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THIS DOCUMENT WAS
PREPARED BY AND AFTER
RECORDING RETURN TO:

95458223

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Suite 1300
19 South LaSalle Street
Chicago, Illinois 60603

PERMANENT INDEX NUMBER:

19-12-209-012-0000

PROPERTY ADDRESS:

4825 South Rockwell
Chicago, Illinois

DEPT-01 RECORDING \$77.00
140012 DEAN 5219 07/14/95 10:58:00
\$6201 \$ 117 *--25-458223
COOK COUNTY RECORDER

(2) CW 02 75-44801

77.12

MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

THIS INDENTURE is made as of July 11, 1995 between Linda I. McCabe and Michael D. McCabe ("Mortgagors"), and WORLD'S FINEST CHOCOLATE, INC., having an office located at 4801 South Lawndale, Chicago, Illinois 60632 ("Mortgagee")

*wife and husband

WITNESSETH:

WHEREAS, Mortgagors are justly indebted to Mortgagee in the principal sum of TWO HUNDRED TWELVE THOUSAND, TWO HUNDRED FIFTEEN DOLLARS (\$212,215.00), evidenced by that certain Term Note of Mortgagors of even date herewith, made payable to the order of and delivered to Mortgagee, in and by which Note Mortgagors promise to pay the principal sum together with interest thereon prior to maturity or the occurrence of a Default at nine and one-half of one percent (9 1/2 %) per annum (the "Interest Rate") and following maturity or the occurrence of a Default at the Interest Rate plus two percent (2%) per annum (the "Default Rate") (such note and any and all notes issued in renewal thereof or in substitution or replacement therefor are hereinafter referred to as the "Note"). Each installment shall be paid at such place as the holder of the Note may, from time to time, in writing appoint, and in the absence of such appointment, then at the office of World's Finest Chocolate, Inc., 4801 South Lawndale Avenue, Chicago, Illinois 60632.

NOW, THEREFORE, in consideration of the debt evidenced by the Note and to secure the payment of said principal sum of money and said interest in accordance with the terms, provisions and limitations of this Mortgage, and of the Note secured hereby (collectively, the Note, this Mortgage and all other documents

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BOX 333-CTI

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executed in connection therewith are referred to herein as the Loan Documents"), including any and all extensions, modifications and renewals of the foregoing indebtedness, and the performance of the covenants and agreements herein contained, by Mortgagors to be performed, and also in consideration of the sum of One Dollar (\$1.00) in hand paid, the receipt whereof is hereby acknowledged, Mortgagors do by these presents GRANT, MORTGAGE, WARRANT and CONVEY unto Mortgagee, its successors and assigns, the following:

(a) All that certain described real estate and all of its estate, right, title and interest therein, situated, lying and being in the City of Chicago, County of Cook, State of Illinois, which is more specifically described in Exhibit A attached hereto, which, with the property hereinafter described, is referred to herein as the "Premises";

(b) all improvements, tenements, easements, fixtures, and appurtenances thereto belonging, and all rents, issues and profits thereof for so long and during all such times as Mortgagors may be entitled thereto (which are pledged primarily and on a parity with such real estate and not secondarily);

(c) if and to the extent owned by Mortgagors, all fixtures, fittings, furnishings, appliances, apparatus, equipment and machinery including, without limitation, all gas and electric fixtures, radiators, heaters, engines and machinery, boilers, ranges, ovens, elevators and motors, sinks, water closets, basins, pipes, faucets and other air-conditioning, plumbing and heating fixtures, mantles, refrigerating plants, refrigerators, carpeting, furniture, and appurtenances, and all building material, supplies and equipment now or hereafter delivered to the Premises and intended to be installed therein; all other fixtures and personal property of Mortgagors whatever kind and nature at present contained in or hereafter placed in any building standing on the Premises; such other goods, equipment, chattels and personal property as are usually furnished by landlords in letting other premises of the character of the Premises; and all renewals or replacements thereof or articles in substitution thereof; and all proceeds and profits thereof and all of the estate, right, title and interest of Mortgagors in and to all property of any nature whatsoever, now or hereafter situated on the Premises or intended to be used in connection with the operation thereof;

