordinate financing or to the transfer of the Mortgaged Property subject to the Mortgage.

4. **Terms of Forbearance and Modification of Obligations**. Lender's forbearance as described in Paragraph 3 above is conditioned upon and subject to Borrower's and Guarantors' performance of certain covenants and obligations, and subject to the modifications of the Loan terms, as follows:

(a) Prior to the execution and delivery of the documents described in this Paragraph 4 and Paragraph 5 below, Borrower shall have delivered to Lender a proposed monthly budget for calendar year 1993 (the "Budget") which is acceptable to Lender.

In the event Lender requests modifications to the Budget, Borrower shall make the required changes and resubmit the Budget to Lender.

(b) Concurrently with the execution and delivery of this Agreement, Borrower shall pay the unpaid interest which has accrued under the Loan Documents through February 1, 1993.

(c) Concurrently with the execution and delivery of this Agreement, Guarantors shall pay to Lender the sum of One Hundred Thousand Dollars ($100,000.00) to be applied toward the payment of real estate taxes which are past due, together with any interest or penalty due with respect thereto, with any balance remaining thereafter to be deposited into the tax escrow account.

(d) On March 10, 1993 and on the tenth (10th) day of each calendar month occurring thereafter until the principal amount of the Loan is paid in full, Borrower shall pay the following amounts:

(i) interest accrued on the portion of the Loan outstanding from time to time at a rate per annum equal to 1% plus the "Prime Rate" (as such term is defined in the Note);

(ii) a principal reduction payment in an amount equal to the Net Cash Flow of the Mortgaged Property for the immediately preceding month and, as used herein, the term "Net Cash Flow" shall mean all funds collected from the operation of the Mortgaged Property for such month after deducting therefrom all reasonable and necessary operating expenses paid during the subject month, provided that only those expenses which are set forth on the Budget approved by Lender or which are otherwise approved by Lender in writing shall qualify as "reasonable and necessary" operating expenses for the purposes of this subparagraph 4(b)(ii); and

(iii) the sum of Seven Thousand One Hundred Dollars ($7,100.00) (or such other sum as Lender deems necessary, in light of the most recent real estate tax assessment, to maintain a solvent tax escrow account) to be deposited into a tax escrow account and applied by Lender toward the payment of real estate taxes, in accordance with Section 1.04.3 of the Mortgage.

(e) Upon the execution and delivery of this Agreement, and performance by Borrower and Guarantor of the covenants and obligations to be performed concurrently with such execution and delivery, the maximum, aggregate liability of Barron, Buchman and Giannone, on a joint and several basis, under the Guaranty of Payment shall automatically be reduced to Thirty Thousand Dollars ($30,000.00).

(f) Concurrently with the execution and delivery of this agreement, Borrower and Lender shall execute an escrow agreement in the form of Exhibit B attached hereto (the "Escrow Agreement"), appointing Ticor Title Insurance Company as escrow agent (the "Escrow Agent") to hold and deliver the documents described in Paragraph 5 below. The cost of said escrow shall be paid by Borrower.

(g) Concurrently with the execution and delivery of this Agreement, Borrower shall deliver to Lender a certified copy of the corporate resolutions of General Partner authorizing the execution and delivery of this Agreement and all other documents

required by or to be executed in connection with this Agreement and the performance of all acts to be undertaken by Borrower pursuant to this Agreement or any of such other documents.

5. **Escrow Documents**. Concurrently with the execution and delivery of this Agreement, Borrower shall execute and deliver to the Escrow Agent the following documents (the "Escrow Documents"):

(a) a trustee's deed in form acceptable to Lender (the "Deed") conveying the Land to Lender;

(b) a bill of sale in form acceptable to Lender (the "Bill of Sale");

(c) an assignment of leases in form acceptable to Lender (the "Assignment of Leases");

(d) a release in the form attached hereto as Exhibit C (the "Release"), to be dated by the Escrow Agent as of the date on which the Deed is delivered out of escrow to Lender.

(e) an acknowledgement executed by Guarantors confirming that the Guaranty of Payment, as modified by the terms of Paragraph 4(e) of this Forbearance Agreement, shall survive and not be affected or prejudiced in any way by the delivery of the Deed to Lender.

(f) such other documents as are reasonably requested by Lender, such as an affidavit of title, a certified copy of the Trust Agreement for Mortgagor, terminations or assignments of service contracts and other documents appropriate to the transaction.

6. **Agreements as to Escrow Documents**. The parties hereto agree that the Escrow Documents shall be held by Escrow Agent and delivered in accordance with the following:

(i) In the event of a default under this Agreement by Borrower, General Partner or Guarantors, as evidenced by a certificate executed by a duly authorized officer of Lender and delivered from Lender to Escrow Agent, Escrow Agent shall deliver the Escrow Documents to Lender. Upon such delivery, Lender shall be authorized to record the Deed and the Assignment of Leases.

(ii) If Borrower repays the Indebtedness on or before January 4, 1994, Lender shall promptly so advise Escrow Agent, whereupon Escrow Agent shall deliver the Release to Lender and the remaining Escrow Documents to Borrower.

Upon Borrower's repayment of the Indebtedness and the delivery of the Release to Lender in accordance with clause (ii) above, Lender shall return the Loan Documents to Borrower, marked "paid."

Neither the deposit of the Deed into the escrow nor the subsequent delivery of the Deed by the Escrow Agent to Lender shall in any way whatsoever:

(A) result in a merger of the interest of Lender, as mortgagee, secured party or assignee under the Loan Documents, and the interest of Lender as fee title holder of the Land,

(B) be deemed a waiver by Lender of any claim of priority pursuant to the Loan Documents over any other liens, mortgages, security interests or encumbrances of any kind or nature, now existing or hereafter placed against the Mortgaged Property, or any part thereof, or

(C) affect or prejudice, in any way, Lender's right to foreclose the mortgage by judicial proceedings or otherwise or to proceed as provided in the Loan Documents.

The Loan Documents and the liens and security interests imposed thereby (as modified by this Forbearance Agreement) shall, in all respects, survive the recording of the Deed and Borrower, General Partner and Guarantors hereby ratify and confirm the Loan Documents in all respects, subject to the modifications set forth in this Forbearance Agreement.

