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COMBINATION MORTGAGE AND SECURITY AGREEMENT

THIS COMBINATION MORTGAGE AND SECURITY AGREEMENT made as of this 1st day of May, 1994 by

CARL V. WIEGAND and DENNIS E. WIEGAND (herein jointly and severally called "Mortgagor") whose address is c/o Wiegand Builders, 15056 S. Landings Lane, IL 60452;

To and for the benefit of TCF BANK ILLINOIS fsb, a federal savings bank, whose address is 1420 Kensington Road, Suite 320, Oak Brook, Illinois 60521, Attention: Commercial Loan Department (herein called "Mortgagee").

WITNESSETH THAT:

WHEREAS, Mortgagor has, concurrently herewith, executed and delivered to Mortgagee the Mortgagor's installment note (herein called the "Note"), dated the date hereof in the principal sum of

FOUR HUNDRED THOUSAND DOLLARS
(\$400,000.00)

bearing interest at the rate specified therein, due in installments and in any event on October 1, 1995, payable to the order of Mortgagee and otherwise in the form of Note attached hereto as Exhibit A and made a part hereof by this reference with the same effect as if set forth herein at length; and

WHEREAS, the indebtedness evidenced by the Note, including the principal thereof and interest and premium, if any, thereon, and any extensions and renewals thereof, in whole or in part, and any and all other sums which may be at any time due or owing or required to be paid as herein or in the Note provided, are herein called the "Indebtedness Hereby Secured."

NOW, THEREFORE, THIS MORTGAGE WITNESSETH:

That to secure the payment of the principal of the interest and premium, if any, on the Note according to its tenor and effect and to secure the payment of all other Indebtedness Hereby Secured and the performance and observance of all the covenants, provisions and agreements herein and in the Note contained (whether or not the Mortgagor is personally liable for such payment, performance and observance) and in consideration of the premises and Ten Dollars (\$10.00) in hand paid by Mortgagor to the Mortgagee, and for other good and valuable consideration, the receipt and sufficiency of all of which is hereby acknowledged by the Mortgagor, the Mortgagor does hereby GRANT, RELEASE, REMISE, ALIEN, MORTGAGE and CONVEY unto

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the Mortgagee all and sundry rights, interests and property hereinafter described (all herein together called the "Mortgaged Property"):

(a) All of the real estate (herein called the "Premises") described in Exhibit B attached hereto and made a part hereof but subject nevertheless to the exceptions and reservations (herein called "Permitted Exceptions") described in said Exhibit B;

(b) All buildings and other improvements now or at any time hereafter construed or erected upon or located at the Premises, together with and including, but not limited to, all fixtures, equipment, machinery, appliance and other articles and attachments now or hereafter forming part of, attached to or incorporated in any such buildings or improvements (all herein generally called the "Improvements");

(c) All privileges, reservations, allowances, hereditament, tenements and appurtenances now or hereafter belonging or pertaining to the Premises or Improvements (all of which shall constitute part of the Premises as that term is used herein);

(d) All leasehold estates, right, title and interest of Mortgagor in any and all leases, subleases, arrangements or agreements relating to the use and occupancy of the Premises and Improvements or any portion thereof, nor or hereafter existing or entered into (all herein generally called "Leases"), together with all cash or security deposits, advance rentals and other deposits or payments of similar nature given in connection with any Leases;

(e) All rents, issues, profits, royalties, income, avails and other benefits now or hereafter derived from the Premises and Improvements, under Leases or otherwise (all herein generally called "Rents"), subject to the right, power and authority given to the Mortgagor in the Assignment hereinafter referred to, to collect and apply the Rents;

(f) All right, title and interest of Mortgagor in and to all options to purchase or lease the Premises or Improvements, or any portion thereof or interest therein, or any other rights, interests or greater estates in the rights and properties comprising the Mortgaged Property, now owned or hereafter acquired by Mortgagor (all of which shall constitute part of the Premises as that term is used herein);

(g) Any interests, estates or other claims, both in law and in equity, which Mortgagor now has or may hereafter acquire in the Premises and Improvements or other rights, interests or properties comprising the Mortgaged Property now

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owned or hereafter acquired (all of which shall constitute part of the Premises as that term is used herein):

(h) All right, title and interest of Mortgagor now owned or hereafter acquired in and to (i) any land or vaults lying within the right-of-way of any street or alley, open or proposed, adjoining the Premises; (ii) any and all alleys sidewalks, strips and gores of land adjacent to or used in connection with the Premises and Improvements; (iii) any and all rights and interest of every name or nature forming part of or used in connection with the Premises and/or the operation and maintenance of the Improvements; (iv) all easements, rights-of-way and rights used in connection with the Premises or Improvements or as a means of access thereto, and (v) all water rights and shares evidencing the same (all of which shall constitute part of the Premises as that term is used herein);

(i) All right, title and interest of Mortgagor in and to all tangible personal property (herein called "Property"), owned by Mortgagor and now or at any time hereafter located in, on or at the Premises or Improvements or used or useful in connection therewith, (whether or not affixed thereto) including, but not limited to:

(i) All furniture, furnishings and equipment furnished by Mortgagor to tenants of the Premises or Improvements;

(ii) All building materials and equipment located upon the Premises and intended to be incorporated in the Improvements now or hereafter to be constructed thereon, whether or not yet incorporated in such Improvements;

(iii) All machines; machinery; fixtures; apparatus; equipment or articles used in supplying heat; gas; electricity; air-conditioning; water; light; power; exterior protection; waste removal; refrigeration and ventilation; communication; fire protection and alarms and electronic monitoring;

(iv) All dynamos; motors; doors; windows; millwork; overhead doors; screens, storm windows and doors; locks; hardware; engines; boilers; tanks; water heaters; pumps; furnaces; heat registers; radiators; thermostats; plumbing; sinks; water closets; basins; faucets; switchboards; water tanks; units furnishing lighting, heating, ventilation, air-conditioning and air cooling; incineration, communication and refrigerating equipment; water, gas and electric supply fixtures, machinery, ducts and piping; wiring conduits, outlets, appurtenances and

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equipment; burglar alarm and security systems; electronic intercommunication systems and parking lot lighting;

(v) All window or structural cleaning rigs, maintenance equipment and equipment relating to exclusion of vermin or insects and removal of dust, dirt, debris, refuse or garbage;

(vi) All lobby and other indoor and outdoor furniture, including tables, chairs, planters, desks, sofas, shelves, lockers and cabinets, wall safes, and other furnishings;

(vii) All rugs, carpets and other floor coverings, draperies, drapery rods and brackets, awnings, window shades, venetian blinds and curtains;

(viii) All lamps, chandeliers and other lighting fixtures;

(ix) All office furniture, equipment and supplies;

(x) All kitchen equipment, including refrigerators, ovens, dishwashers, range hoods and exhaust systems and disposal units;

(xi) All laundry equipment, including washers and dryers;

(xii) All tractors, mowers, sweepers, snow removal equipment and other equipment used in maintenance of exterior portions of the Premises and Improvements;

(xiii) All maintenance supplies and inventories;

(xiv) All elevators and conveyors; and

(xv) All appurtenances, extensions, additions, improvements, betterments, renewals and accessions, replacements, products and substitutions to, for or of any of the items specified in clauses (i) through (xiv) above;

provided that the enumeration of any specific articles of Property set forth above shall in no way exclude or be held to exclude any items of property not specifically enumerated; but provided that there shall be excluded from and not included within the term "Property" used herein and hereby mortgaged and conveyed, any equipment, trade fixtures, furniture, furnishings or personal property owned by any tenant of the

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Mortgaged Property and used in operating the business being conducted by a tenant, as opposed to being owned by Mortgagor in the operation of the Mortgaged Property;

(j) All the estate, interest, right, title or other claim or demand which Mortgagor now has or may hereafter have or acquire with respect to (i) the proceeds of insurance in effect with respect to the Premises, Improvements and Property, and (ii) any and all awards, claims for damages and other compensation made for or consequent upon the taking by condemnation, eminent domain or any like proceeding, or by any proceeding or purchase in lieu thereof, of the whole or any part of the Mortgaged Property, including, without limitation, any awards and compensation resulting from a change of grade of streets and awards and compensation for severance damages (all herein generally called "Awards").

TO HAVE AND TO HOLD all and sundry the Mortgaged Property hereby mortgaged and conveyed or intended so to be, together with the rents, issues and profits thereof, unto the Mortgagee forever, free from all rights and benefits under and by virtue of the Homestead Exemption Laws of the State of Illinois (which rights and benefits are hereby expressly released and waived, for the uses and purposes herein set forth, together with all right to retain possession of the Mortgaged Property after any default in the payment of all or any part of the Indebtedness Hereby Secured, or the breach of any covenant or agreement herein contained, or upon the occurrence of any Event of Default as hereinafter defined.

FOR THE PURPOSE OF SECURING:

(a) Payment of the Indebtedness Hereby Secured with interest thereon evidenced by the Note and any and all modifications, extensions and renewals thereof, and all other Indebtedness Hereby Secured;

(b) Performance and observance by Mortgagor of all of the terms, provisions, covenants and agreements on Mortgagor's part to be performed and observed hereunder, under the Note, under the Assignment hereinafter referred to and under any and all other instruments given as security for the Indebtedness Hereby Secured (herein called the "Secured Agreements");

(c) Performance by any Guarantor of its obligations under any Guaranty or other instrument given to further secure the payment of the Indebtedness Hereby Secured or the performance of any Secured Agreement;

provided that the aggregate of the Indebtedness Hereby Secured shall at no time exceed \$1,000,000.00.

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PROVIDED, NEVERTHELESS, that these presents are upon the express condition that if all of the Indebtedness Hereby Secured shall be duly and punctually paid and all the terms, provisions, conditions and agreements herein contained on the part of the Mortgagor to be performed or observed shall be strictly performed and observed, then this Mortgage and the estate, right and interest of the Mortgagee in and to the Mortgaged Property created hereby shall cease and become void and of no force and effect and shall be satisfied at Mortgagor's expense, otherwise to remain in full force and effect.

Mortgagor and Mortgagee further agree as follows:

ARTICLE I

GENERAL COVENANTS AND WARRANTIES

Section 1.1. Mortgagor shall duly, punctually and fully pay each and every installment of principal and interest on the Note and all other Indebtedness Hereby Secured, as and when the same shall become due, and shall duly, punctually and fully do and perform and observe all for the Secured Agreements, and all things on its part to be done or performed under the Note, under the Mortgage and under any other instrument which refers to or secures the Note. Time is of the essence hereof.

Section 1.2 Mortgagor represents, warrants and covenants to Mortgagee as follows:

(a) Mortgagor is the lawful owner of and has good and marketable fee simple absolute title to the Mortgaged Property. Mortgagor has good right and lawful authority to grant, bargain, sell, convey, mortgage, assign, pledge and confirm the Mortgaged Property as provided herein; and the Mortgaged Property is free and clear of all mortgages, liens, pledges, security interest, charges and encumbrances, excepting only Permitted Encumbrances. Mortgagor will defend the title to the Mortgaged Property against all claims and demands whatsoever, except those made under Permitted Encumbrances.

(b) There is no provision in any indenture, contract or agreement, to which Mortgagor is a party or by which it is bound, or any law, statute, ordinance, governmental rule, regulation or restriction, or any order of any court or administrative agency, to which Mortgagor is subject or by which Mortgagor is bound, which prohibits the execution and delivery by Mortgagor of this Mortgage, the Note or any other instrument which refers to or secures the Note, or the

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performance or observance by Mortgagor of any of the terms, covenants or conditions of this Mortgage, the Note or any such other instruments.