(d) all of the right, title and interest of Mortgagors in and to any fixtures or personal property subject to a lease agreement, conditional sale agreement, chattel mortgage, or security agreement, and all deposits made thereon or therefor, together with the benefit of any payments now or hereafter made thereon;

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(e) all leases and use agreements of machinery, equipment and other personal property of Mortgagors in the categories hereinabove set forth, under which Mortgagors are the lessees of, or entitled to use, such items;

(f) all rents, income, profits, revenues, receipts, royalties, bonuses, rights, accounts, contract rights, general intangibles and benefits and guarantees under any and all leases, tenancies, licenses or other use agreements or arrangements now existing or hereafter created of the Premises or any part thereof (including any business conducted thereof) with the right to receive and apply the same to indebtedness due Mortgagee and Mortgagee may demand, sue for and recover such payments but shall not be required to do so;

(g) all judgments, awards of damages and settlements hereafter made as a result of or in lieu of any taking of the Premises of any part thereof or interest therein under the power of eminent domain, or for any damage (whether caused by such taking or otherwise) to the Premises or the improvements thereon or any part thereof or interest therein, including any award for change of grade of streets;

(h) all proceeds of the conversion, voluntary or involuntary, of any of the foregoing into cash or liquidated claims;

(i) any monies on deposit with Mortgagee for the payment of real estate taxes or special assessments against the Premises or for the payment of premiums on policies of fire and other hazard insurance covering the collateral described hereunder or the Premises, and all proceeds paid for damage done to the collateral described hereunder or the Premises;

(j) all substitutions, replacements, additions and proceeds, including insurance and condemnation award proceeds, of any of the foregoing property; it being understood that the enumeration of any specific articles of property shall in no wise exclude or be held to exclude any items of property not specifically mentioned. All of the land, estate and property hereinabove described, real, personal and mixed, whether affixed or annexed or not (except where otherwise hereinabove specified) and all rights hereby conveyed and mortgaged are intended so to be as a unit and are hereby understood, agreed and declared to form a part and parcel of the real estate and to be appropriated to the use of the real estate, and shall be for the purposes of this Mortgage deemed to be real estate and conveyed and mortgaged hereby.

As to any of the property aforesaid which (notwithstanding the aforesaid declaration and agreement) does not so form a part and parcel of the real estate, this Mortgage is hereby deemed to

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be, as well, a Security Agreement under the Uniform Commercial Code in effect in the jurisdiction in which the Premises are located (hereinafter referred to as the "UCC") for the purpose of creating hereby a security interest in such property, which Mortgagors hereby grant to Mortgagee as Secured Party (as such term is defined in the UCC), securing such indebtedness and obligations and Mortgagee shall have in addition to its rights and remedies hereunder all rights and remedies of a Secured Party under the UCC. As to above personal property which the UCC classifies as fixtures, this instrument shall constitute a fixture filing and financing statement under the UCC.

Mortgagors covenant (i) that they are lawfully seized of the Premises, (ii) that the same are subject only to this Mortgage, Security Agreement and Financing Statement and the liens, encumbrances, conditions, restrictions, easements, and other matter, rights or interests disclosed in Exhibit B attached hereto and made a part hereof, and (iii) that they have good right, full power and lawful authority to convey and mortgage the same and that they will warrant and forever defend the Premises and the quiet and peaceful possession of the same against the lawful claims of all persons whomsoever.

As used in this Mortgage, the term "indebtedness" shall mean and include the principal sum evidenced by such Note, together with all interest and late charges thereon, any other payments due to Mortgagee thereunder, and all other sums at any time secured by this Mortgage. Further, as used in this Mortgage, the term "Note" shall mean and include any renewals, modifications, extensions, amendments and replacements thereof.

TO HAVE AND TO HOLD the Premises unto Mortgagee, its successors and assigns, for the purposes and uses herein set forth.