7. **No Defenses, Waivers**. As of the date of this Agreement, the Indebtedness is due and payable in full and Borrower and General Partner each acknowledges that it has no defense, offset, or counterclaim to any of Borrower's obligations under the Loan Documents. To the extent that any such defenses, claims, or offsets exist as of the date hereof, they are waived and released in consideration of the Lender's execution of this Agreement. Borrower and General Partner have each duly authorized, executed and delivered this Agreement, and Borrower and General Partner each acknowledge that the Loan Documents are valid and enforceable in accordance with their terms against Borrower.

8. **Defaults**. The occurrence of any one or more of the following shall constitute a default under this Agreement:

(i) the untruth of any representation or warranty contained in this Agreement, or the existence of a misrepresentation of fact or fraud contained in the Loan Documents or any other document or information heretofore or hereafter submitted or communicated to Lender in support of this Agreement;

(ii) breach or violation of any term, covenant, or condition contained in this Agreement; or

(iii) any other default under any of the Loan Documents.

9. **Termination**. Upon the Termination Date or immediately following the occurrence of any default under this Agreement, Lender may, at its option: (i) terminate its obligation to forbear as contained in Paragraph 3 hereof without notice or demand and deliver to the Escrow Agent a certificate confirming such default; and/or (ii) pursue any other remedies available to it. If not sooner terminated, Lender's obligation to forbear in exercising its remedies under the Loan Documents shall terminate automatically and without notice to or action by any party on the Termination Date.

10. **Bankruptcy**. To induce Lender to execute this Agreement, Borrower and General Partner represent that each is currently solvent and has no intention to file or acquiesce in any bankruptcy or insolvency proceeding at any time hereafter; and Borrower, General Partner and Guarantors represent that (i) the forbearance allowed by this Agreement is sufficient for Borrower to reorganize its financial affairs successfully if such reorganization is reasonably possible, and in the event that Borrower is unable to repay the Indebtedness on or prior to the Termination Date, Borrower acknowledges that it will not have any equity in the Mortgaged Property in excess of the Indebtedness or any further realistic opportunity to successfully reorganize Borrower's financial affairs in bankruptcy; and (ii) any bankruptcy filing or

acquiescence therein by Borrower or General Partner after the Termination Date would be (as to Lender) in bad faith and solely for the purpose of delaying Lender in the enforcement of its rights. Accordingly, in consideration of the mutual covenants contained in this Agreement and for other good and valuable consideration, including the forbearance of Lender from exercising its rights and remedies otherwise available to it under the Loan Documents, Borrower, General Partner and Guarantors hereby agree that in the event Borrower, General Partner or either of the Guarantors shall (i) file with any bankruptcy court of competent jurisdiction or be the subject of any petition under Title 11 of the U.S. Code, as amended ("Bankruptcy Code"), (ii) file or be the subject of any petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any present or future federal or state act or law relating to bankruptcy, insolvency, or other relief for debtors, (iii) have sought or consented to or acquiesced in the appointment of any trustee, receiver, conservator, or liquidator, or (iv) be the subject of any order, judgment, or decree entered by any court of competent jurisdiction approving a petition filed against such party for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any present or future federal or state act or law relating to bankruptcy, insolvency, or relief for subject to court approval, then subject to court approval, Lender shall thereupon be entitled and Borrower, General Partner and Guarantors irrevocably consent to relief from any automatic stay imposed by Section 362 of the Bankruptcy Code, or otherwise, on or against the exercise of the rights and remedies otherwise available to Lender as provided in the Loan Documents, this Agreement or as otherwise provided by law, and Borrower, General Partner and Guarantors hereby irrevocably waive their right to object to such relief.

11. <u>Carryover of This Agreement in the Event of Bankruptcy</u>. The following provisions are of particular applicability in the event Borrower or General Partner files for relief under the Bankruptcy Code, or an order of relief is granted as to Borrower or General Partner under the Code. Borrower and General Partner enter into these provisions in consideration of the procedures provided in this Agreement and other good and valuable consideration, receipt of which Borrower and General Partner acknowledge.

(i) <u>This Agreement To Be A Cash Collateral Order</u>. Borrower and General Partner agree that the rents and other income generated by the Mortgaged Property are and shall be deemed to be "Cash Collateral" as that term is defined in Section 363 of the Bankruptcy Code. Borrower and General Partner agree that, in the event Borrower or General Partner files with any bankruptcy court of competent jurisdiction, or is subjected to any petition under the Bankruptcy Code which results in any order of relief under the Bankruptcy Code, and the debtor in that proceeding wishes to use Cash Collateral as defined in the Bankruptcy Code, then this Agreement shall without modification be deemed to be a stipulation between Lender, Borrower and General Partner, as applicable, for a Cash Collateral Order pursuant to Section 363 of the Bankruptcy Code. Borrower and General Partner hereby agree that they shall cooperate in and shall not in any way resist having this Agreement become and be fully incorporated in, without change or modification, a Cash Collateral Order immediately entered by a bankruptcy court under Section 363 of the Bankruptcy Code and before any use of Cash Collateral as defined in Section 363 of the Bankruptcy Code, and that Cash Collateral shall only be used as provided in this Agreement. Such Order shall permit the use of Cash Collateral only until the end of the 120 day exclusive period under Section 1121(b) of the Bankruptcy Code, and no longer, and shall incorporate all of the other terms provided by this Agreement, and specifically Paragraphs 11(ii) through 11(vi) below in any such proceeding "Cash Collateral" as that term is defined in Section 363 of the Bankruptcy Code.

(ii) **Adequate Protection**. As adequate protection for the use of Cash Collateral, Borrower agrees that Lender shall be deemed in the proceeding, to the extent it is determined that Section 552(a) of the Bankruptcy Code applies to limit Lender's interest under the Loan Documents and this Agreement, to have a continuing post-bankruptcy interest in all leases or letting or agreements for the use of the Mortgaged Property entered into after the filing of the petition or the order for relief, whichever is later, and in all rents or profits from the Mortgaged Property derived from any leases, letting or use. As further adequate protection for Borrower's use of the rents, Borrower agrees to maintain at all times an adequate and appropriate amount and coverage of insurance covering its assets in amounts not less than that required under the Loan Documents, naming Lender as a loss payee as its interest may appear.