(c) Execution and delivery of this Mortgage, the Note and all other instruments which refer to or secure the Note, have been duly and validly authorized, and the Note, this Mortgage and said other instruments have been duly and validly executed and delivered by and on behalf of Mortgagor and are valid, binding and enforceable obligations of Mortgagor in accordance with their terms.

(d) There are no actions, suits or proceedings pending or, to the knowledge of Mortgagor, threatened against Mortgagor or the Mortgaged Property in any court or before any federal, state, municipal or other governmental agency, which, if decided adversely to any of them, would have a materially adverse effect upon this Mortgage, upon the Mortgaged Property or upon the value thereof, including but not limited to notices, demands for payment or compensation for injury or damage to persons, the environment or natural resources, actions, suits, proceedings, or damage settlements relating to Hazardous Substances (as that term is hereinafter defined), and Mortgagor is not in default with respect to any order of any court or governmental agency.

(e) The financial statements of Mortgagor and the Mortgaged Property, heretofore furnished to Mortgagee, fairly present the financial condition of Mortgagor on the dates thereof and the results of operations of Mortgagor and the Mortgaged Property for the period or periods indicated therein, all in conformity with generally accepted accounting principles consistently followed. There has been no material adverse change in the condition, financial or otherwise, of Mortgagor since the latest financial statement so furnished.

(f) Mortgagor is not in default in the payment of the principal of or interest on any indebtedness for borrowed money and is not in default under any instrument or agreement under and subject to which any indebtedness for borrowed money has been incurred or is secured, and no event has occurred under the provisions of any such instrument or agreement which, with or without the lapse of time or the giving of notice, or both, constitutes or would constitute a default or an event of default thereunder.

(g) The Premises are neither agricultural property, property in agricultural use, nor the homestead of Mortgagor or but rather are the site of two (2) model residential home buildings and appurtenances thereto used in Mortgagors business of general residential construction.

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(h) All applicable building, zoning, occupational safety and health, energy and environmental laws, ordinances and regulation affecting the Mortgaged Property permit the use and occupancy thereof for its intended purposes and have been complied with, and Mortgagor has obtained the necessary consents, permits and licenses to operate the Improvements for their intended purposes.

(i) With respect to the Mortgaged Property:

(1) No dangerous, toxic or hazardous pollutants, contaminants, chemicals, wastes, materials or substances, as defined in or governed by the provisions of the Federal Resource Conservation and Recovery Act of 1976, the Federal Comprehensive Environmental Response Compensation and Liability Act of 1980, and/or the Superfund Amendments and Reauthorization Act of 1986 (42 U.S.C. 6901 et seq. and 42 U.S.C. 9601 et seq.), as amended, or any other federal, state or local hazardous substance, hazardous waste or environmental laws, statutes, codes, ordinances, regulation, directives, requirements or rules (hereinafter collectively referred to as "Environmental Regulations"), and also including urea-formaldehyde, polychlorinated biphenyls, dioxin, asbestos, asbestos containing materials, nuclear fuel or waste, and petroleum, including but not limited to crude oil or any fraction thereof, natural gas, natural gas liquids, gasoline and synthetic gas or any other waste, substance, pollutant or contaminant which would subject the owner of the Premises to any damages, penalties or liabilities under any applicable Environmental Regulation (herein collectively referred to as "Hazardous Substances") have ever been placed, located, produced, generated, created, stored, treated, transported, incorporated, discharged, emitted, spilled, released, deposited, disposed of or allowed to escape in, upon, under, over or from the Mortgaged Property;

(ii) No threat exists of a spill, discharge, release or emission of a Hazardous Substance upon or from the Mortgaged Property into the environment;

(iii) The Premises have not ever been used as or for a mine, a landfill, a dump or other disposal facility, industrial or manufacturing purposes, or a gasoline service station;

(iv) No underground storage tank is now located in the Premises or has previously been located therein but has been removed therefrom;

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(v) No violation of any Environmental Regulation now exists or has ever existed in, upon, under, over or from the Mortgaged Property;

(vi) No notice of any violation or alleged violation in, upon, under, over or from the Mortgaged Property of any Environmental Regulation has been issued or given by any governmental entity or agency responsible for administering or enforcing the same;

(vii) No person, party or private or governmental agency or entity has given any notice of or asserted any claim, cause of action, penalty, cost or demand for payment or compensation, whether or not involving any injury or threatened injury to human health, the environment or natural resources, resulting or allegedly resulting from any activity of event described in clause (i) above;

(viii) There are not now, nor have there ever been, any actions, suits, proceedings or damage settlements relating in any way to Hazardous Substances in, upon, under, over or from the Mortgaged Property;

(ix) There is no investigation or report involving the Mortgaged Property by any governmental entity or agency which in any way relates to Hazardous Substances;

(x) The Mortgaged Property is not listed in the United States Environmental Protection Agency's National Priorities List of Hazardous Waste Sites or any other list, schedule, log, inventory or record of Hazardous Substance sites maintained by any federal, state or local governmental agency; and

(xi) The Mortgaged Property is subject to no lien or claim for lien in favor of any governmental entity or agency as a result of any presence, release or threatened release of any Hazardous Substance in, on, under, over or from the Mortgaged Property.

Section 1.3. Mortgagor covenants and agrees with Mortgagee, so long as any Indebtedness Hereby Secured shall remain unpaid, to give to Mortgagee prompt notice in writing of any condition or event which constitutes an Event of Default under Section 3.1 hereof, or which, after notice or lapse of time, or both, would constitute such an Event of Default.

Section 1.4. Intentionally omitted.

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Section 1.5. Mortgagor shall procure, do, execute, acknowledge and deliver each and every further act, deed, conveyance, transfer, document and assurance necessary or proper for the carrying out more effectively of the purposes of this Mortgage and, without limiting the foregoing, for granting, bargaining, selling, conveying, mortgaging, assigning, pledging and confirming unto Mortgagee all of the Mortgaged Property, or property intended so to be, whether now or hereafter acquired by Mortgagor, including, without limitation, the preparation, execution and filing of any documents, such as financing statements and continuation statements, deemed advisable by Mortgagee for perfecting and maintaining its lien on the Mortgaged Property. As hereinafter more fully provided, this Mortgage shall further constitute and be deemed to be a Security Agreement under the Illinois Uniform Commercial Code, now in force and as hereafter amended, and Mortgagor hereby grants to Mortgagee a first and only, present and continuing security interest in any Property, leases, rents, issues, income, profits, instruments, general intangibles, accounts, contract rights and claims included within or related to the Mortgaged Property, and in all deposits made pursuant to Section 1.7 hereof and all insurance policies and unearned premiums prepaid thereon, insurance proceeds, and awards, payments or consideration for the taking of the Mortgaged Property, or any portion thereof, by condemnation or exercise of the power of eminent domain, or from any sale in lieu or in anticipation thereof, assigned by Mortgagor or Mortgagee hereunder, to the extent that a security interest may be granted therein under the terms of the Illinois Uniform Commercial Code. Mortgagor agrees to supply Mortgagee with an inventory of all such property in a form acceptable to Mortgagee, at any time and, from time to time, upon receipt of a written request therefor from Mortgagee.

Section 1.6. Mortgagor shall not commit or permit waste upon the Mortgaged Property and shall cause the Mortgaged Property and every part thereof, including but not limited to parking areas, Improvements and all ingress and egress easements, if any, to be continually maintained, preserved and kept in safe and good repair, working order and condition, and will comply with all present and future laws, statutes, ordinances, rules and regulation of any governmental authority having or claiming jurisdiction with reference to the Mortgaged Property and the manner of leasing, using, operating or maintaining the same (hereinafter collectively referred to as "Governmental Requirements"), as now existing or as hereafter amended, if applicable, and with all private covenants and restrictions, if any, affecting the title to the Mortgaged Property, or any thereof (herein collectively referred to as "Private Restrictions"), and will not commit, suffer or permit any violation thereof, and will from time to time make all necessary and proper restorations, rebuildings, repairs, renewals, replacements, additions and betterments to the Mortgaged Property, whether required as the result of casualty or otherwise, and whether or not insurance or condemnation proceeds are made

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available or are sufficient therefor, in a good and workmanlike manner, so that the value and efficient use thereof shall be fully preserved and maintained, and so that all Governmental Requirements and Private Restrictions shall be complied with. Mortgagor shall forthwith give Mortgagee written notice, if it receives notice of any violation of any Governmental Requirements or Private Restrictions, or if any material damage or destruction occurs to the Mortgaged Property. Mortgagor agrees not to make any use of the Mortgaged Property, other than as model residential home buildings and appurtenances thereto; not to demolish or remove the Improvements, without the prior written consent of Mortgagee; not to remove from the Premises or Improvements any of the Property, unless immediately replaced with like property of at least equal value; and not to add any new Improvements on Property, unless all of such replacements and additions shall be free of any vendor's lien, title reservation or other security interest prior hereto, excepting only Permitted Encumbrances. All such replacements and additions shall be subject to the lien hereof and the security interest created hereby, which shall be prior to all other liens and security interest thereon and therein, excepting Permitted Encumbrances. Mortgagee or its agents may enter upon the Mortgaged Property at all reasonable times to inspect the same and for the purpose of protecting its security and preserving its rights hereunder, but shall not be liable to any person, party or entity for failure to do so. Mortgagor covenants and agrees not to commence construction of any tenant finish improvements, new buildings or Improvements upon the Premises or any additions to existing Improvements, without the prior written consent of Mortgagee; to promptly complete with due diligence any buildings, Improvements and additions for which Mortgagee's consent is obtained hereunder, free and clear of all liens, charges and encumbrances, except the lien hereof and Permitted Encumbrances; and to keep and perform each and every term, condition and covenant of any and all leases upon the Mortgaged Property or any portion thereof (herein called "Leases") to be by Mortgagor kept and performed, so as to keep the Leases at all times in full force and effect, and agrees not to anticipate or collect rents more than one (1) month in advance under any Lease without, in each instance, the prior written consent of Mortgagee. Mortgagee shall not be liable to either Mortgagor or the tenants for the performance of any of the terms, covenants and conditions of the Leases. Mortgagor shall not by any act or omission diminish or impair the value of the Mortgaged Property and likewise shall not in any way weaken, diminish or impair the security hereof. Mortgagor shall not seek, petition for, make, consent to or acquiesce in any change in the Governmental Requirements and Private Restrictions relating to the uses of the Mortgaged Property, including but not limited to zoning and building codes and ordinances, without Mortgagee's prior written consent.

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Section 1.7.

A. Mortgagor shall before any penalty or interest attaches thereto because of delinquency in payment, pay and discharge, or cause to be paid and discharged, all taxes, assessments, levies and governmental charges imposed upon or against the Mortgaged Property or upon or against the Note or the Indebtedness Hereby Secured or upon or against the interest of Mortgagee in the Mortgaged Property or in the Note or in the Indebtedness Hereby Secured (hereinafter referred to as "Impositions") and will thereafter deliver the paid receipts therefor to Mortgagee within thirty (30) days after payment of any such Imposition is due. In the event of any legislative enactment or judicial decision after the date of this Mortgage, imposing upon Mortgagee the obligation to pay any such Imposition, or deducting the lien of this Mortgage from the value of the Mortgaged Property for the purpose of taxation, or changing in any way the laws now in force for the taxation of mortgages or debts secured thereby, or the manner of the operation of any such Imposition, so as to affect the interests of Mortgagee, then, and in such event, Mortgagor shall bear and promptly pay the full amount of such imposition or any such tax; provided, however, that, if, in the opinion of counsel for Mortgagee, for any reason payment thereof by Mortgagor would be unlawful or unenforceable, or if, in the opinion of counsel for Mortgagee, payment thereof by Mortgagor would be in any way prohibited or unlawful or would constitute usury or would render the Loan or any Indebtedness Hereby Secured wholly or partially usurious under any of the terms or provisions of the Note or of this Mortgage, or otherwise, Mortgagee may declare the whole sum secured by this Mortgage, with interest thereon, to be immediately due and payable. Mortgagor shall not suffer to exist and shall promptly pay and discharge any mechanic's, statutory, tax, assessment or other lien or encumbrance on the Mortgaged Property or any part thereof (hereinafter referred to as "Liens"), except for Permitted Encumbrances. Mortgagor shall perform all of its obligations under the Permitted Encumbrances.