IT IS FURTHER UNDERSTOOD AND AGREED THAT:

1. Maintenance, Repairs, Prior Liens, etc. Mortgagors shall (a) promptly repair, restore or rebuild any buildings or improvements now or hereafter on the Premises which may become damaged or be destroyed; (b) keep the Premises in good condition and repair, without waste, and free from mechanics' liens or other liens or claims for lien not expressly subordinated to the lien hereof; (c) pay when due any indebtedness which may be secured by a lien or charge on the Premises superior to the lien hereof, and upon request exhibit satisfactory evidence of the discharge of such prior lien to Mortgagee; (d) complete within a reasonable time any building or buildings now or at any time in process of erection upon the Premises; (e) comply with all requirements of law, municipal ordinances, or restrictions of record with respect to the Premises and the use thereof; (f) make no material alterations in the Premises (other than those

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alterations set forth in Exhibit C attached hereto and made a part hereof); (g) suffer or permit no change in the general nature of the occupancy of the Premises, without Mortgagee's prior written consent; (h) initiate or acquiesce in no zoning variation or reclassification, without Mortgagee's prior written consent; and (i) pay each item of indebtedness secured by this Mortgage when due according to the terms hereof or of the Note.

2. Payment of Taxes, Mortgagors shall pay, before any penalty attaches, all general taxes, and shall pay special taxes, special assessments, water charges, sewer service charges, and other charges against the Premises when due, and shall, upon written request, furnish to Mortgagee duplicate receipts therefor.

3. Tax and Insurance Deposits. Upon the occurrence of a Default and following request by Mortgagee, Mortgagors shall deposit with Mortgagee at the office of Mortgagee set forth on the first page of this Mortgage, on the first day of the calendar month following such request by Mortgagee, and continuing on the first day of each calendar month thereafter until the indebtedness secured by this Mortgage is fully paid, the following (collectively, the "Deposits"):

(a) an amount equal to one twelfth of the last total annual taxes and general and/or special assessments, together with such additional amounts as are necessary to maintain at all times a reserve of not less than three (3) months of the estimated annual Taxes (collectively, the "Taxes") for the last ascertainable year on the Premises (unless such Taxes are based upon assessments which exclude the improvements or any part thereof now constructed or to be constructed, in which event the amount of such deposits shall be based upon Mortgagee's reasonable estimate as to the amount of Taxes to be levied and assessed); and

(b) an amount equal to the insurance premiums that will next become due and payable on such policies which are required to be maintained under this Mortgage divided by the number of months to elapse prior to the date when such premiums become delinquent, together with such additional amounts as are necessary to maintain at all times a reserve of not less than three (3) months of the estimated annual insurance premiums (collectively, the "Insurance Premiums").

The Deposits shall be held without allowance for interest and shall be used for the payment of Taxes and Insurance Premiums on the Premises next due and payable when they become due. If the funds so deposited are insufficient to pay the Taxes or Insurance Premiums for any year when the same shall become due and payable, Mortgagors shall, within 10 days after receipt of demand therefor, deposit such additional funds as may be necessary to pay the Taxes and Insurance Premiums in full. If

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the funds so deposited exceed the amount required to pay the Taxes and Insurance Premiums for the year, the excess shall be applied on a subsequent deposit or deposits. The deposits need not be kept separate and apart from other funds of Mortgagee.

Anything in this Paragraph 3 to the contrary notwithstanding, if the funds so deposited are insufficient to pay the Taxes or Insurance Premiums, or any installment thereof, Mortgagors will, not later than 30 days prior to the last day on which the same may be paid without penalty or interest, deposit with Mortgagee the full amount of any such deficiency.

If any Taxes shall be levied, charged, assessed or imposed upon or for the Premises, or any portion thereof, and if such Taxes shall also be a levy, charge, assessment or imposition upon or for any other premises owned by Mortgagors and not covered by the lien of this mortgage, then the computation of any amount to be deposited under this Paragraph 3 shall be based upon the entire amount of such Taxes, and Mortgagors shall not have the right to apportion the amount of any such taxes or assessments for the purpose of such computation.