(iii) **Priority Claim To The Extent Lender's Security Decreased**. All rents and income from the Mortgaged Property are Cash Collateral, and to the extent they are used and consumed after filing or entry of any Cash Collateral Order, Borrower specifically agrees that they are collateral for a secured claim under Section 506 of the Bankruptcy Code in the amount so used. To the extent the collateral securing Lender's claim in the bankruptcy proceeding is thereafter deemed or proves to be insufficient to pay Lender's claim in full, Lender's secured claim shall be deemed to have been inadequately protected by the provisions of the Cash Collateral Order, and it shall therefore have an administrative expense claim in the proceeding with super priority over any and all administrative expenses of the kind specified in 11 U.S.C. §§ 503(b) and 507(b), which super priority shall be equal to the priority provided under the provisions of Section 364(c)(1) of the Bankruptcy Code over all other costs and administrative expenses incurred in the case of the kind specified in, or ordered pursuant to, Sections 105, 326, 330, 331, 503(b), 506(c), 507(a), 507(b) or 726 of the Bankruptcy Code and shall at all times be senior to the rights of Borrower and General Partner or any successor trustee in the resulting bankruptcy proceeding or any subsequent proceeding under the Bankruptcy Code, except that such administrative expense claim shall be subordinate to professional fees and reimbursement of expenses that may be awarded to professionals retained by Borrower pursuant to Sections 330 and/or 331 of the Bankruptcy Code and fees of the United States Trustee.

(iv) **No Renewal of Exclusive Period, Relief from Automatic Stay**. Borrower and General Partner agree that if Borrower or General Partner is a debtor in a Chapter 11 proceeding under the Bankruptcy Code, and the bankruptcy court enters a Cash Collateral Order, then that Order shall provide that if Borrower or General Partner does not file a Plan within the 120 day exclusive period provided by Section 1121(b) of the Bankruptcy Code, Lender shall, without the necessity of any additional notice to the debtor or to other creditors, any hearing or any further order of the Court, have immediate relief from stay under Bankruptcy Code Section 362 to commence and complete the transaction described in the Escrow Agreement or foreclosure on the Mortgaged Property, conduct and complete sale thereunder, and either purchase itself or sell to a third party under the provisions of the Loan Documents and according to applicable non-bankruptcy law, and to take any other action permitted under the Loan Documents and applicable non-bankruptcy law.

(v) **Further Relief From Automatic Stay**. Borrower and General Partner specifically agree that, subject to court approval, Lender shall be deemed to have the relief from the automatic stay under Section 362 of the Bankruptcy Code provided in this Paragraph. As an alternative, if Lender requests such relief, they shall not object to or oppose Lender from having immediate relief from the automatic stay under Section 362 of the Bankruptcy Code, such relief being limited to modification of the stay

(i) to implement the provisions of this Agreement permitting the use of Cash Collateral, (ii) to permit the filing of financing statements or other instruments and documents evidencing Lender's interests in the rents and other income of the Mortgaged Property and in any leases, letting or use after the filing of the petition or order for relief, whichever is later, (iii) to permit Lender's application of rents and income as provided herein, and (iv) to permit the relief provided for in Paragraph 11(iv).

(vi) **Perfection**. During the pendency of the case, if it is determined that any of the rights granted hereunder are security interests or liens, they shall be deemed perfected without the necessity of the filing of any documents or commencement of proceedings otherwise required under non-bankruptcy law for the perfection of security interests, with such perfection being binding upon any subsequently appointed trustee, either in Chapter 11 or under any other Chapter of the Bankruptcy Code, and upon other creditors of Borrower or General Partner who have or whom may hereafter extend secured or unsecured credit to Borrower or General Partner.

12. **No Waiver of Remedies**. Lender expressly reserves any and all rights and remedies available to it under this Agreement, the Loan Documents, the Escrow Documents, at law or in equity in the event Borrower defaults under this Agreement, including, without limitation, the withdrawal and application of all monies contained in any escrow accounts established under the Loan Documents and this Agreement. No failure to exercise, or delay by Lender in exercising, any right, power or privilege hereunder shall preclude any other or further exercise thereof, or the exercise of any other right, power or privilege. The rights and remedies provided in this Agreement and the Loan Documents are cumulative and not exclusive of each other or of any right or remedy provided by law or in equity. Except as otherwise expressly provided in the Loan Documents, no notice to or demand upon Borrower in any instance shall, in itself, entitle Borrower to any other or further notice or demand in similar or other circumstances or constitute a waiver of the right of Lender to any other or further action in any circumstance without notice or demand.

13. **Expenses, Attorneys' Fees**. Lender shall be entitled to recover from Borrower all amounts incurred by or on behalf of Lender for attorneys' fees, recording expenses, title insurance fees, UCC searches, and all other expenses incurred by or on behalf of Lender by reason of the matters specified herein and for the preparation of this Agreement and all other documents necessary and required to effectuate the provisions hereof, including, without limitation, all costs and expenses with respect to Borrower's compliance with the terms and conditions hereof and Lender's enforcement thereof. In the event any dispute shall arise concerning the subject matter of this Agreement, Lender shall be entitled to recover from Borrower its attorneys' fees and costs incurred at all trial, appellate and bankruptcy proceedings. The rights and remedies of Lender contained in the Paragraph shall be in addition to, and not in lieu of, the rights and remedies contained in the Loan Documents and as otherwise provided by law.

14. **Governing Law, Jurisdiction**. This Agreement shall be construed in accordance with the laws of the State of Illinois, without regard to its conflict of laws principles. Borrower and General Partner hereby submit to personal jurisdiction in the State of Illinois for the enforcement by Lender of their respective obligations hereunder, and waive any personal rights under the law of any other State to object to jurisdiction in Illinois. In the event litigation is commenced, Borrower and General Partner each agrees that service of process may be made and personal jurisdiction over Borrower and General Partner obtained by service of a copy of the summons and complaint upon Borrower's and General Partner's Agent for Service of

Process, and that such litigation may be pursued, at Lender's election, in Cook County, Illinois. Borrower and General Partner each hereby designates its Agent for Service of Process to be:

Shefsky & Froelich Ltd.
~~Nagelberg, Smith & Borusak, P.C.~~
~~305 West Madison, 17th Floor~~ 444 North Michigan
Chicago, Illinois ~~60606~~ 60611
Attn: Suzanne Bessette-Smith, Esq.

15. **No Additional Debt**. Borrower agrees that it will not cause or permit to be incurred any indebtedness secured by a lien on any of the Mortgaged Property after the date hereof other than in favor of Lender.