B. Notwithstanding the foregoing, Mortgagor shall not be in default hereunder in respect to the payment of any Impositions or Liens which Mortgagor shall be required by any provision hereof to pay, so long as Mortgagor shall first notify Mortgagee, in writing, at least thirty (30) days prior to the due date thereof, if any, or otherwise at least ten (10) days before commencement of any contest thereof, of its intention to contest the amount, applicability and/or validity of such Imposition or Lien and shall thereafter, in good faith, in compliance with all applicable statutes, and with all possible promptness, diligently contest the same, and Mortgagor may postpone or defer payment of all or a portion of said Impositions or Liens, if, but only if, permitted by statute, and if neither the Mortgaged Property, nor any portion thereof, would, by reason of such postponement or deferment, be in danger of being forfeited, foreclosed or lost; provided, however, that Mortgagor shall furnish to Mortgagee, prior to commencing any such contest,

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cash or other security satisfactory to Mortgagee to indemnify Mortgagee against any loss or liability by reason of any such contest and to pay any such Imposition or Lien, together with interest and penalties thereon, if any, if such contest should fail. Upon a final adjudication of any such contest, and, in any event, at least thirty (30) days prior to the date on which the interest of Mortgagee in the Mortgaged Property would otherwise be foreclosed, forfeited or lost by reason of the nonpayment of any such Impositions or Liens, Mortgagor shall pay the amount thereof then due, including any penalties and interest thereon. Mortgagee may, at its option, make such payment from the security deposited by Mortgagor, if Mortgagor fails to so pay the same.

C. In order to further secure the payment of all Indebtedness Hereby Secured and the performance of all Secured Agreements, Mortgagor shall pay to Mortgagee, monthly, in addition to, concurrently with, and at the same time as each monthly payment of principal and/or interest required hereunder, or under the Note, a sum equivalent to one-twelfth (1/12) (or such greater fraction as may be necessary to accumulate sufficient funds to make any payment due less than thirteen (13) months after the date thereof) of the amount estimated by Mortgagee to be sufficient to enable Mortgagee to pay, at least thirty (30) days before they become due, all Impositions and the premiums upon all insurance required to be maintained by Mortgagor hereunder. Such sums shall be placed in an escrow account (herein called the "Tax Escrow Account") for the benefit of Mortgagor in a manner satisfactory to Mortgagee, and are hereby unconditionally assigned to Mortgagee for use in paying real estate taxes upon the Mortgaged Property when due or (as provided for in the last sentence of this Section 1.7C) for application upon the Indebtedness Hereby Secured in the event that there shall occur any Event of Default. No interest shall be payable by Mortgagee upon amounts so paid. Upon demand by Mortgagee, Mortgagor shall deliver and pay over to Mortgagee for deposit into the Tax Escrow Account such additional sums as are necessary to make up any deficiency in the amount necessary to enable Mortgagee to fully pay any of the items hereinabove mentioned. All withdrawals from the Tax Escrow Account shall be for the purposes intended, in a manner satisfactory to Mortgagee, including, upon the occurrence of an Event of Default, application on the Indebtedness Hereby Secured as set forth in the last sentence of this Section 1.7C). Mortgagor shall not be required to pay any of the items hereinabove mentioned in an amount in excess of the sums deposited or paid over by Mortgagor to Mortgagee pursuant to this paragraph; and any such sums so paid shall be retained by Mortgagee and be applied to pay said items as and when they become due in the future unless all Indebtedness Hereby Secured shall be paid in full, in which case all of such excess sums so paid, and the balance of the Tax Escrow Account shall be refunded to Mortgagor. At Mortgagor's written request, and if no Event of Default shall have occurred hereunder, Mortgagee shall use, or at Mortgagee's option, permit Mortgagor to use, the amounts deposited in the Tax Escrow Account or otherwise

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paid by Mortgagor pursuant to this paragraph, to pay the items hereinabove mentioned prior to delinquency. At Mortgagor's option, all payments of real estate taxes upon the Mortgaged Property are to be sent to Mortgagor and the taxing authority for payment under protest; and nothing herein contained shall prevent or prohibit Mortgagor from paying real estate taxes under protest in accordance with regular procedures and on a basis satisfactory to Mortgagee. In the event of the occurrence of any Event of Default hereunder, Mortgagee may apply against the Indebtedness Hereby Secured in such manner as Mortgagee may determine, any funds of Mortgagor then held under this paragraph, including all funds in the Tax Escrow Account, in which funds and the Tax Escrow Account, Mortgagor hereby grants to Mortgagee a security interest.

Section 1.8.

A. Mortgagor shall obtain, maintain and keep in full force and effect during the term of this Mortgage, with all premiums paid thereon, the following insurance:

(a) Insurance upon all Improvements and Property against loss or damage by fire, lightning and other risks customarily covered by standard "all risk" (or special form cause of loss) and extended coverage endorsements, together with theft, vandalism, malicious mischief, collapse, replacement cost, sprinkler coverage, agreed amount, and restoration in conformance with applicable laws and ordinances, endorsements, all in such amounts as may be from time to time required by Mortgagee, but in no event less than the full replacement cost of the Improvements now existing or hereafter erected or placed upon the Premises, including the cost of debris removal, and of all Property, and, in any event, in an amount not less than the unpaid balance secured by this Mortgage;

(b) Broad form boiler and machinery insurance on all equipment and objects necessary to operate the Mortgaged Property, including but not limited to heating, ventilating and air-conditioning equipment, elevators, conveyors, and water heaters, providing for full repair and replacement cost coverage, if applicable;

(c) Comprehensive general public liability insurance against claims for bodily injury, personal injury, death and/or property damage occurring in, on or about the Mortgaged Property, with coverage limits satisfactory to Mortgagee (which shall initially be at least equal to \$1,000,000.00 with respect to any one [1] person, accident or occurrence), and including contractual liability coverage for the total liability assumed by Mortgagor hereunder and under any other document which secures the Note;

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(d) Flood insurance upon the Mortgaged Property in such form and amount as may from time to time be required by Mortgagee, if the Mortgaged Property is located in a designated flood plain area or flood zone; and

(e) Insurance upon the Mortgaged Property against such other casualties and contingencies as Mortgagee may from time to time require, including but not limited to sprinkler insurance in amounts acceptable to Mortgagee, all in such manner and form as may be satisfactory to Mortgagee.

B. Mortgagor shall, at its sole cost and expense, from time to time and at any time when Mortgagee shall so request, provide Mortgagee with evidence of the full replacement cost of the Mortgaged Property in a form acceptable to Mortgagee. Mortgagor shall promptly notify Mortgagee and the appropriate insurer in writing of any loss covered by any of the above-mentioned types of insurance.

C. All insurance provided for in this Section 1.8 shall be effected under a valid, enforceable and manually signed policy or policies of insurance in form and substance approved by Mortgagee, shall be issued by insurers of recognized responsibility, which are licensed to do business in the State of Illinois, which have a minimum rating of A and a financial class size of IX or better, according to Best's Key Rating Guide for Property-Liability, and which are acceptable to Mortgagee, and shall be satisfactory to Mortgagee in all other respects.

D. All policies maintained by Mortgagor pursuant to the foregoing Subsections (a), (b), (d) and (e) of Paragraph A above shall:

(a) Provide that any losses payable thereunder shall (pursuant to a standard first mortgagee clause in favor of, and acceptable to Mortgagee, to be attached to each policy) be payable to Mortgagee and assigns or otherwise as Mortgagee may from time to time direct;

(b) Include effective waivers by the insurer of all claims for insurance premiums against Mortgagee;

(c) Provide that any losses shall be payable notwithstanding (i) any act of negligence by Mortgagor or Mortgagee, (ii) any foreclosure or other proceedings or notice of sale relating to the Mortgaged Property; (iii) the vacancy of the Improvements; (iv) any waiver of subrogation rights by the insured; and/or (v) any change in the title to or ownership of any of the Mortgaged Property; and

(d) Be written in amounts sufficient to prevent Mortgagor from becoming a co-insurer under said policies.

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E. The liability insurance policies described in the foregoing Subsection (c) of Paragraph A above shall name Mortgagee as an additional named insured, shall contain a separation or severability of interests clause and shall waive contribution from any other insurance carried by Mortgagee in the event of loss.

F. Mortgagor shall cause the originals for the policies of all such insurance (or certified copies of blanket policies, with certificates of insurance covering the Mortgaged Property) to be deposited with Mortgagee or to be otherwise held as directed by Mortgagee. At least fifteen (15) days prior to the date on which the premiums on each such policy shall become due and payable, Mortgagor shall furnish Mortgagee with proof reasonably satisfactory to Mortgagee of payment thereof.

G. Each policy required to be maintained hereunder shall contain an agreement by the insurer that the same shall not be amended, modified, canceled, reduced or terminated for any reason, including but not limited to a failure to pay premiums and/or expiration by its terms, without at least thirty (30) days' prior written notice to Mortgagee.

H. If this Mortgage is foreclosed, the purchaser at the foreclosure sale shall, after the expiration for any statutory period of redemption, become the sole and absolute owner of any and all such policies, with the sole right to collect and retain all unearned premiums thereon, and, for this purpose, Mortgagor hereby assigns and grants a security interest in said policies and unearned premiums to Mortgagee.

I. If, under the terms and provisions of any Lease, the tenant thereunder is required to maintain insurance of the types and for the amounts as set forth above, and, if, pursuant to the terms of the Lease, such insurance is to be maintained for the benefit of both the lessor and any mortgagee of the lessor, Mortgagee will accept such policy or policies in lieu of the policies required by this Section; provided the same meet all of the requirements set forth above. In the event the tenant fails to maintain and keep such insurance in full force and effect, Mortgagor shall then obtain such policy or policies as are required by this Section.

J. In the event of loss, Mortgagor shall immediately give written notice thereof, and of any claims filed under insurance policies as a result thereof, to Mortgagee, and (a) if any Event of Default then exists hereunder, or (b) if Mortgagor does not promptly and in good faith make proof of loss and settle, adjust or compromise any claims for loss, damage or destruction under any policies of insurance maintained pursuant to Subsections (a), (b), (d) and (e) of Paragraph A above, hereof, and collect the proceeds thereof, Mortgagee is authorized and empowered (but not obligated or required) to make proof of loss; settle, adjust or compromise

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said claims; and collect and receive all such proceeds. The amount of any such settlement, adjustment or compromise of claims shall always be subject to Mortgagee's approval. Mortgagor agrees to pay all costs and expenses incurred by Mortgagee in connection therewith, including court costs and attorneys' fees (prior to trial, at trial and on appeal), on demand, which costs and expenses shall constitute so much additional Indebtedness Hereby Secured and shall also be secured hereby and shall bear interest from the date paid at the Default Rate specified in the Note (hereinafter referred to as "Default Rate") but Mortgagee shall not be liable to Mortgagor for any failure by Mortgagee to collect or to exercise diligence in collecting any such proceeds. All proceeds of such insurance are hereby assigned, and shall be paid, to Mortgagee. Such proceeds shall, at Mortgagee's option, be applied first to the payment of all costs and expenses incurred by Mortgagee in obtaining such proceeds, and second, at Mortgagee's option, either to the reduction of the Indebtedness Hereby Secured in such order as Mortgagee may elect, whether then due and payable or not, or the restoration or repair of the Mortgaged Property, without affecting the lien of the Mortgage or the obligations of Mortgagor hereunder; provided that notwithstanding the foregoing, proceeds of insurance shall be applied to the costs of restoration or repair under the following circumstances:

(a) The Mortgaged Property can, with restoration or repair, continue to be operated for the purpose utilized immediately prior to the damage or destruction;

(b) No Event of Default shall have occurred and be continuing;

(c) The appraised value of the Mortgaged Property after restoration and repair shall be not less than its value immediately prior to the damage or destruction;

(d) The tenants of the Mortgaged Property certify to Mortgagee that (i) such tenant's lease remains in full force and effect notwithstanding the damage and destruction; and (ii) such tenant intends to remain in possession of its demised premises without any abatement or adjustment of Rents other than the temporary abatements during the period of restoration and repair;

(e) The Mortgaged Property shall not be encumbered or subject to any Liens created by or arising out of the damage or destruction or the restoration or repair thereof; and

(f) Mortgagor shall be responsible for, and shall have deposited with Mortgagee, funds to cover any shortfall between the cost of restoration and repair and the amount of the insurance proceeds.