4. Mortgagee's Interest In and Use of Deposits. In the event of a Default hereunder or the Note secured hereby, Mortgagee may at its option, without being required to do so, apply any monies at the time on deposit pursuant to Paragraph 3 hereof, on any of Mortgagors' obligations herein or in the Note contained, in such order and manner as Mortgagee may elect. When the indebtedness secured hereby has been fully paid, any remaining deposits shall be paid to Mortgagors or to the then owner of the Premises. A security interest within the meaning of the UCC is hereby granted to Mortgagee in and to any monies on deposit pursuant to Paragraph 3 hereof, as additional security for the indebtedness hereunder and shall be applied by Mortgagee for the purposes made hereunder and shall not be subject to the direction or control of Mortgagors; provided, however, that Mortgagee shall not be liable for any failure to apply to the payment of taxes, assessments and insurance premiums any amount so deposited unless Mortgagors, while not in Default hereunder, shall have requested Mortgagee in writing to make application of such funds to the payment of the particular taxes, assessments and insurance premiums for payment of which they were deposited, accompanied by the bills for such taxes, assessments and insurance premiums. Mortgagee shall not be liable for any act or omission taken in good faith or pursuant to the instruction of any party but shall be liable only for its gross negligence or willful misconduct or omissions.

5. Insurance. Mortgagors shall keep all buildings and improvements now or hereafter situated on the Premises insured against loss or damage by policies of ~~All Risk Replacement Cost Insurance with an Agreed Amount Endorsement~~ and such other

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appropriate insurance as may be reasonably required by Mortgagee, all in form and substance satisfactory to Mortgagee, including, without limitation, rent insurance, business interruption insurance, flood insurance (if and when the Premises lie within an area designated by an agency of the federal government as a flood risk area) and war risk insurance whenever in the opinion of Mortgagee such protection is necessary and such war risk insurance is obtainable from an agency of the United States Government. Mortgagors shall also provide liability insurance with such limits for personal injury and death and property damage as Mortgagee may require. All policies of insurance to be furnished hereunder shall be in forms, companies and amounts satisfactory to Mortgagee, each insurer to have a Best's rating of A:XV, with mortgagee clauses attached to all policies in favor of and in form satisfactory to Mortgagee, including a provision requiring that the coverage evidenced thereby shall not be terminated or materially modified without 10 days' prior written notice to Mortgagee. Mortgagors shall deliver all policies including additional and renewal policies, to Mortgagee, and, in the case of insurance about to expire, shall deliver renewal policies not less than 10 days prior to their respective dates of expiration.

Mortgagors shall not take out separate insurance concurrent in form or contributing in the event of loss with that required to be maintained hereunder unless Mortgagee is included thereon under a standard mortgagee clause acceptable to Mortgagee. Mortgagors shall immediately notify Mortgagee whenever any such insurance is taken out and shall promptly deliver to Mortgagee the policy or policies of such insurance.

6. Adjustment of Losses With Insurer and Application of Proceeds of Insurance. In case of loss or damage by fire or other casualty, Mortgagee is authorized (a) jointly with Mortgagors to settle and adjust any claim under insurance policies which insure against such risks, or (b) to allow Mortgagors to agree with the insurance company or companies on the amount to be paid in regard to such loss. In either case, Mortgagee is authorized, to collect and issue a receipt for any such insurance money. At the option of Mortgagee, such insurance proceeds shall be applied either to reduce the indebtedness secured hereby or to reimburse Mortgagors for the cost of rebuilding and restoration. Irrespective of whether such insurance proceeds are or are not adequate for such purpose, the buildings and improvements shall be so restored or rebuilt so as to be of at least equal value and substantially the same character as prior to such damage or destruction. If the cost of rebuilding, repairing or restoring the building and improvements can reasonably be expected to exceed the sum of \$100,000, the Mortgagee shall approve plans and specifications for such work before such work shall be commenced. In any case, where the insurance proceeds are used for rebuilding and restoration, such

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proceeds shall be disbursed in the manner and under the conditions that Mortgagee may require and upon Mortgagee being furnished with satisfactory evidence of the estimated cost of completion thereof and with architect's certificates, waivers of lien, contractor's and subcontractors' sworn statements and other evidence of cost and payments so that the Title Company can verify that the amount disbursed from time to time are represented by completed and in place work and that such work is free and clear of mechanics' lien claims. If the estimated cost of completion exceeds the amount of the insurance proceeds available, Mortgagors immediately shall, on written demand of Mortgagee, deposit with the Title Company in cash the amount of such estimated excess cost. No payment made prior to the final completion of the work shall exceed ninety percent (90%) of the value of the work performed from time to time, and at all times the undisbursed balance of such proceeds remaining in the hands of the disbursing party shall be at least sufficient to pay for the cost of completion of the work free and clear of liens. Any surplus which may remain out of such insurance proceeds after payment of such cost of building or restoration shall, at the option of Mortgagee, be applied on account of the indebtedness secured hereby or be paid to any party entitled thereto without interest. If a construction escrow is established, all costs of such escrow shall be paid by mortgagors.