16. **Construction**. This Agreement shall not be construed more strictly against Lender merely by virtue of the fact that the same has been prepared by Lender or its counsel, it being recognized that Borrower and General Partner have contributed substantially and materially to the preparation of this Agreement, and Borrower, General Partner and Lender each acknowledges and waives any claim contesting the existence and the adequacy of the consideration given by any of the other parties hereto in entering into this Agreement.

17. **Entire Agreement**. Borrower, General Partner and Lender each acknowledges that there are no other agreements or representations, either oral or written, express or implied, not embodied in this Agreement and the Loan Documents, which, together, represent a complete integration of all prior and contemporaneous agreements and understandings of Borrower, General Partner and Lender, and the provisions of the Loan Documents are hereby ratified and confirmed.

18. **Benefit**. Except as provided herein, this Agreement shall be binding upon and shall inure to the benefit of Borrower, General Partner and Lender, and their respective successors and assigns.

19. **Ratification, Encumbrances**. The Loan Documents shall remain in full force and effect, and all of the terms and provisions of the Loan Documents, as herein modified, are hereby ratified and reaffirmed. Borrower and General Partner represent to Lender that there is no other ownership interest, mortgage lien, or other interest, now outstanding against the Mortgaged Property, other than as described on Exhibit D attached hereto.

20. **Priority of Mortgage**. All of the Mortgaged Property shall remain in all respects subject to the lien, charge and encumbrance of the Mortgage, and nothing herein contained and nothing done pursuant hereto, shall affect the lien, charge or encumbrance of the Mortgage, or the priority thereof with respect to other liens, charges, encumbrances or conveyances. Borrower shall cause LaSalle National Bank to execute the Acknowledgment of Subordination which is attached to this Agreement as Exhibit E and, by this reference, is incorporated into this Agreement.

21. **Consent to Agreement**. Borrower and General Partner each acknowledge that it has thoroughly read and reviewed the terms and provisions of this Agreement and is familiar with same, that the terms and provisions contained herein are clearly understood by it and have been fully and unconditionally consented to by it, and that Borrower and General Partner each has had full benefit and advice of counsel of its own selection, or the opportunity to obtain the benefit and advice of counsel of its own selection, in regard to understanding the terms, meaning and effect of this Agreement and that this Agreement has been entered into by Borrower and General Partner freely, voluntarily, with full knowledge, and without duress, and that in executing this Agreement, Borrower and General Partner are relying on no other

representations either written or oral, express or implied, made to Borrower or General Partner by any other party hereto, and that the consideration received by Borrower and General Partners hereunder has been actual and adequate.

22. **Release**. Concurrently with its execution and delivery of this Agreement, Borrower, General Partner and Guarantors shall execute and deliver to Lender the General Release in the form attached as Exhibit C to this Agreement (in addition to depositing a separate General Release into escrow).

23. **Counterparts**. It is understood and agreed that his Agreement may be executed in several counterparts, each of which shall, for all purposes, be deemed an original and all of such counterparts, taken together, shall constitute one and the same Agreement, even though all of the parties hereto may not have executed the same counterpart of this Agreement.

24. **Lender Not Liable For Expenses**. Nothing in this Agreement shall be intended or construed to hold Lender liable or responsible for any expenses, disbursement, liability or obligation of any kind or nature whatsoever, including but not limited to, wages, salaries, payroll taxes, deposits, withholding, benefits or other amounts payable to or on behalf of Borrower, whether any present or future creditor attempts to assert a claim against Lender or the Project, including but not limited to any attempt in any bankruptcy proceeding to assert a claim under 11 U.S.C. §506(c) or any other provision of the Bankruptcy Code.

25. **Borrower Remains in Control**. Borrower and Lender agree that Borrower remains in control of the Mortgaged Property, that it determines the business plan for, and employment, management and operating directions and decisions for the Mortgaged Property and for Borrower.

26. **Miscellaneous**. This Agreement is made for the sole protection of Lender and Borrower and their respective successors and assigns. No other person shall have any right whatsoever hereunder. Notices to parties hereunder may be given to them at the addresses and in the manner provided in the Loan Documents. Any notice to Escrow Agent shall be given in accordance with the notice provisions contained in the Escrow Agreement. Time shall be of the strictest essence in the performance of each and every one of the Borrower's obligations hereunder. If any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions shall remain in effect without impairment.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto in manner and form sufficient to bind them, as of the day and year first above written.

LENDER:

NBD BANK, an Illinois banking corporation, assignee of NBD Skokie Bank, N.A.

By: _____
Its: _____

BENEFICIARY:

SPECTRUM-MENARD LIMITED PARTNERSHIP, an Illinois limited partnership

By: **SPECTRUM-MENARD MANAGEMENT COMPANY**, an Illinois corporation

By: _____
Its: _____

MORTGAGOR:

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally, but solely as Trustee as aforesaid

By: _____
Its: TRUST OFFICER

Attest: _____
Its: Assistant Secretary
ASSISTANT SECRETARY

GENERAL PARTNER:

SPECTRUM-MENARD MANAGEMENT COMPANY, an Illinois corporation

By: _____
Its: _____

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto in manner and form sufficient to bind them, as of the day and year first above written.

LENDER:

NBD BANK, an Illinois banking corporation, assignee of NBD Skokie Bank, N.A.

By: _____
Its: _____

BENEFICIARY:

SPECTRUM-MENARD LIMITED PARTNERSHIP, an Illinois limited partnership

By: **SPECTRUM-MENARD MANAGEMENT COMPANY**, an Illinois corporation

By: _____
Its: _____

MORTGAGOR:

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally, but solely as Trustee as aforesaid

By: _____
Its: _____

GENERAL PARTNER:

SPECTRUM-MENARDMANAGEMENT COMPANY, an Illinois corporation

By: _____
Its: _____

Attest:

_____
Its: _____

9 3 2 5 6 7 5 1

GUARANTORS:

STEPHEN E. BARRON

WILLIAM O. BEACHMAN

DONALD GIANONE

9 3 2 0 0 3 5 1

GUARANTORS:

STEPHEN E. BARRON

WILLIAM O. BRASHMAN

DONALD GIANONE

93265331

ACKNOWLEDGMENT

STATE OF)
) SS
COUNTY OF)

I, Pamela A. Csikos, a Notary Public in and for and residing in said County and State, DO HEREBY CERTIFY THAT Anita M. Lukus and JUDITH R. CRAVEN the ASSISTANT SECRETARY and TRUST OFFICER, respectively of American National Bank and Trust Company of Chicago, not personally but solely as Trustee under Trust Agreement dated June 14, 1989 and known as Trust No. 108597-00, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such ASSISTANT SECRETARY and TRUST OFFICER, appeared before me this day in person and acknowledged that they signed and delivered said instrument as their own free and voluntary act and as the free and voluntary act of said bank, as Trustee as aforesaid, for said uses and purposes.