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Interest upon the entire Indebtedness Hereby Secured shall continue until any such proceeds are received and applied to such indebtedness by Mortgagee. Pending a decision as to the proper use and application of any insurance proceeds, and during any such restoration or repair, Mortgagee shall not be liable for interest on such proceeds. If Mortgagee is required to or elects to apply any such insurance proceeds to the restoration or repair of the Mortgaged Property, it shall not be liable for supervising such restoration or repair or for supervising the disbursement of such insurance proceeds therefor, but such disbursements shall proceed in a manner acceptable to Mortgagee, which shall be similar to the manner in which major national banks permit construction loan advances, and which shall be designed to include reasonable controls to assure that such restoration or repair will be promptly completed in a good and workmanlike manner and paid for in full, free of mechanics' liens. In such event, Mortgagor shall deposit with Mortgagee, prior to commencing any such restoration or repair, the amount, if any, by which the cost of such restoration or repair exceeds the amount of such insurance proceeds. Any surplus which may remain after payment of all costs of restoration or repair may, at the option of Mortgagee, be applied to reduction of the Indebtedness Hereby Secured, in any order which Mortgagee may determine, whether then matured or to mature in the future, or be paid to Mortgagor, as its interest may appear, the choice of application to be solely at the discretion of Mortgagee. In no event shall Mortgagee be held responsible for failure to pay for any insurance required hereby or for any loss or damage growing out of a defect in any policy thereof or growing out of any failure of any insurance company to pay for any loss or damage insured against or for failure by Mortgagee to obtain such insurance or to collect the proceeds thereof.

Section 1.9. Mortgagor shall pay or cause to be paid promptly, when due, all charges or fees for utilities or services, including but not limited to electricity, water, gas, telephone, sanitary sewer, and trash and garbage removal, supplied to the Mortgaged Property, and, upon request of Mortgagee, shall furnish receipts to Mortgagee showing such payment.

Section 1.10.

A. Mortgagor covenants and agrees with Mortgagee, as long as any Indebtedness Hereby Secured remains unpaid, that Mortgagor will, at Mortgagor's sole cost and expense, (a) at all times keep proper and accurate books of account in which full, true and correct entries will be made of all transactions affecting the Mortgaged Property in accordance with generally accepted accounting principles applied on a consistent basis throughout the periods involved; (b) at all reasonable times permit Mortgagee and its representatives to inspect such books and records and to make copies thereof; (c) from time to time furnish Mortgagee with such information and statements as it may reasonably request concerning

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the financial, business and operational status of Mortgagor (and of CARL V. WIEGAND and DENNIS E. WIEGAND in all events whether or not they remain part of Mortgagor, and/or the Mortgaged Property and concerning performance by Mortgagor of the covenants and agreements contained in the Note and in this Mortgage; (d) annually furnish to Mortgagee, as soon as available, but in any event within one hundred twenty (120) days after the close of each fiscal year of Mortgagor, at Mortgagor's sole cost and expense, Mortgagor's annual financial statements (including those of CARL V. WIEGAND and DENNIS E. WIEGAND) and an operating statement for the Mortgaged Property for said fiscal year, all prepared in accordance with generally accepted accounting principles consistently applied, and certified as true, correct and complete by Mortgagor, which operating statements shall include at least a statement of gross income (itemized as to source), all operating expenses (itemized), depreciation charges and net income, and shall reflect the operation of the Mortgaged Property during said fiscal year, all in reasonable detail and setting forth comparable figures for the preceding fiscal year, as well as a tenants' list and current rent schedule. If Mortgagor fails to supply to any financial and/or operating statements which Mortgagor is hereby required to so supply, or at any time Mortgagor is otherwise in default hereunder, Mortgagee or its authorized representatives may have access to all of Mortgagor's books and records for the purpose of auditing the same and/or itself obtaining such statements, at Mortgagor's expense.

B. Mortgagee, by giving written notice to Mortgagor at any time within sixty (60) days after receiving the above-mentioned financial and operating statements from Mortgagor, may elect to have a person or firm of its choice make a confirmatory examination of Mortgagor's books and records pertaining to the Mortgaged Property. Any such confirmatory examination shall be at Mortgagee's sole cost and expense, unless said examination reveals significant errors or discrepancies in the above-mentioned financial and operating statements, in which event the confirmatory examination shall be at the sole cost and expense of Mortgagor.

Section 1.11. If Mortgagor shall fail to observe, comply with, or perform any of the terms, covenants and conditions herein with respect to the procuring and delivery of insurance, the payment of impositions or Liens, the keeping of the Mortgaged Property in repair, the furnishing of financial and operating statements, the removal and/or disposal of Hazardous Substances, or any other term, covenant or condition herein or in the Note contained, Mortgagee may itself observe, comply with or perform the same, may make such advances to observe, comply with or perform the same as Mortgagee shall deem appropriate, and may enter the Mortgaged Property or any part thereof for the purpose of observing, complying with and performing any such term, covenant or condition. Mortgagee may expend such sums, including reasonable attorneys' fees (prior to trial, at trial and on appeal, and

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whether or not suit is brought), to sustain the lien of this Mortgage or its priority, or to protect or enforce its rights hereunder, or to obtain the right to enforce its right and remedies hereunder, including the payment of any Liens, claims and encumbrances, other than Permitted Encumbrances which are not in default, as it may deem desirable. Mortgagor agrees to repay all sums so advanced or expended upon demand, with interest thereon at the Default Rate from the date of advancement or expenditure, and all sums so advanced or expended, with interest, shall be secured hereby, and each such advance or expenditure shall be so much additional Indebtedness Hereby Secured. No such advance or expenditure by Mortgagee shall be deemed to relieve Mortgagor from any default hereunder. Mortgagee shall not be bound to inquire into the amount or validity of any Imposition or Lien which Mortgagor fails to pay as and when required hereby and which Mortgagor has not given notice to Mortgagee of its intention to contest in accordance with the terms hereof.

Section 1.12.

A. It shall be an Immediate Event of Default hereunder if, without the prior written consent of Mortgagee, any of the following shall occur, and in any event Mortgagee may condition its consent upon such increase in rate of interest payable upon the Indebtedness Hereby Secured, change in monthly payments thereon, change in maturity thereof and/or the payment of a fee, all as Mortgagee may in its sole discretion require:

(i) If Mortgagor shall create, effect, contract for, commit to or consent to or shall suffer or permit any conveyance, sale, assignment, transfer, lien, pledge, mortgage, security interest or other encumbrance or alienation of the Mortgaged Property or any part thereof, or interest therein, excepting only sales or other dispositions of Collateral (herein called "Obsolete Collateral") no longer useful in connection with the operation for the Mortgaged Property; provided that prior to the sale or other disposition thereof, such Obsolete Collateral shall have been replaced by Collateral, subject to the first and prior lien hereof, of at least equal value and utility;

(ii) If as permitted hereby or in accordance with any consent of Mortgagee any corporation shall become the owner of any interest in the Mortgaged Property or shall become the owner of any part of the beneficial interest in a trustee mortgagor, then if any shareholder of such corporation shall create, effect, contract for, commit or consent to, or shall suffer or permit any sale, assignment, transfer, lien, pledge, mortgage, security interest, or other encumbrance of any such shareholder's shares in such corporation provided that if such

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corporation is a corporation whose stock is publicly traded on a national securities exchange or on the "over-the-counter" market, then this Subsection (iii) shall be inapplicable;

(iii) If as permitted hereby or in accordance with any consent of Mortgagee any partnership shall become the owner of any interest in the Mortgaged Property or shall become the owner of any part of the beneficial interest in a trustee mortgagor, then if any general partner of such partnership shall create, effect, contract for, commit or consent to, or shall suffer or permit any sale, assignment, transfer, lien, pledge, mortgage, security interest, or other encumbrance of any such partner's interest in such partnership;

(iv) If there shall be any change in control (by way of transfer of shares, partnership interests or otherwise) in any person which directly or indirectly controls or is a general partner of a partnership describe in Subsection (iii) above.

in each case whether any such conveyance, sale, assignment, transfer, lien, pledge, mortgage, security interest, encumbrance or alienation is affected directly, indirectly, voluntarily or involuntarily, by operation of law or otherwise; provided that provisions of this Section 1.12 shall be operative with respect to, and shall be binding upon, any persons who, in accordance with the terms hereof or otherwise, shall acquire any part of or interest in or encumbrance upon the Mortgaged Property; and provided further that no consent by Mortgagee to, or any waiver of, any event or condition which would otherwise constitute an Event of Default under this Section shall constitute a consent to or a waiver of any other or subsequent event or condition or a waiver of any right, remedy or power of Mortgagee consequent thereon.

B. In the event Mortgagor shall request the consent of Mortgagee to a transfer, conveyance of encumbrance prohibited by Section 1.12 A above, Mortgagor shall deliver a written request to Mortgagee together with complete information regarding such conveyance or encumbrance and shall allow Mortgagee thirty (30) days after delivery of all required information for evaluation of such request. In the event that such request is not approved within such thirty (30) day period, it shall be deemed not approved. Mortgagee may charge an administrative fee to process any such sale, conveyance, transfer, mortgage or other encumbrance. Such approval may be subject to such modifications of the loan terms, interest rate, and maturity date as may be established by Mortgagee. Consent as to any one transaction shall not be deemed to be a waiver of the right to require consent to future or successive transactions.

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C. Except as permitted by Section 1.12 F below, if the Mortgaged Property should be transferred to a privately held corporation or to a partnership pursuant to the terms of this Section 1.12 during the term of this Mortgage, thereafter a subsequent transfer of a partnership interest or a corporate ownership interest shall constitute conveyance for purposes of this Section 1.12 and the consent of Mortgagee shall be required.

D. No transfer, conveyance, lease, sale, change or other disposition whether or not permitted hereby or consented to shall affect the lien or priority of lien of this Mortgage or relieve the Mortgagor or either of them from personal liability for any obligations hereunder or under the Note, whether or not the transferee assumes this Mortgage or the Note. Mortgagee may, without notice to Mortgagor, deal with any successor owner of all or any portion of the Mortgaged Property in the same manner as with Mortgagor, without in any way discharging the liability of Beneficiaries hereunder or under the Note.