7. Stamp Tax. If, by the laws of the United States of America, or of any state having jurisdiction over Mortgagors, any tax is due or becomes due in respect of the issuance of the Note hereby secured, Mortgagors covenant and agree to pay such tax in the manner required by any such law. Mortgagors further covenant to reimburse Mortgagee for any sums which mortgagee may expend by reason of the imposition of any tax on the issuance of the Note secured hereby.

8. Lease of Premises. As additional security for the payment of the Note secured hereby and for the faithful performance of the terms and conditions contained herein, Mortgagors, as landlords, have assigned to Mortgagee all of their right, title and interest as landlords in and to all existing leases and occupancy agreements with respect to the Premises. All future leases of the Premises are subject to the approval of Mortgagee as to form, content and tenants.

Mortgagors shall not, without Mortgagee's prior written consent, (i) execute an assignment or pledge of any rents of the Premises and/or any leases of the Premises; (ii) accept any prepayment of any installment of any rents more than thirty (30) days before the due date of such installment; or (iii) make any lease of the Premises.

Mortgagors, at their sole cost and expense, shall (i) at all times promptly and faithfully abide by, discharge and perform all

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of the material covenants, conditions and agreements contained in all leases or occupancy agreements of the Premises, on the part of the landlord thereunder to be kept and performed, following any applicable grace or cure period; (ii) enforce or secure the performance of all of the material covenants, conditions and agreements of such leases on the part of the lessee or occupant to be kept and performed; (iii) appear in and defend any action or proceeding arising under, growing out of or in any manner connected with such leases or occupancy agreements or the obligations, duties or liabilities of landlord or of the lessees thereunder; (iv) furnish Mortgagee, within ten (10) days after a request by Mortgagee to do so, a written statement containing the names of all lessees or occupants, terms of all leases or occupancy agreements of the Premises, including the spaces occupied and the rentals payable thereunder; and (v) exercise within five (5) days of any demand therefor by Mortgagee any right to request from the lessee under any lease of the Premises a certificate with respect to the status thereof.

Nothing in this Mortgage or in any other documents relating to the loan secured hereby shall be construed to obligate Mortgagee, expressly or by implication, to perform any of the covenants as landlord under any of the leases or occupancy agreements assigned to Mortgagee or to pay any sum of money or damages therein provided to be paid by the landlord, each and all of which covenants and payments Mortgagors agree to perform and pay. Unless waived by Mortgagee, all leases of space in the Premises shall have subordination provisions, in form and substance reasonably satisfactory to Mortgagee, subordinating the interest of the tenants under such leases to this Mortgage, and all renewals, modifications, consolidations, replacements and extensions hereof and shall have attornment and noncancellation clauses in form and substance reasonably satisfactory to Mortgagee. Until the indebtedness and other sums secured by this Mortgage are paid in full, Mortgagee reserves the right to require that specific leases be made either superior to or inferior to the lien of this Mortgage.

In the event of the enforcement by Mortgagee of the remedies provided for by law or by this Mortgage, the lessee or occupant under each lease or occupancy agreement of the Premises shall attorn to any person succeeding to the interest of Mortgagors as a result of such enforcement and shall recognize such successor in interest as landlord under such lease without change in the terms or other provisions thereof; provided, however, that such successor in interest shall not be bound by any payment of rent or additional rent for more than one month in advance, and shall not be bound by any amendment or modification to any lease made without the consent of Mortgagee or such successor in interest. Each lessee, upon request by such successor in interest, shall execute and deliver an instrument or instruments confirming such attornment.

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Mortgagee shall be entitled to cure any default of landlord, following any applicable grace or cure period, in any lease of the Premises, and the cost to effect any curing of default (including reasonable attorneys' fees), together with interest thereon at the Default Rate shall be so much additional indebtedness secured hereby and shall be immediately due and payable without notice.