GIVEN under my hand and notarial seal this __ day of _____, 1993.

"OFFICIAL SEAL"
PAMELA ANN CSIKOS
Notary Public, State of Illinois
My Commission Expires 5/1/96

Pamela Ann Csikos
Notary Public

My Commission Expires:
5/1/96

ACKNOWLEDGMENT

STATE OF Illinois)
) SS
COUNTY OF Cook)

I, Joan C. Rowells, a Notary Public in and for and residing in said County and State, DO HEREBY CERTIFY THAT Steven E. Baccus, the VP of Spectrum-Menard Management Company, an Illinois corporation, individually and as the general partner of Spectrum-Menard Limited Partnership, an Illinois 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 said instrument as ___ own free and voluntary act and as the free and voluntary act of said corporation or the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 10 day of March 1993.

Joan C. Rowells
Notary Public

My Commission Expires:

_____

"OFFICIAL SEAL"
Joan C. Rowells
Notary Public, State of Illinois
My Commission Expires Sept. 8, 19[illegible]

ACKNOWLEDGMENT

STATE OF Illinois)
) SS
COUNTY OF Cook)

I, Joan C. Rowells, a Notary Public in and for and residing in said County and State, DO HEREBY CERTIFY THAT Donald Gianone, 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 said instrument as his own free and voluntary act, for the uses and purposes therein set forth.

GIVEN, under my hand and notarial seal this 12 day of March, 1993

Joan C. Rowells
Notary Public

My Commission Expires:

"OFFICIAL SEAL"
Joan C. Rowells
Notary Public, State of Illinois
My Commission Expires Sept. 9, 1993

ACKNOWLEDGMENT

STATE OF)
) SS
COUNTY OF)

I, _____, a Notary Public in and for and residing in said County and State, DO HEREBY CERTIFY THAT William O. Brachman, 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 said instrument as his own free and voluntary act, for the uses and purposes therein set forth.

GIVEN, under my hand and notarial seal this ___ day of _____, 1993

_____
Notary Public

My Commission Expires:

_____

93266361

ACKNOWLEDGMENT

STATE OF)
) SS
COUNTY OF)

I, _____, a Notary Public in and for and residing in said County and State, DO HEREBY CERTIFY THAT Donald Gianone, 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 said instrument as his own free and voluntary act, for the uses and purposes therein set forth.

GIVEN, under my hand and notarial seal this ___ day of _____, 1993

_____
Notary Public

My Commission Expires:

_____

ACKNOWLEDGMENT

STATE OF Illinois)
) SS
COUNTY OF Cook)

I, Joan C. Rewells, a Notary Public in and for and residing in said County and State, DO HEREBY CERTIFY THAT William O. Brachman, 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 said instrument as his own free and voluntary act, for the uses and purposes therein set forth.

GIVEN, under my hand and notarial seal this 11 day of March, 1993

Joan C. Rewells
Notary Public

My Commission Expires:

_____

"OFFICIAL SEAL"
Joan C. Rewells
Notary Public, State of Illinois
My Commission Expires Sept. 8, 1993

9 3 2 6 6 3 3 1

ACKNOWLEDGMENT

STATE OF Illinois }
COUNTY OF Cook } SS

I, Joan C. Rowells, a Notary Public in and for and residing in said County and State, DO HEREBY CERTIFY THAT Stephen E. Barron, 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 said instrument as his own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 10 day of March, 1993

Joan C. Rowells
Notary Public

My Commission Expires:

"OFFICIAL SEAL"
Joan C. Rowells
Notary Public, State of Illinois
My Commission Expires Sept. 8, 1996

ACKNOWLEDGMENT

STATE OF Illinois }
} SS
COUNTY OF Lake }

I, Jane Steinein, a Notary Public in and for and residing in said County and State, DO HEREBY CERTIFY THAT Walter J. Radinovich the First Vice President of NBD Bank, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such officer, appeared before me this day in person and acknowledged that he signed and delivered said instrument as his own free and voluntary act and as the free and voluntary act of said Bank.

GIVEN, under my hand and notarial seal this 5th day of March, 1993

"OFFICIAL SEAL"
Jane Steinein, Notary Public
Lake County, State of Illinois
My Commission Expires 9/30/94

Jane Steinein
Notary Public

My Commission Expires:
9/30/94

ACKNOWLEDGMENT

STATE OF }
} SS
COUNTY OF }

I, _____, a Notary Public in and for and residing in said County and State, DO HEREBY CERTIFY THAT _____, the _____ of Spectrum-Menard Management Company, an Illinois corporation, 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 said instrument as ___ own free and voluntary act and as the free and voluntary act of said corporation for the uses and purposes therein set forth.

GIVEN, under my hand and notarial seal this ___ day of _____, 1993

_____
Notary Public

My Commission Expires:

_____

93265351

ACKNOWLEDGMENT

STATE OF)
) SS
COUNTY OF)

I, _____, a Notary Public in and for and residing in said County and State, DO HEREBY CERTIFY THAT _____, the _____ of NBD Bank, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such _____, appeared before me this day in person and acknowledged that ____ signed and delivered said instrument as ____ own free and voluntary act and as the free and voluntary act of said Bank.

GIVEN, under my hand and notarial seal this ___ day of _____, 1993

_____
Notary Public

My Commission Expires:

_____

ACKNOWLEDGMENT

STATE OF Illinois)
) SS
COUNTY OF Cook)

I, Joan C. Rowells, a Notary Public in and for and residing in said County and State, DO HEREBY CERTIFY THAT Steven E. Barr the VP of Spectrum-Menard Management Company, an Illinois corporation, 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 said instrument as ____ own free and voluntary act and as the free and voluntary act of said corporation for the uses and purposes therein set forth.