E. The provisions of Section 1.12 A. above shall not apply to:

(a) Liens securing the Indebtedness Hereby Secured;

(b) The lien of current real estate taxes and assessments not in default;

(c) Transfers of the Mortgaged Property, or part thereof, or interest therein or any beneficial interests, shares of stock, or partnership or joint venture interests, as the case may be, in the Mortgagor or any beneficiary of a trustee mortgagor by or on behalf of an owner thereof who is deceased or declared judicially incompetent, to such owner's heirs, legatees, devisees, executors, administrators, estate, personal representatives and/or committee; and

F. Intentionally omitted.

Section 1.13. Mortgagor hereby covenants and agrees that it will not at any time insist upon or plead, or in any manner whatever claim to take any advantage of, any stay, exemption or extension law or any so-called "Moratorium Law" now or at any time hereafter in force, nor claim, take or insist upon the benefit or advantage of or from any law now or hereafter in force providing for the valuation or appraisal of the Mortgaged Property, or any part thereof, prior to any sale or sales thereof to be made pursuant to any provisions herein contained, or to decree, judgment or order of any court of competent jurisdiction; or, after such sale or sales, claim or exercise any rights under any statute now or hereafter in force to redeem the property so sold, or any part

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thereof, or relating to the marshalling thereof, upon foreclosure sale or other enforcement hereof; and without limiting the foregoing:

(a) Mortgagor hereby expressly waives any and all rights of redemption from sale, if any, under any order or decree of foreclosure of this Mortgage, on its own behalf and on behalf of each and every person, it being the intent hereof that any and all such rights of redemption of the Mortgagor and of all other persons are and shall be deemed to be hereby waived to the full extent permitted by the provisions of 735 ILCS 5/15-1101 et seq., or other applicable law or replacement statutes;

(b) Mortgagor will not invoke or utilize any such law or laws or otherwise hinder, delay or impede the execution of any right, power or remedy herein or otherwise granted or delegated to Mortgagee but will suffer and permit the execution of every such right, power and remedy as though no such law or laws had been made or enacted; and

Section 1.14. At any time and from time to time, within three (3) business days after receipt from Mortgagee of a written request therefor, Mortgagor shall prepare, execute and deliver to Mortgagee, and/or any other party which Mortgagee may designate, and estoppel certificate stating: (a) the amount of the unpaid principal balance and accrued interest secured by this Mortgage on the date thereof; (b) the date upon which the last payment secured by this Mortgage was made and the date the next payment secured by this Mortgage is due; and (c) that the provisions of the Note, this Mortgage and the other collateral security documents described in said request have not been amended or changed in any manner, that there are no defaults or events of default then existing under the terms of the Note, this Mortgage or the other collateral security documents described in said request, and that Mortgagor has no defenses, claims or offsets against full enforcement thereof according to their terms, or listing and describing any such amendments, changes, defaults, events of default, defenses, claims or offsets which do exist.

Section 1.15. Mortgagor shall not place, locate, produce, generate, create, store, treat, handle, transport, incorporate, discharge, emit, spill, release, deposit or dispose of any Hazardous Substance in, upon, under, over or from the Mortgaged Property and shall not permit any Hazardous Substance to be placed, located, produced, generated, created, stored, treated, handled, transported, incorporated, discharged, emitted, spilled, released, deposited, disposed of or to escape therein, thereupon, thereunder, thereover or therefrom; and Mortgagor shall comply with all Environmental Regulations which are applicable to the Mortgaged Property. Mortgagor agrees to promptly and properly remove and dispose of any Hazardous Substance found on or in the Mortgaged

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Property, at Mortgagor's sole cost and expense and in compliance with all applicable Environmental Regulations. At any time, and from time to time, if Mortgagee so requests, Mortgagor shall have any environmental assessment, review, audit and/or report relating to the Mortgaged Property heretofore provided by Mortgagor to Mortgagee updated and/or amplified, at Mortgagor's sole cost and expense, by an engineer or scientist acceptable to Mortgagee, or shall have such an assessment, review, audit and/or report prepared for Mortgagee, at Mortgagor's sole cost and expense, if none has previously been so provided. Mortgagor shall indemnify Mortgagee, its directors, officers, employees, agents, contractors, licensees, invitees, successors and assigns (hereinafter collectively referred to as "Indemnified Parties") against, shall hold the Indemnified Parties harmless from, and shall reimburse the Indemnified Parties for, any and all claims, demands, judgments, penalties, liabilities, costs, damages and expenses incurred by the Indemnified Parties, including court costs and attorneys' fees (prior to trial, at trial and on appeal), in any action, administrative proceeding or negotiations against or involving any of the Indemnified Parties, resulting from any breach of the foregoing covenants, from the incorrectness or untruthfulness or any warranty or representation set forth in Subsection 1.2(j) hereof, from a failure by Mortgagor to perform any of its obligations hereunder with respect to any Hazardous Substance, or from the discovery of any Hazardous Substance in, upon, under or over, or emanating from, the Mortgaged Property, it being the intent of Mortgagor and Mortgagee that the Indemnified Parties shall have no liability for damage or injury to human health, the environment or natural resources caused by, for abatement, clean-up, removal or disposal of, or otherwise with respect to, Hazardous Substances by virtue of the interest of mortgagee in the Mortgaged Property created hereby or as the result of Mortgagee exercising any of its rights or remedies with respect thereto hereunder, including but not limited to becoming the owner thereof by foreclosure or conveyance in lieu of foreclosure. The foregoing covenants, representations and warranties of Subsection 1.2(j) and of this Section 1.15 shall be deemed continuing covenants, representations and warranties for the benefit of the Indemnified Parties, including but not limited to any purchaser at a foreclosure sale, any transferee of the title of Mortgagee or any other purchaser at a foreclosure sale, and any subsequent owner of the Mortgaged Property claiming by, through or under Mortgagee, any foreclosure of this Mortgage and/or acquisition of title to the Mortgaged Property or any part thereof by Mortgagee, or by anyone claiming by, through or under Mortgagee, by deed in lieu of foreclosure or otherwise and shall survive the repayment of the Indebtedness Hereby Secured and the release of this Mortgage. Any amounts covered by the foregoing indemnification shall bear interest from the date paid at the Default Rate and shall be secured hereby.

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Section 1.16. This Mortgage constitutes a Security Agreement under the uniform Commercial Code of the State in which the Mortgaged Property is located (herein called the "Code") with respect to any part of the Mortgaged Property which may or might now or hereafter be or be deemed to be personal property, fixtures or property other than real estate (all herein called "Collateral"); all of the terms, provisions, conditions and agreements contained in this Mortgage pertain and apply to the Collateral as fully and to the same extent as to any other property comprising the Mortgaged Property; and the following provisions of this Section 1.16 shall not limit the generality or applicability of any other provision of this Mortgage, but shall be in addition thereto:

(a) Mortgagor (being the Debtor as that term is used in the Code) is and will be the true and lawful owner of the Collateral, subject to no liens, charges or encumbrances other than the lien hereof;

(b) The Collateral is to be used by the Mortgagor solely for business purposes, being installed upon the Mortgaged

Property for Mortgagor's own use or as the equipment and furnishings furnished by Mortgagor, as landlord, to tenants of the Mortgaged Property;

(c) The Collateral will be kept at the Premises and will not be removed therefrom without the consent of Mortgagee (being the Secured Party as that term is used in the Code) by Mortgagor or any other person; and the Collateral may be affixed to the Premises but will not be affixed to any other real estate;

(d) The only persons having any interest in the Mortgaged Property are Mortgagor, Mortgagee and persons occupying the Mortgaged Property as tenants only;

(e) No Financing Statement covering any of the Collateral or any proceeds hereof is on file in any public office except pursuant hereto; and Mortgagor will at its own cost and expense, upon demand, furnish to Mortgagee such further information and will execute and deliver to Mortgagee such financing statement and other documents in form satisfactory to Mortgagee, and will do all such acts and things as Mortgagee time or from time to time reasonably request or as may be necessary or appropriate to establish and maintain a perfected security interest in the Collateral as security for the Indebtedness Hereby Secured, subject to no adverse liens or encumbrances; and Mortgagor will pay the cost of filing the same or filing or recording such financing statements or other documents, and this instrument, in all

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public offices whenever filing or recording is deemed by Mortgagee to be necessary or desirable;

(f) Upon the occurrence of any Event of Default hereunder (regardless of whether the Code has been enacted in the jurisdiction where rights or remedies are asserted) and at any time thereafter (such Event of Default not having previously been cured), Mortgagee at its option may declare the Indebtedness Hereby Secured immediately due and payable, all as more fully set forth in Section 3.1 hereof, and thereupon Mortgagee shall have the remedies of a secured party under the Code, including without limitation the right to take immediate and exclusive possession of the Collateral, or any part thereof, and for that purpose may, as far as Mortgagor can give authority therefor, with or without judicial process enter (if this can be done without breach of the peace) upon any place which the Collateral or any part thereof may be situated and remove the same therefrom (provided that if the Collateral is affixed to real estate, such removal shall be subject to the conditions stated in the Code);

(g) Mortgagee shall be entitled to hold, maintain, preserve and prepare the Collateral for sale, until disposed of, or may propose to retain the Collateral, subject to Mortgagor's right of redemption, if any, in satisfaction of Mortgagor's obligations as provided in the Code; provided that (i) Mortgagee without removal may render the Collateral unusable and dispose of the Collateral on the Mortgaged Property, and (ii) Mortgagee may require Mortgagor to assemble the Collateral and make it available to Mortgagee for its possession at a place to be designated by Mortgagee which is reasonably convenient to both parties;

(h) Mortgagee will give Mortgagor at least five (5) days' notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is made and the requirements of reasonable notice shall be met if such notice is mailed, by certified mail or equivalent, postage prepaid, to the address of Mortgagor determined as provided in Section 4.3 hereof, at least five (5) days before the time of the sale or disposition;

(i) Mortgagee may buy at any public sale, and if the Collateral is a type customarily sold in a recognized market or is a type which is the subject of widely distributed standard price quotations, Mortgagee may buy at any private sale, and any such sale may be held as part of and in conjunction with any foreclosure sale of the Premises comprised within the Mortgaged Property, the Collateral and Premises to be sold as one lot if Mortgagee so elects;

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(j) The net proceeds realized upon any such disposition, after deduction for the expenses of retaking, holding, preparing for sale, selling or the like, and the reasonable attorneys' fees and legal expenses incurred by Mortgagee, shall be applied in satisfaction of the Indebtedness Hereby Secured; and Mortgagee will account to Mortgagor for any surplus realized on such disposition;

(k) The remedies of Mortgagee hereunder are cumulative and the exercise of any one or more of the remedies provided for herein or under the Code shall not be construed as a waiver of any of the other remedies of Mortgagee, including having the Collateral deemed part of the realty upon any foreclosure thereof, so long as any part of the Indebtedness Hereby Secured remains unsatisfied;

(l) The terms and provisions contained in this Section 1.16 shall, unless the context otherwise requires, have the meanings and be construed as provided in the Code.