9. Effect of Extensions of Time. If the payment of the indebtedness or any part thereof is extended or varied or if any part of any security for the payment of the indebtedness is released or additional security is taken, all persons now or at any time hereafter liable therefor, or interested in the Premises, shall be held to assent to such extension, variation, or taking of additional security or release, and their liability and the lien and all provisions hereof shall continue in full force, the right of recourse against all such persons being expressly reserved by Mortgagee, notwithstanding such extension, variation, taking of additional security or release.

10. Effect of Changes in Laws Regarding Taxation. In the event of the enactment after this date of any law of the state in which the Premises are located deducting from the value of the land for the purpose of taxation any lien thereon, or imposing upon Mortgagee the payment of the whole or any part of the taxes or assessments or charges or liens herein required to be paid by Mortgagors, or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or Mortgagee's interest in the Premises, or the manner of collection of taxes, so as to affect this Mortgage or the debt secured hereby or the holders thereof, then, and in any event, Mortgagors, upon demand by Mortgagee, shall pay such taxes or assessments, or reimburse Mortgagee therefor; provided, however, that if in the opinion of counsel for Mortgagee (a) it might be unlawful to require Mortgagors to make such payment or (b) the making of such payment might result in the imposition of interest beyond the maximum amount permitted by law, then and in such event, Mortgagee may elect, by notice in writing given to Mortgagors, to declare all of the indebtedness secured hereby to be and become due and payable sixty (60) days from the giving of such notice.

11. Mortgagee's Performance of Defaulted Acts. In the event of a Default hereunder, Mortgagee may, but need not, make any payment or perform any act herein required of Mortgagors in any form and manner deemed expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting the Premises or consent to any tax or assessment or cure any default of landlord in any lease of the Premises. All monies paid for

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any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' fees, and any other monies advanced by Mortgagee in regard to any stamp tax or any leases of the Premises or to protect the Premises and the lien hereof, shall be so much additional indebtedness secured hereby, and shall become immediately due and payable without notice and with interest thereon at the Default Rate. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to it on account of any Default hereunder.

12. Mortgagee's Reliance on Tax Bills, Etc. Mortgagee in making any payment hereby authorized: (a) relating to taxes and assessments, may do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof; or (b) for the purchase, discharge, compromise or settlement of any other prior lien, may do so without inquiry as to the validity or amount of any claim for lien which may be asserted.

13. Acceleration of Indebtedness in Case of Default. The occurrence of any one or more of the following shall constitute a default under this Mortgage (herein, a "Default"):

(a) default shall be made in the due and punctual payment of the Note secured hereby, or any payment due in accordance with the terms thereof, either of principal or interest and its continuance after the expiration of any grace or cure period; or

(b) any representation made by Mortgagors in this Mortgage, any other Loan Document or any other agreement with the Mortgagee is or becomes materially false; or

(c) the occurrence of any failure to perform or default in the performance of any covenant, condition or agreement contained in this Mortgage or in any of the other Loan Documents and such occurrence continues for a period of thirty (30) days after Mortgagors receive notice or knowledge thereof from any source unless said failure or default cannot reasonably be cured within 30 days, and within a reasonable period of time (within that 30 days) after receipt of notice or knowledge of Mortgagors have promptly commenced and diligently continued to prosecute thereafter such cure; or

(d) an unpermitted transfer as described in Section 30 of this Mortgage shall occur.

Upon the occurrence of a Default, the whole of the indebtedness hereby secured shall, at once, at the option of Mortgagee, become immediately due and payable without notice to Mortgagors. If, while any insurance proceeds or condemnation

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awards are being held by Mortgagee or the Title Company to reimburse Mortgagors for the cost of rebuilding or restoration of buildings or improvements on the Premises, as set forth in Paragraph 6 or 21 hereof, Mortgagee shall be or become entitled to, and shall accelerate the indebtedness secured hereby, then and in such event, Mortgagee shall be entitled to apply all such insurance proceeds and condemnation awards then held by it in reduction of the indebtedness hereby secured (less the amount thereof, if any, which is then currently payable for work completed and in place in connection with such rebuilding or restoration), and any excess held by it over the amount of indebtedness then due hereunder shall be returned to Mortgagors or any party entitled thereto without interest.