GIVEN, under my hand and notarial seal this 10 day of March 1993

Joan C. Rowells
Notary Public

My Commission Expires:

_____

"OFFICIAL SEAL"
Joan C. Rowells
Notary Public, State of Illinois
My Commission Expires Sept. 8, 1993

EXHIBIT A

LEGAL DESCRIPTION

Parcel 1:

The Northwest 1/4 of the Northwest 1/4 of the Southeast 1/4 of the Southeast 1/4 of Section 17, Township 39 North, Range 13 East of the Third Principal Meridian, in Cook County, Illinois, except that part thereof lying Easterly of the Westerly line of the 17 foot wide strip of land granted to the Baltimore and Ohio Chicago Terminal Railroad Company by the Agreement recorded January 20, 1917 as Document No. 6,034,440. The center line of said 17 foot wide strip of land is described as follows:

Beginning at the intersection of the North line of West 12th Street (Roosevelt Road) and the North and South center line of the West 1/2 of the Southeast 1/4 of the Southeast 1/4, aforesaid; thence North along said center line to a point of tangency with a curved line, said curved line being convexed Northeasterly, having a radius of 359.26 feet and being tangent to said center line and tangent to a line 18 feet North of Company's right of way; thence Northwesterly along said curved line to its intersection and parallel with the South line of the Baltimore and Ohio Chicago Terminal Railroad within the South line of said right of way, the South line of said right of way coinciding with the North line of Block 9 in Andrew Warren, Jr's Resubdivision of part of Warren Park in said Section 17.

Parcel 2:

That part of Block 9 in Andrew Warran, Jr.'s Resubdivision of part of Warren Park, a Subdivision in Section 17, Township 39 North, Range 13 East of the Third Principal Meridian, in Cook County, Illinois, lying East of the center line of the Southeast 1/4 of said Section 17 and lying Westerly of the Westerly line of the 17 foot wide strip of land granted to the Baltimore and Ohio Chicago Terminal Railroad Company by the Agreement recorded January 20, 1917 as Document No. 6,034,440. The center line of said 17 foot wide strip of land is described as follows:

Beginning at the intersection of the North line of West 12th Street (Roosevelt Road) and the North and South center line of the West 1/2 of the Southeast 1/4 of the Southeast 1/4, aforesaid; thence North along said center line to a point of tangency with a curved line, said curved line being convexed Northeasterly, having a radius of 359.26 feet and being tangent to said center line and tangent to a line 18 feet North of a parallel with the South line of the Baltimore and Ohio Chicago Terminal Railroad Company's right of way; thence Northwesterly along said curved line to its intersection with the South line of said right of way, the South line of said right of way coinciding with the North line of Block 9 in Andrew Warren, Jr.'s Resubdivision of part of Warren Park in said Section 17.

Parcel 3:

Non-exclusive easement for the benefit of Parcels 1 and 2 for ingress and egress for the purpose of repairing, maintaining and replacing the structures located on Parcels 1 and 2 as created by the Grant of Easement recorded August 17, 1987 as Document No. 87-453,540 over a 4 foot wide strip of land lying Easterly of and adjacent to Parcels 1 and 2 and lying Northerly of the South line of Parcel 2 extended East of the East line of said 4 foot wide strip of land.

P.I.N. #: 16-17-400-014 and 16-17-413-023

and

Lots 1 and 2 in Block 8 in William F. Higgins Park Addition, being a subdivision of that part of the West 1/2 of the South East 1/4 of Section 17, Township 39 North, Range 13 East of the Third Principal Meridian, lying South of the South line of the right of way of the Baltimore and Ohio Chicago Terminal Railroad, in Cook County, Illinois.

P.I.N. # 16-17-408-013 and
16-17-408-014

Street Address: Southwest corner of Arthington and Menard, Chicago, Illinois

EXHIBIT B

ESCROW AGREEMENT

This Escrow Agreement is made and entered into the ___ day of February, 1993, by and among NBD Bank, an Illinois banking corporation, assignee of NBD Skokie Bank, N.A., a national banking association ("Lender"), Spectrum-Menard Limited Partnership, an Illinois limited partnership ("Beneficiary"), American National Bank and Trust Company of Chicago ("Mortgagor"), not personally but solely as Trustee under Trust Agreement dated June 14, 1989 and known as Trust No. 108597-00 (Beneficiary and Mortgagor are hereinafter referred to collectively as "Borrower"), Stephen A. Barron, William O. Brachman and Donald Gianone (collectively, "Guarantors"), Spectrum-Menard Management Company, an Illinois corporation ("General Partner") and _____ ("Escrow Agent").

Recitals

A. Lender and Borrower have on this date entered into a Forbearance Agreement (the "Forbearance Agreement") relating to the Loan Documents (as defined in the Forbearance Agreement) and the remedies of Lender thereunder.

B. Pursuant to the terms of the Forbearance Agreement, Borrower has agreed to deliver certain documents (the "Escrow Documents") into escrow.

C. Lender and Borrower desire that the Escrow Documents be executed by the applicable parties, and that all of the foregoing be delivered into the possession of the Escrow Agent to be held in accordance with the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the premises and the mutual obligations and promises contained in this Escrow Agreement, Lender, Borrower and Escrow Agent hereby agree as follows:

1. **Appointment**. Lender and Borrower hereby appoint and designate _____ _____ as Escrow Agent to perform its duties and obligations in accordance with the terms and provisions of this Escrow Agreement. Escrow Agent hereby accepts such appointment and agrees to perform in accordance with this Escrow Agreement. The cost of this escrow, if any, shall be paid by Borrower.

2. **Delivered Documents**. Concurrently with the execution of this Escrow Agreement, Borrower has delivered, in escrow, to Escrow Agent the original executed Escrow Documents, those being, a trustee's deed in the form attached as Exhibit C to the Forbearance Agreement (the "Deed"), a bill of sale in the form attached as Exhibit D to the Forbearance Agreement (the "Bill of Sale"), an assignment of leases in the form attached as Exhibit E to the Forbearance Agreement (the "Assignment of Leases"), a release in the form attached as Exhibit F to the Forbearance Agreement (the "Release"), a certified copy of the Trust Agreement for Mortgagor, an acknowledgement executed by Guarantors confirming that the Guaranty of Payment (as modified by the terms of the Forbearance Agreement) shall survive and not be affected or prejudiced in any way by the delivery of the Deed to Lender, an affidavit of title, terminations or assignments of service contracts, and such other documents as are required by Lender. All of the Escrow Documents shall be undated.