ARTICLE II

TAKING OF PROPERTY

Section 2.1. In case of a taking of or damage to all or any part of the Mortgaged Property as a result of, or a sale thereof in lieu of or in anticipation of, the exercise of the power of condemnation or eminent domain, or the commencement of any proceedings or negotiations which might result in such a taking, damage or sale, Mortgagor shall promptly give Mortgagee written notice thereof, generally describing the nature of such taking, damage, sale, proceedings or negotiations and the nature and extent of the taking, damage or sale which has resulted or might result therefrom, as the case may be, and Mortgagee shall have the right to participate in such proceedings or negotiations. Should any of the Mortgaged Property be taken or damaged by exercise of the power of condemnation or eminent domain, or be sold by private sale in lieu or in anticipation thereof, Mortgagor does hereby irrevocably assign, set over and transfer to Mortgagee any award, payment or other consideration for the property so taken, damaged or sold. Such award, payment or consideration shall, at Mortgagee's option, be applied first to the payment of all costs and expenses incurred by Mortgagee in obtaining and preserving such award, payment or consideration, and second, at Mortgagee's option, either to the reduction of the Indebtedness Hereby Secured by application thereof to said Indebtedness, in any order which Mortgagee may determine, whether then due and payable or not, or to the restoration or repair of the Mortgaged Property, without affecting the lien of this Mortgage or the obligations of Mortgagor hereunder. If (a) an

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Event of Default then exists hereunder, or (b) Mortgagor does not promptly and in good faith compromise, settle and collect all awards, payment or consideration for the property so taken, damaged or sold, Mortgagee is authorized, at its option, in the name of Mortgagor or in its own name, to compromise, settle, collect and receipt for all awards, payments or consideration for the property so taken, damaged or sold. The amount of any such compromise or settlement shall always be subject to Mortgagee's approval. Mortgagor agrees to pay all costs and expenses incurred by Mortgagee in connection therewith, including court costs and attorneys' fees (prior to trial, at trial and on appeal), on demand, which costs and expenses shall be so much additional Indebtedness Hereby Secured and shall also be secured hereby and shall bear interest from the date paid at the Default Rate, but Mortgagee shall not be liable to Mortgagor for any failure by Mortgagee to collect or to exercise diligence in collecting any such award, payment or consideration. Interest upon the entire Indebtedness Hereby Secured shall continue until any such award, payment or consideration is received and applied by Mortgagee to said indebtedness, and, pending a decision as to the proper application of said award, payment of consideration, and pending the completion for any such repairs or restoration, Mortgagee shall not be liable for interest thereon. Mortgagor will, in good faith and with due diligence, file and prosecute what would, absent this assignment, be its claims for any such award, payment or consideration and will cause the same to be collected and paid over to Mortgagee. If Mortgagee elects to apply any such award, payment or consideration to the restoration or repair of the Mortgaged Property, it shall not be liable to supervise such restoration or repair or to supervise the disbursement of such award, payment or consideration therefor, but such disbursement shall proceed in a manner acceptable to Mortgagee, which shall be similar to the manner in which major national banks permit construction loan advances, and which shall be designed to include reasonable controls to assure that such restoration or repair will be promptly completed in a workmanlike manner and paid for in full, free of mechanics' liens. In such event, Mortgagor shall deposit with Mortgagee, prior to commencing any such restoration or repair, the amount, if any, by which the cost of such restoration or repair exceeds the amount of such award, payment or consideration, which deposited amount shall be disbursed to pay costs of such restoration or repair prior to, and in the same manner as, such award, payment or consideration. Any surplus which may remain after payment of all costs of restoration or repair may, at the option of Mortgagee, be applied in reduction of the Indebtedness Hereby Secured, in any order which Mortgagee may determine, whether then matured or to mature in the future, or be paid to Mortgagor, as its interest may appear, the choice of application to be solely at the discretion of Mortgagee.

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ARTICLE III

DEFAULT AND REMEDIES THEREFOR

Section 3.1. If one or more of the following events (herein referred to as "Events of Default") shall occur:

(a) If default is made in the due and punctual payment principal interest or interest and/or any other sum of money required to be paid pursuant to the Note, to this Mortgage, to any other instrument securing the Note, to any Lease as and when due, without notice or grace of any kind; or

(b) If a default shall occur pursuant to Section 1.12 hereof without notice or grace of any kind; or

(c) If default is made in the maintenance and delivery to Mortgages of insurance required to be maintained and delivered hereunder, without notice or grace of any kind; or

(d) If:

(i) The Mortgagor shall file a petition in voluntary bankruptcy under the Bankruptcy Code of the United States or any similar law, state or federal, now or hereafter in effect, or

(ii) The Mortgagor shall file an answer admitting insolvency or inability to pay its debts, or

(iii) Within sixty (60) days after the filing against Mortgagor of any involuntary proceedings under such Bankruptcy Code or similar law, such proceedings shall not have been vacated or stayed, or

(iv) The Mortgagor shall be adjudicated a bankrupt, or a trustee or receiver shall be appointed for the Mortgagor or for all or the major part of the Mortgagor's property or the Premises, in any involuntary proceeding, or any court shall have taken jurisdiction of all or the major part of the Mortgagor's property or the Mortgaged Property in any involuntary proceeding for the protection, reorganization, dissolution, liquidation or winding up of the Mortgagor, and such trustee or receiver shall not be discharged or such jurisdiction relinquished or vacated or stayed on appeal or otherwise stayed within sixty (60) days, or

(v) the Mortgagor shall make an assignment for the benefit of creditors or shall admit in writing its inability to pay its debts generally as they become due or shall consent to the appointment of a receiver or

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trustee or liquidator of all or the major part of its property, or the Mortgaged Property; or

(e) If any default shall exist under the provisions of the Assignment hereinafter referred to therein; or

(f) If any representation made by or on behalf of Mortgagor in connection with the Indebtedness Hereby Secured shall prove untrue in any material respect; or

(g) If default shall continue for 15 days after notice thereof by Mortgagee to Mortgagor in the due and punctual performance or observance of any other agreement or condition herein or in the Note contained; provided that if such default is not susceptible of cure within such 15-day period, such 15-day period shall be extended to the extent necessary to permit such cure if, but only if, (i) Mortgagor shall commence such cure within such 15-day period and shall thereafter prosecute such cure to completion, diligently and without delay, and (ii) no other event of Default shall occur; or

(h) If the Premises shall be abandoned; or

(i) If any judgment is entered in any court against Mortgagor or Beneficiary, and is not satisfied in full within 30 days after all rights to appeal from the same have expired, or if any writ of execution or attachment or similar process is issued against any part of the Mortgaged Premises or any interest therein;

then the Mortgagee is hereby authorized and empowered, at its option, and without affecting the lien hereby created or the priority of said lien or any right of the Mortgagee hereunder, to declare, without further notice all Indebtedness hereby Secured to be immediately due and payable, whether or not such default is thereafter remedied by the Mortgagor, and the Mortgagee may immediately proceed to foreclose this Mortgage and/or exercise any right, power or remedy provided by this Mortgage, the Note, the Assignment or any of the other Loan Documents or by law or in equity conferred.

Section 3.2. When the Indebtedness Hereby Secured, or any part thereof, shall become due, whether by acceleration or otherwise, the Mortgagee shall have the right to foreclose the lien hereof for such Indebtedness or part thereof and:

(a) In any suit or proceeding to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale, all expenditures and expenses which may be paid or incurred by or on behalf of the Mortgagee for attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges,

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publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, and similar data and assurances with respect to title, as the Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at sales which may be had pursuant to such decree the true conditions of the title to or the value of the Mortgaged Property; and

(b) All expenditures and expenses of the nature in this Section mentioned, and such expenses and fees as may be incurred in the protection of the Mortgaged Property and the maintenance of the lien of this Mortgage, including the fees of any attorney employed by the Mortgagee in any litigation or proceeding affecting this Mortgage, the Note or the Mortgaged Property or the rights of Mortgagee hereunder or as to which Mortgagee may be made a party by virtue of its interest in the Mortgaged Property pursuant to this Mortgage or otherwise, including probate and bankruptcy proceedings, or in preparation for the commencement or defense of any proceeding or threatened suit or proceeding, shall constitute so much additional Indebtedness Hereby Secured, and shall be immediately due and payable by the Mortgagor, with interest thereon at the Default Rate.

Section 3.3. The proceeds of any foreclosure sale of the Mortgaged Property shall be distributed and applied in the following order of priority: First, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in Section 3.2 hereof; Second, all other items which, under the terms hereof, constitute Indebtedness Hereby Secured additional to that evidenced by the Note, with interest on such items as herein provided; Third, to interest remaining unpaid upon the Note; Fourth, to the principal remaining unpaid upon the Note; and lastly, any overplus to the Mortgagor, and its successors or assigns, as their rights may appear.

Section 3.4. Mortgagor consents and agrees that:

(a) Upon, or at any time after, the filing of a complaint to foreclose this Mortgage, the court in which such complaint is filed may appoint a receiver of the Mortgaged Property or may appoint the Mortgagee as mortgagee in possession of the Mortgaged Property;

(b) Such appointment may be made either before or after sale, without notice, without regard to solvency or insolvency of the Mortgagor at the time of application for such receiver or mortgagee in possession, and without regard to the then value of the Mortgaged Property or whether the same shall be then occupied as a homestead or not; and the Mortgagee

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hereunder, or any holder of the Note, may be appointed as such receiver or mortgagee in possession;

(c) Such receiver or mortgagee in possession shall have the power to collect the Rents during the pendency of such foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, if any, whether there be a redemption or not, as well as during any further times when the Mortgagor, except for the intervention of such receiver or mortgagee in possession, would be entitled to collection of such rents and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Mortgaged Property during the whole of said period, and

(d) The court may, from time to time, authorize the receiver or mortgagee in possession to apply the net income from the Mortgaged Property in his hands in payment in whole or in part of:

(i) The Indebtedness Hereby Secured or the indebtedness secured by any decree foreclosing this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or such decree, provided such application is made prior to the foreclosure sale; or

(ii) The deficiency in case of a sale and deficiency.

Section 3.5. In case of an insured loss after foreclosure proceedings have been instituted, the proceeds of any insurance policy or policies, if not applied in restoring the Improvements, as aforesaid, shall be used to pay the amount due in accordance with any decree of foreclosure that may be entered in any such proceedings, and the balance, if any, shall be paid as the court may direct; and:

(a) In the case of foreclosure of this Mortgage, the court, in its decree, may provide that the Mortgagee's clause attached to each of the casualty insurance policies may be canceled and that the purchaser at foreclosure sale may cause a new loss clause to be attached to each of said casualty insurance policies making the loss thereunder payable to said purchaser and any such foreclosure decree may further provide that in case of a redemption under said decree as provided by statute, such redeмпtor may cause the preceding loss clause attached to each casualty insurance policy to be canceled and a new loss clause to be attached thereto, making the loss thereunder payable to such redeмпtor; and

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(b) In the event of foreclosure sale, the Mortgagee is hereby authorized, without the consent of the Mortgagor, to assign any and all insurance policies to the purchaser at the sale, or to take such other steps as the Mortgagee may deem advisable to cause the interest of such purchaser to be protected by any of the said insurance policies.

Section 3.6. Each and every right, power or remedy herein specifically given shall be cumulative with and in addition to every other right, power or remedy, express or implied, given or now or hereafter existing at law, in equity, by statute, in the Note, herein or in any other document which secures the Note, and each and every right, power and remedy herein specifically given or otherwise so existing may be exercised concurrently or separately, from time to time, as often and in such order as may be deemed expedient by Mortgagee or the holder of the Note, and the exercise or the beginning of the exercise of one right, power or remedy shall not be deemed a waiver of the right to exercise at the same time or thereafter any other right, power or remedy. No delay or omission of Mortgagee in the exercise of any such right, power or remedy shall impair any such right, power or remedy or any other right, power or remedy of Mortgagee or be construed to be a waiver of any default or acquiescence therein. Mortgagee shall have all rights, powers and remedies available under the law in effect now and/or at the time such rights, powers and remedies are sought to be enforced, whether or not they are available under the law in effect on the date hereof.

Section 3.7. In case Mortgagee shall have proceeded to enforce any right, remedy or power under this Mortgage by foreclosure, sale, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to Mortgagee, then and in every such case Mortgagor and Mortgagee shall be restored to their former positions and rights hereunder with respect to the Mortgaged Property, and all rights, remedies and powers of Mortgagee shall continue in full force and effect as if no such proceedings had been initiated.

Section 3.8. In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, readjustment, composition, dissolution, liquidation, termination or other judicial proceedings affecting Mortgagor, its creditors or its property, Mortgagee, to the extent permitted by law, shall be entitled to file such proofs of claim and other documents as may be necessary or advisable in order to have its claims allowed in such proceedings for the entire Indebtedness Hereby Secured including (without limitation) all amounts due and payable under the Note, this Mortgage and any other instrument securing or referring to the Note, this Mortgage and any other instrument securing or referring to the Note, at the date of institution of such proceedings, and for any additional amounts which may become due and payable hereunder and thereunder after

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such date, and further including (without limitation) Mortgagee's costs, expenses and attorneys' fees incurred in connection therewith.

Section 3.9. No waiver of any provision hereof shall be implied from the conduct of the parties. Any such waiver must be in writing and must be signed by the party against which such waiver is sought to be enforced. The waiver or release by Mortgagee of any breach of the provisions, covenants and conditions set forth herein on the part of Mortgagor to be kept and performed shall not be a waiver or release of any other breach, preceding, contemporaneous or subsequent, of the same or any other provision, covenant or condition contained herein. The subsequent acceptance of any such in payment of any Indebtedness Hereby Secured or any other payment hereunder by Mortgagor to Mortgagee shall not be construed to be a waiver or release of any preceding breach by Mortgagor of any provision, covenant or condition of this Mortgage, other than the failure of Mortgagor to pay the particular sum so accepted, regardless of Mortgagee's knowledge of such preceding breach at the time of acceptance of such payment. No payment by Mortgagor or receipt by Mortgagee of a lesser amount than the full amount secured hereby shall be deemed to be other than on account of the sums due and payable hereunder, nor shall any endorsement or statement on any check or any letter accompanying any check or payment be deemed an accord and satisfaction, and Mortgagee may accept any check or payment without prejudice to Mortgagee's right to recover the balance of such sums or to pursue any other remedy

provided in this Mortgage. The consent by Mortgagee to any matter or event requiring such consent shall not constitute a waiver of the necessary for such consent to any subsequent matter or event.

Section 3.10. In case of any sale of any of the Mortgaged Property pursuant to any judgment or decree of any court or otherwise in connection with the enforcement of any of the terms of this Mortgage, Mortgagee, its successors or assigns, may become the purchaser, and, for the purpose of making settlement for or payment of the purchase price, shall be entitled to turn in and use the Note and any claims for interest accrued and unpaid thereon, late payment charges and other charges, together with additions to the accrued, and interest thereon, if any, in order that there may be credited as paid on the purchase price, at Mortgagee's option, any sum then due hereunder and/or under the Note, including principal and interest thereon, late payment charges, reinvestment charges, and any accrued additions to the mortgaged debt and interest thereon, or any portion thereof.

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ARTICLE IV

MISCELLANEOUS

Section 4.1. Whenever any of the parties hereto is referred to, such reference shall be deemed to include and apply to the successors and assigns of such party, subject to the provisions of Section 1.12 hereof; and all covenants, promises and agreements by or on behalf of Mortgagor in this Mortgage contained shall bind such parties and also their respective successors and assigns and shall inure to the benefit of Mortgagee and its successors and assigns, whether elsewhere herein so expressed or not. All representations and warranties contained herein or otherwise heretofore made by Mortgagor to Mortgagee shall survive the execution and delivery hereof. The singular of all terms used herein shall include the plural, the plural shall include the singular, and the use of any gender herein shall include all other genders, where the context so requires or permits.

Section 4.2. The unenforceability or invalidity of any provision or provisions of this Mortgage as to any persons or circumstances shall not render that provision nor any other provision or provisions herein contained unenforceable or invalid as to any other persons or circumstances, and all provisions hereof, in all other respects, shall remain valid and enforceable. Mortgagee shall be subrogated for further security to the lien, whether or not released of record, of any and all encumbrances paid out of the proceeds of the Note or out of any advances made by Mortgagor hereunder.

Section 4.3. All notices and elections provided for herein shall be in writing and shall be deemed to have been given (unless otherwise required by the specific provisions hereof or by law in respect to any matter) when deposited in the United States mail, registered or certified, return receipt requested, postage prepaid, addressed as set forth at the inception of this Mortgage; or addressed to any such party at such other address as such party shall hereafter furnish by written notice to the other party hereto, at least ten (10) days prior to the effective date of said change in address.

Section 4.4. Mortgagor, at its sole cost and expense, shall appear in and defend any dispute, action, suit or proceeding purporting to relate to or affect the Note or the security therefor, including but not limited to this Mortgage. If any action or proceeding relating to or affecting the Note, this Mortgage or the Mortgaged Property is commenced or threatened, to which action or proceeding Mortgagee is made a party, or in which it becomes necessary or desirable, in Mortgagee's opinion, to defend or uphold, or to consider defending or upholding, the lien of this Mortgage, or to protect the Mortgaged Property or any part thereof, or to exercise, or to obtain the right to exercise, any of

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Mortgagee's rights and remedies hereunder, including any foreclosure or commencement of foreclosure proceedings or probate, bankruptcy, insolvency, arrangement, reorganization or other debtor-relief proceedings, or with respect to which Mortgagee otherwise incurs costs or expenses, all sums paid by Mortgagee in order to determine the merits thereof, to establish or defend the rights and liens of this Mortgage, to protect the Mortgaged Property or any part thereof, and to exercise, or to obtain the right to exercise, any of Mortgagee's rights and remedies hereunder, and/or otherwise incurred by Mortgagee in connection therewith (including reasonable attorneys' fees and costs and allowances prior to trial, at trial and on appeal), and whether suit be brought or not, and whether or not Mortgagee prevails therein, shall constitute so much additional Indebtedness Hereby Secured and shall be secured hereby and shall be paid, upon demand, to Mortgagee by Mortgagor, together with interest thereon at the Default Rate from the date paid, and any such sum or sums shall be secured hereby.

Section 4.5. In the event Mortgagee (a) grants any extension of time or forbearance with respect to the payment of any Indebtedness Hereby Secured; (b) takes other or additional security for the payment thereof; (c) waives or fails to exercise any right, power or remedy granted herein, in the Note or in any other document which secures or refers to the Note; (d) grants any release, with or without consideration, of the whole or any part of the security for the payment of the Indebtedness Hereby Secured or the release of any person, party or entity liable for payment of said Indebtedness; and/or (e) amends or modifies in any respect any of the terms and provisions hereof, of the Note (including substitution of another Note) or of any other document which secures or refers to the Note; then, and in any such event, such act or omission to act shall not release Mortgagor under any covenant of this Mortgage or of the Note, nor preclude Mortgagee from exercising any right, power or privilege herein or therein granted or intended to be granted, and shall not in any way impair or affect the lien or priority of this Mortgage. In the event any additional real property, improvements, leases, fixtures or personal property not herein specifically identified shall be or become a part of the Mortgaged Property, then this Mortgage shall immediately attach to and constitute a lien against or security interest in such additional items, as appropriate, without further act or deed of either party hereto.

Section 4.6. This instrument shall be governed by and interpreted in accordance with the laws of the State of Illinois. Notwithstanding any provision herein, in the Note or in any other instrument which secures or refers to the Note contained, the total liability for payments in the nature of interest hereunder and thereunder shall not exceed interest at the maximum rate permitted by the laws of the State of Illinois on the Indebtedness Hereby Secured, if any, and any amounts paid in excess of said maximum

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rate shall be refunded to Mortgagor. This instrument shall be construed in accordance with its intent and with the fair meaning of its provisions, and without regard to any presumption on other rule of interpretation requiring construction thereof against the party which caused the same to be drafted.

Section 4.7. This Mortgage may be executed simultaneously in two (2) or more identical counterparts, each of which, standing alone, shall be an original, but all of which shall constitute but one (1) agreement.

Section 4.8. If the Mortgagee shall execute and record in the public office wherein this Mortgage was recorded a unilateral declaration that this Mortgage shall be subject and subordinate, in whole or in part, to any Lease, then upon such recordation, this Mortgage shall become subject and subordinate to such Lease to the extent set forth in such instrument; provided that such subordination shall not extend to or affect the priority of entitlement to insurance proceeds or any Award unless such instrument shall specifically so provide.

Section 4.9. Nothing herein contained shall be construed as constituting the Mortgagee a mortgagee in possession in the absence of the actual taking of possession of the Mortgaged Property by the Mortgagee.

Section 4.10. Mortgagor represents and agrees that the loan evidenced by the Note and secured hereby is a business loan within the purview of 815 ILCS 205/4 (1992) (or any substitute, amended, or replacement statutes) and is transacted solely for the purpose of carrying on or acquiring the business of the Mortgagor or, if the Mortgagor is a trustee, for the purpose of carrying on or acquiring the business of the beneficiary of the Mortgagor as contemplated by said Section.

Section 4.11. Mortgagor and Mortgagee acknowledge and agree that in no event shall Mortgagee be deemed to be a partner or joint venturer with Mortgagor or any beneficiary of Mortgagor; and without limiting the foregoing, Mortgagee shall not be deemed to be such a partner or joint venturer on account of its becoming a mortgagee in possession or exercising any rights pursuant to this Mortgage or pursuant to any other instrument or document evidencing or securing any of the Indebtedness Hereby Secured, or otherwise.

Section 4.12. To the extent that Mortgagee, on or after the date hereof, pays any sum due under or secured by any Senior Lien as hereinafter defined, or Mortgagor or any other person pays any such sum with the proceeds of the Indebtedness Hereby Secured:

(a) Mortgagee shall have and be entitled to a lien on the Mortgaged Property equal in priority to the Senior Lien discharged, and Mortgagee shall be subrogated to, and receive

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and enjoy all rights and liens possessed, held or enjoyed by, the holder of such Senior Lien, which shall remain in existence and benefit Mortgagee in securing the Indebtedness Hereby Secured; and

(b) Notwithstanding the release of record of Senior Liens (as hereinafter defined) Mortgagee shall be subrogated to the rights and liens of all mortgages, trust deeds, superior titles, vendors' liens, mechanics' liens, or liens, charges, encumbrances, rights and equities on the Mortgaged Property having priority to the lien of this Mortgage (herein generally called "Senior Liens"), to the extent that any obligation secured thereby is directly or indirectly paid or discharged with proceeds of disbursements or advances of the Indebtedness Hereby Secured, whether made pursuant to the provisions hereof or of the Note or any document or instrument executed in connection with the Indebtedness Hereby Secured.

Section 4.13. In the event that the ownership of the Mortgaged Property or any part thereof becomes vested in a person or persons other than the Mortgagor (a) the Mortgagee may, without notice to the Mortgagor, deal with such successor or successors in interest of the Mortgagor with reference to this Mortgage and the Indebtedness Hereby Secured in the same manner as with the Mortgagor; and (b) the Mortgagor will give immediate written notice to the Mortgagee of any conveyance, transfer or change of ownership of the Mortgaged Property; but nothing in this Section 4.13 contained shall vary or negate the provisions of Section 1.12 hereof.

Section 4.14. The unenforceability or invalidity of any provision or provisions hereof shall not render any other provision or provisions herein contained unenforceable or invalid.

Section 4.15. No action for the enforcement of the lien or any provision hereof shall be subject to any defense which would not be good and available to the party interposing the same in an action at law upon the Note.

Section 4.16. Time is of the essence hereof and of every provision hereof and of the Note, Assignment, and all other instruments delivered in connection with or securing the Indebtedness Hereby Secured and every provision thereof.

Section 4.17. Lot Release Price/Partial Release. Mortgagee agrees that so long as no default or Event of Default exists under the Note, this Mortgage or any Other Loan Document (as defined in the Note) then upon not less than ten (10) days prior written request and receipt by Mortgagee of the sum of \$200,000.00 (the "Lot Release Price") plus all accrued and unpaid interest to date of such payment, Mortgagee shall issue a partial release (the "Partial Release") of this Mortgage for one of either Parcel 1 or

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Parcel 2, as described in Exhibit B hereto. Thereupon the remaining balance of the Indebtedness Hereby Secured shall be secured by the remaining parcel until fully paid in accordance herewith.

IN WITNESS WHEREOF, the undersigned have executed these presents, all as of the day, month and year first above written.