3. **Agreements as to Escrow Documents**. The parties hereto agree that the Escrow Documents shall be held by Escrow Agent and delivered in accordance with the following:

(a) If Escrow Agent has not received a written certification executed by a duly authorized officer of Lender on or before January 5, 1994 stating that the Indebtedness (as such term is defined in the Forbearance Agreement) has been repaid in full, then on January 5, 1994, Escrow Agent shall deliver the Escrow Documents to Lender out of escrow, shall date the Escrow Documents as of the date of such deliveries, and, upon making such deliveries, Escrow Agent shall be relieved of all obligations and liability.

(b) If Escrow Agent receives a certificate executed by a duly authorized officer of Lender on or before January 5, 1994, certifying to Escrow Agent that the Indebtedness (as defined in the Forbearance Agreement) has been paid in full, then Escrow Agent shall deliver out of escrow the Release to Lender and the remaining Escrow Documents to Borrower, and, upon making such deliveries, Escrow Agent shall be relieved of all obligations and liability hereunder.

(c) In the event that Escrow Agent receives a certificate executed by a duly authorized officer of Lender certifying to Escrow Agent that Borrower is in default under the Forbearance Agreement, then Escrow Agent shall deliver the Escrow Documents out of escrow to Lender, and, upon making such deliveries, Escrow Agent shall be relieved of all obligations and liability hereunder.

4. **Duties of Escrow Agent**. Escrow Agent's duties and responsibilities shall be limited to those expressly set forth in this Escrow Agreement. It shall be sufficient if any document described herein is delivered to Escrow Agent and purports on its face to be correct in form and signed and otherwise executed by the party or parties required to sign or execute the same as indicated therein. Escrow Agent shall not be required in any way to determine the identity or authority of any person executing the same or the genuineness of any signature.

5. **Liability and Risk of Loss**. Upon delivery or return of the Escrow Documents in accordance with the terms of this Escrow Agreement, Escrow Agent shall be discharged and released from any and all liability hereunder. Escrow Agent shall not be liable for any error in judgment, any act or omission, any mistake of law or fact, or for anything that it may do or refrain from doing in connection herewith, except for its own gross negligence. Lender and Borrower jointly and severally agree to indemnify and hold Escrow Agent harmless from and against any losses, costs, damages, expenses, claims and attorneys' fees and costs suffered or incurred by Escrow Agent in connection with or arising out of this Escrow Agreement. Lender and Borrower agree that Escrow Agent shall not be liable to any of them for any act or omission hereunder or any matter or thing arising out of the conduct of Escrow Agent hereunder, except for its gross negligence.

6. **Notice**. Any notice required or permitted to be given by any party hereto to Escrow Agent shall be considered properly given if in writing and (a) delivered together with a receipt therefor, or (b) mailed by certified mail, return receipt requested and postage prepaid, or (c) sent by overnight courier and addressed as follows:

If to Lender: NBD Bank
One NBD Plaza
Mt. Prospect, Illinois 60056
Attention: Walter J. Rubiner
First Vice President

with a copy to: Rudnick & Wolfe
203 North LaSalle Street
Suite 1800
Chicago, Illinois 60601
Attention: Shepard Gould, Esq.

If to Borrower: Spectrum-Menard Limited Partnership
122 South Michigan Avenue
Suite 1210
Chicago, Illinois 60603
Attention:

with a copy to Shefsky & Froelich Ltd.
~~Neiselberg, Smith & Borczak, P.C.~~
~~202 West Madison, 17th Floor~~ 444 N. Michigan
Chicago, Illinois ~~60606~~ 60611
Attention: Suzanne Bessette-Smith, Esq.

Any notice mailed to the above address by certified mail, return receipt requested and postage prepaid, shall be deemed received three (3) days after such mailing. All notices by hand-delivery or overnight courier shall be deemed delivered upon receipt.

7. Miscellaneous. This Escrow Agreement shall be governed by the laws of the State of Illinois. Time shall be deemed to be of the essence with respect to all provisions of this Agreement. This Escrow Agreement may be amended, modified, waived or terminated only by written instrument duly signed by the parties hereto or their respective successors and assigns. This Escrow Agreement shall inure to the benefit of and be binding upon the parties hereto, and their respective representatives, successors and assigns. This Escrow Agreement may be executed in one or more counterparts, each such counterpart being an original hereof and all such counterparts taken together constituting one and the same instrument.

IN WITNESS WHEREOF, this Escrow Agreement has been duly executed by the undersigned as of the date first written above.

LENDER:

NBD BANK, an Illinois banking corporation, assignee of NBD Skokie Bank, N.A.

By: _____
Its: _____

BENEFICIARY:

SPECTRUM-MENARD LIMITED PARTNERSHIP, an Illinois limited partnership

By: **SPECTRUM-MENARD MANAGEMENT COMPANY**, an Illinois corporation

By: _____
Its: _____

MORTGAGOR:

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally, but solely as Trustee as aforesaid

By: _____
Its: _____

Attest:

_____
Its: _____

GENERAL PARTNER:

SPECTRUM-MENARDMANAGEMENT COMPANY, an Illinois corporation

By: _____
Its: _____

9 3 2 6 5 3 3 1

GUARANTORS:

STEPHEN E. BARRON

WILLIAM O. BRACHMAN

DONALD GIANONE

By joinder herein, Escrow Agent hereby agrees to the terms of this Escrow Agreement and acknowledges receipt of each of the Escrow Documents.