Janet E. Wiegand, not as a co-borrower or co-obligor, but solely for the purpose of waiving and releasing any and all rights of homestead under the laws of Illinois.



Carl V. Wiegand

Joan Wiegand, not as a co-borrower or co-obligor, but solely for the purpose of waiving and releasing any and all rights of homestead under the laws of Illinois.



Dennis E. Wiegand

THIS INSTRUMENT WAS PREPARED BY:


Anthony J. Nasharr III
Gregorio & Nasharr
2 N. LaSalle St., Suite 1610
Chicago, Illinois 60602

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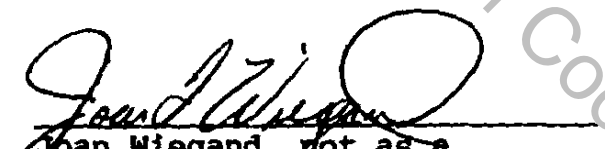
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Parcel 2, as described in Exhibit B hereto. Thereupon the remaining balance of the Indebtedness Hereby Secured shall be secured by the remaining parcel until fully paid in accordance herewith.

IN WITNESS WHEREOF, the undersigned have executed these presents, all as of the day, month and year first above written.


Janet E. Wiegand, not as a co-borrower or co-obligor, but solely for the purpose of waiving and releasing any and all rights of homestead under the laws of Illinois.


Carl V. Wiegand


Joan Wiegand, not as a co-borrower or co-obligor, but solely for the purpose of waiving and releasing any and all rights of homestead under the laws of Illinois.


Dennis E. Wiegand

THIS INSTRUMENT WAS PREPARED BY:

Anthony J. Nasharr III
Gregorio & Nasharr
2 N. LaSalle St., Suite 1610
Chicago, Illinois 60602

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PROMISSORY NOTE

COPY

\$400,000.00

Chicago, Illinois
May 1, 1994

1. FOR VALUE RECEIVED, CARL V. WIEGAND and DENNIS E. WIEGAND (being herein together called "Maker") jointly and severally promise to pay to the order of TCF BANK ILLINOIS fsb, a federal savings bank (hereinafter sometimes called "Lender"), or its assigns, at its office at 1420 Kensington Road, Suite 320, Oak Brook, Illinois 60521, Attention: Commercial Loan Department, or at such other place as the holder or holders hereof may from time to time designate in writing, the principal sum of Four Hundred Thousand and No/100 Dollars (\$400,000.00), or so much thereof as remains unpaid from time to time (hereinafter called "Principal Balance"), together with interest on the Principal Balance at the rate hereinafter specified, in coin or currency, which, at the time or times of payment, is legal tender for payment of public and private debts in the United States of America, all in accordance with the terms hereinafter set forth.

2. From and after the date hereof, and until this Note is fully paid, interest on the Principal Balance shall be computed at the rate of Prime Rate (as hereinafter defined) plus one percent (1%) so long as there is no default under this Note. Installments of interest shall hereafter be due and payable in consecutive, monthly payments commencing on June 1, 1994 and continuing thereafter on the first day of each and every calendar month through and including October 1, 1995. The entire Principal Balance, and all unpaid, accrued interest thereof, shall be due and payable in full on October 1, 1995 (hereinafter called "Maturity Date"). The aforesaid regular, monthly payments of interest shall be applied first to accrued interest and the remainder thereof shall be applied to the Principal Balance; provided, however, that, if the holder hereof has made any advance of monies under the terms of any instrument securing this Note, which the Maker has not repaid, the holder hereof may, at its option, first apply any monies received from the maker to repayment of any such advance, plus interest thereon at the rate of fourteen percent (14%) per annum, or at the maximum lawful rate upon the indebtedness evidenced hereby, if any, whichever is less (hereinafter called "Default Rate"), from the date of such advance, in such order as said holder may elect, and the balance, if any, shall be applied to any regularly scheduled, required, monthly payment of principal and interest then due, in the manner above provided. All interest payable hereunder shall be computed on the basis of a 360 day year, but shall be charged for the actual number of days principal is unpaid. The term "Prime Rate" as used herein shall mean the TCF Base Rate as published from time to time and as in effect on the first day of each month during the term of this Note.

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3. This Note may be prepaid, in whole or in part, without premium or penalty. All prepayments may, at the option of Lender, be applied to advances made by Lender under the terms of any instrument which secures or refers to this Note, together with interest thereon at the Default Rate, to accrued interest, and to the Principal Balance in such order as Lender may elect. If Lender elects to apply any such prepayments to unpaid installments of the Principal Balance in the inverse order of their maturity, said application shall not postpone, excuse or reduce the amount of the other regularly scheduled, required monthly payments of principal and/or interest payable hereunder.

4. In the event that any required payment of principal and/or interest is not made within Ten (10) days of the due date thereof, a late payment charge of five cents (\$.05) for each dollar (\$1.00) so overdue may be charged by the holder hereof for the purpose of defraying a portion of the expense incident to handling such overdue payment. The foregoing late payment charges apply individually to each required payment of principal and interest, which is past due, and once imposed will not be adjusted pro rata on a daily basis.

5. Notwithstanding any provision herein or in any instrument securing or referring to this Note contained, the total liability of the Maker for payments in the nature of interest hereunder or thereunder shall not exceed interest at the maximum rate permitted by the laws of the State of Illinois, if any, and any amount paid as interest in excess of said maximum rate shall not be deemed to be a payment of interest and shall be refunded to the Maker.

6. Time is of the essence hereof. Notwithstanding any provision herein which may be construed to provide to the contrary, in the event of any default in the payment of any payment of principal and/or interest, or any part thereof, when due hereunder, in the event of any default in the payment of any other sum of money required to be paid hereunder, under the Mortgage or under any other instrument which secures or refers to this Note (hereinafter called "Other Loan Documents"), or in the event of any default in the performance of or compliance with any other covenant or condition of this Note or any other covenant or condition of the Mortgage or of any Other Loan Document, then, in any such case, the entire Principal Balance, with all accrued interest, any late payment charges and any other applicable charges, shall, at the option of the holder hereof, become immediately due and payable, without notice, at the place of payment aforesaid. Failure to exercise this option, however often, shall not constitute a waiver of the right to exercise it thereafter; provided, however, that such option may not be exercised as to any given default subsequent to the correction of that default (but nothing herein contained shall entitle Maker to cure any default after the Principal sum shall have declared due except as provided by Illinois law or unless consented in writing by Lender). From and after the date of

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occurrence of any such default (including any Event of Default as defined in Mortgage), and from and after the Maturity Date, interest shall accrue on the Principal Balance at the Default Rate and shall be due and payable on the first day of each calendar month or on demand, at Lender's option; provided, however, that if all defaults are corrected and the indebtedness secured hereby is fully reinstated in accordance with the provisions of Illinois law, or the written consent of Lender, the interest payable thereon shall again be computed at the rate provided on page 1 of this Note, unless and until another default shall occur. Except as hereinafter expressly provided, no modification or amendment of the terms of this Note shall be effective unless made in writing signed by the parties hereto.

7. Each Maker, co-maker, endorser, surety and guarantor hereby guarantees payment of this Note, waives demand, presentment, notice of nonpayment, protest, notice of protest, notice of dishonor and diligence in collection and agrees that without any notice the holder hereof, alone or together with any present or future owner or owners of any property covered by the Mortgage or by any Other Loan Document (herein called "Mortgaged Property"), may from time to time extend, renew, or otherwise modify the date or dates or amount or amounts of payment above recited, or the holder hereof may from time to time waive any right it has hereunder, under the Mortgage or under any Other Loan Document and may release any part or parts of the Mortgaged Property from such Mortgage or Other Loan Document, with or without consideration, and that, in any such case, each maker, co-maker, endorser, surety and guarantor shall continue liable to pay the unpaid balance of the indebtedness evidenced hereby as so extended, renewed or modified, and notwithstanding any such waiver or release; and further agrees to pay all costs of collection, including court costs and a reasonable amount for attorneys' fees (including but not limited to court costs and reasonable attorneys' fees on appeal), in case any payment shall not be made when due, and all costs and expenses, including court costs and reasonable attorneys' fees (including court costs and reasonable attorneys' fees on appeal) incurred in protecting the security for this Note or in preserving the Mortgaged Property, or in exercising or defending, or in obtaining the right to exercise, the rights and remedies of Lender hereunder, under the Mortgage or under any Other Loan Document, whether suit be brought or not, and in probate, bankruptcy, insolvency, arrangement, reorganization, receivership and other debtor-relief proceedings, whether or not the holder hereof prevails therein, together with interest thereon at the default rate from and after the date of payment of any such costs, expenses and/or fees by said holder.

8. This Note is secured by a Combination Mortgage and Security Agreement and Fixture Financing Statement of even date herewith (herein called "Mortgage") covering the Mortgaged

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Property, which is located in Cook County, Illinois, by the Other Loan Documents, and by one (1) or more Guaranties, if any.

9. This Note is made with reference to and shall be construed in accordance with and governed by the law of the State of Illinois.

10. Maker represents that the indebtedness evidenced hereby is a business loan within the purview and intent of the Illinois Interest Act (815 ILCS 205/4 (1992)), transacted solely for the purpose of owning and operating the business of the Maker contemplated by said Act.

11. Time is of the essence of this note and each of the provisions hereof and of the Mortgage and Other Loan Documents.

12. Funds representing the proceeds hereof, which are disbursed by Lender by mail, wire transfer or other delivery to the Maker to escrows or otherwise for the benefit of Maker shall for all purposes be deemed outstanding hereunder and to have been received by the Maker as of the date of such mailing, wire transfer or other delivery, and interest shall accrue and be payable upon such funds from and after the date of such wire transfer, mailing or delivery and until repaid, notwithstanding the fact that such funds may not as at any time have been received by Maker or applied for its benefit.

IN WITNESS WHEREOF, and the undersigned have executed these presents, all on and as of the day, month and year first above written.

Carl V. Wiegand

Dennis E. Wiegand

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Exhibit B

Legal Description and Permitted Exceptions

PARCEL 1:

LOT 95 IN LANDINGS SUBDIVISION BEING A SUBDIVISION OF PART OF THE WEST 1/2 OF THE SOUTH WEST 1/4 OF SECTION 8, TOWNSHIP 36 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPT THE WEST 485.95 FEET AND ALSO EXCEPT THE EAST 160 FEET OF THE WEST 645.95 FEET OF THE NORTH 312.25 FEET OF THE SAID WEST 1/2 OF THE SOUTH WEST 1/4 AND EXCEPT THE SOUTH 50 FEET THEREOF OF SAID SECTION) IN COOK COUNTY, ILLINOIS.

PARCEL 2:

LOT 97 IN LANDINGS SUBDIVISION BEING A SUBDIVISION OF PART OF THE WEST 1/2 OF THE SOUTH WEST 1/4 OF SECTION 8, TOWNSHIP 36 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPT THE WEST 485.95 FEET AND ALSO EXCEPT THE EAST 160 FEET OF THE WEST 645.95 FEET OF THE NORTH 312.25 FEET OF THE SAID WEST 1/2 OF THE SOUTH WEST 1/4 AND EXCEPT THE SOUTH 50 FEET THEREOF OF SAID SECTION) IN COOK COUNTY, ILLINOIS.

Permanent Tax Number(s): 28-08-304-016 (PARCEL 1)
28-08-304-018 (PARCEL 2)

Address(es): (Parcel 1) 15056 Landings Lane
Oak Forest, IL 60452

(Parcel 2) 15044 Landings Lane
Oak Forest, IL 60452

Permitted Exceptions:

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Property of Cook County Clerk's Office

Mail to
Anthony Masharr
2 N La Salle
Suite 1610
Chicago, IL
60602