By:

Dated: February ___, 1993

EXHIBIT C

GENERAL RELEASE

KNOW ALL MEN BY THESE PRESENTS, THAT the undersigned, Spectrum-Menard Limited Partnership, an Illinois limited partnership ("Beneficiary"), American National Bank and Trust Company of Chicago ("Mortgagor"), not personally but solely as Trustee under Trust Agreement dated June 14, 1989 and known as Trust No. 108597-00, Stephen A. Barron ("Barron"), William O. Brachman ("Brachman") and Donald Glanone ("Glanone"; Barron, Brachman and Glanone, collectively the "Guarantors"), Spectrum-Menard Management Company, an Illinois corporation ("General Partner") (collectively the "Releasors"), for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, for: (i) themselves, (ii) any parent, affiliate or subsidiary thereof, (iii) any partnership or joint venture of which any person or entity comprising any of the Releasors (or any parent, affiliate or subsidiary thereof) is a partner, (iv) any person or entity owning the beneficial interest in the trust, any parent, affiliate or subsidiary thereof or any partnership or joint venture of which such person or entity (or any parent, affiliate or subsidiary thereof) is a partner, and (v) the respective partners, officers, directors, shareholders, heirs, legal representatives, legatees, successors and assigns of all of the foregoing persons and entities, hereby release and forever discharge NBD Bank, an Illinois banking corporation ("Lender"), assignee of NBD Skokie Bank, N.A., a national banking association, their past, present and future shareholders, affiliates, subsidiaries, successors, assigns, officers, directors, agents, attorneys and employees, legatees, successors, and assigns and together with their respective heirs, legal representatives, of each of the foregoing, of and from the officers, directors, agents, attorneys and employees of whatever kind or nature, whether known or all actions, claims, demands, damages, debts, losses, liabilities, indebtedness, causes of action either at law or in equity and obligations of any matter, cause or thing unknown, direct or indirect, new or existing, by reason of the beginning of the world to the date of this General Release arising out of whatsoever from the beginning of the world to the date of this General Release arising out of or relating to any matter or thing whatsoever, including without limitation, the claims asserted or which could have been asserted by the Releasors, or any of them, in connection with any of the following: that certain Loan Agreement dated as of January 30, 1990, by and among Beneficiary, Mortgagor and Lender; that certain Note in the original principal amount of $1,500,000.00 executed by Mortgagor dated January 30, 1990 as subsequently modified to increase said principal amount to $2,200,000.00; that certain Junior Mortgage and Security Agreement dated as of January 30, 1990 made by Mortgagor in favor of Lender; that certain Guaranty of Payment dated as of January 30, 1990 given by Guarantors to Lender; that certain Guaranty of Completion dated as of January 30, 1990 given by Guarantors to Lender; that certain Forbearance Agreement by and among Releasors and Lender dated as of _____; and any other document executed by any of the undersigned in connection with the foregoing documents and the loan and guaranties evidenced thereby.

It is acknowledged that each Releasor has read this General Release and consulted counsel before executing same; that each Releasor has relied upon his or her own judgment and that of his or her counsel in executing this General Release and has not relied on or been induced by any representation, statement or act by any other party referenced to herein which is not referred to in this instrument; that the Releasor enters into this General Release and Covenant voluntarily, with full knowledge of its significance; and that this General Release is in all respects complete and final.

If any term or provision of this General Release or the application thereof to any person, entity or circumstance shall, to any extent, be held invalid or unenforceable by a court of competent jurisdiction, the remainder of this General Release, or the application of such term

or provisions to persons, entities or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term and provision of the General Release shall be valid and be enforced to the fullest extent permitted by law.

This General Release may be executed in counterparts and shall be enforceable against any executing Releasor regardless of whether it shall have been executed by all of the undersigned.

IN WITNESS WHEREOF, the Releasors have caused this General Release to be executed and delivered as of _____.

BENEFICIARY:

SPECTRUM-MENARD LIMITED PARTNERSHIP, an Illinois limited partnership

By: **SPECTRUM-MENARD MANAGEMENT COMPANY**, an Illinois corporation

By: _____

Its: _____

MORTGAGOR:

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally, but solely as Trustee as aforesaid

By: _____

Its: _____

Attest:

_____

Its: _____

GENERAL PARTNER:

SPECTRUM-MENARDMANAGEMENT COMPANY, an Illinois corporation

By: _____

Its: _____

9 3 2 6 4 1 3 1

GUARANTORS:

STEPHEN E. BARRON

WILLIAM O. BRACHMAN

DONALD GIANONE

9 3 2 0 6 3 3 1

Exhibit D

General real estate taxes for 1992 (second installment) and subsequent years.

Memorandum of lease affecting the land, executed by and between the following parties for the term and upon the terms, covenants and conditions therein provided.

Lessor : Spectrum-Menard Limited Partnership
Lessee : Iron Mountain/Pacific Records Management, Inc.
Dated : January 22, 1991
Term : Commencing on or about March 1, 1991 and expiring on February 28, 2001, with 2 options to extend for 5 years each commencing on March 1, 2001 and March 1, 2006
Recorded : January 30, 1991
Document : 91-046,006

A mortgage to secure an indebtedness of the amount stated herein.
Mortgagor: Iron Mountain Records Management, Inc.
Mortgagee: The Chase Manhattan Bank, as agent
Dated : December 10, 1990
Amount : As stated therein
Recorded : September 9, 1991
Document : 91-465,171

A mortgage to secure an indebtedness of the amount stated herein.
Mortgagor: American National Bank and Trust Company of Chicago, as Trustee under Trust No. 105597-00
Mortgagee: LaSalle National Bank
Dated : May 30, 1991
Amount : $170,000.00
Recorded : June 6, 1991
Document : 91-272,941

First Amendment Agreement by and among Spectrum-Menard Limited Partnership, Mortgagor and Mortgagee dated as of October 8, 1991 and recorded January 31, 1992 as Document No. 92-064,000. Among other things, said Agreement subjects the Additional Land described as "Parcel 4" to the lien of Mortgage.

PRO FORMA

Tiger Title Insurance

Second Amendment Agreement by and among Spectrum-Menard Limited Partnership, Mortgagor and Mortgagee dated as of May 1, 1993 and recorded _____ as Document No. _____. Among other things, said Agreement extends the maturity date from May 1, 1992 to June 1, 1993 and provides for payments in addition to those due under the Note.

An Assignment of Rents and Leases.
Assignor : American National Bank and Trust Company of Chicago, as Trustee under Trust No. 108597-00 and Spectrum-Menard Limited Partnership
Assignee : LaSalle National Bank
Recorded : June 6, 1991
Document : 91-272,942

A security interest in certain real chattels affixed to the land as disclosed by the following financing statement.
Secured Party: LaSalle National Bank
Debtor : Spectrum-Menard Limited Partnership
Recorded : June 6, 1991
Document : 91 U 09879

A security interest in certain real chattels affixed to the land as disclosed by the following financing statement.
Secured Party: LaSalle National Bank
Debtor : American National Bank and Trust Company of Chicago, as Trustee under Trust No. 108597-00
Recorded : June 6, 1991
Document : 91 U 09880

EXHIBIT E

[separately delivered to Lender counsel]