14. Foreclosure; Expense of Litigation. When the indebtedness hereby secured, or any part thereof, shall become due, whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereof, for such indebtedness or part thereof. In any civil action to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the order or judgment for sale all reasonable expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the order or judgment) of procuring all such abstracts of title, title searches and examinations, title insurance policies, Torrens certificates, and similar data and assurances with respect to title as Mortgagee may deem reasonably necessary either to prosecute such civil actions or to evidence to bidders at any sale which may be had pursuant to such order or judgment the true condition of the title to or the value of the Premises. All reasonable expenditures and expenses of the nature in this paragraph mentioned, and such expenses and fees as may be incurred in the Protection of the Premises and maintenance of the lien of this Mortgage including the reasonable fees of any attorney employed by Mortgagee in any litigation or proceeding affecting this Mortgage, the Note or the Premises, including probate, bankruptcy and appellate proceedings, or in preparations for the commencement or defense of any proceeding or threatened civil actions or proceeding shall be immediately due and payable by Mortgagors, with interest thereon at the Default Rate, and shall be secured by this Mortgage.

15. Application of Proceeds of Foreclosure Sale. The proceeds of any foreclosure sale of the Premises 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 the preceding paragraph hereof; second, all other items which may under the terms hereof constitute secured indebtedness additional to that evidenced by the Note, with

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interest thereon as herein provided; third, all principal and interest remaining unpaid on the Note; and fourth, any overplus to Mortgagors, their successors or assigns, as their rights may appear.

16. Appointment of Receiver. 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 Premises. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of Mortgagors at the time of application for such receiver and without regard to the then value of the Premises or whether the same shall be then occupied as a homestead or not and Mortgagee hereunder or any holder of the Note may be appointed as such receiver. Such receiver shall have power to collect the rents, issues and profits of the Premises during the pendency of such foreclosure suit and during the full statutory period of redemption, whether there be redemption or not, as well as during any further times when Mortgagors, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Premises during the whole of such period. The court from time to time may authorize the receiver to apply the net income in his hands in payment in whole or in part of: (a) the indebtedness secured hereby, or by any judgment or order foreclosing this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to foreclosure sale; (b) the deficiency in case of sale and deficiency.

17. Mortgagee's Right of Possession in Case of Default. In the event of a Default, whether before or after the whole principal sum secured hereby is declared to be immediately due, or whether before or after the institution of legal proceedings to foreclose the lien hereof or before or after sale thereunder, forthwith, upon demand of Mortgagee, Mortgagors shall surrender to Mortgagee and Mortgagee shall be entitled to take actual possession of the Premises or any part thereof personally, or by its agent or attorneys. In such event Mortgagee in its discretion may, in accordance with law, enter upon and take and maintain possession of all or any part of the Premises, together with all documents, books, records, papers and accounts of Mortgagors or then owner of the Premises relating thereto (it being understood that it is not the present intention of Mortgagors to maintain books and records relating solely to the Premises), and may exclude Mortgagors, their agents or servants, wholly therefrom and may as attorney in fact or agent of Mortgagor, or in its own name as Mortgagee and under the powers herein granted, hold, operate, manage and control the Premises and conduct the business, if any, thereof, either personally or

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by its agents, and with full power to use such measures, legal or equitable, as in its discretion or in the discretion of its successors or assigns may be deemed proper or necessary to enforce the payment or security of the avails, rents, issues, and profits of the Premises, including actions for the recovery of rent, actions in forcible detainer and actions in distress for rent, and with full power: (a) to cancel or terminate any lease or sublease for any cause or on any ground which would entitled Mortgagors to cancel the same; (b) to elect to disaffirm any lease or sublease which is then subordinate to the lien hereof; (c) to extend or modify any then existing leases and to make new leases, which extensions, modifications and new leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the maturity date of the indebtedness hereunder and beyond the date of the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such leases, and the options or other such provisions to be contained therein, shall be binding upon Mortgagors and all persons whose interests in the Premises are subject to the lien hereof and upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from a foreclosure of this Mortgage, discharge of the mortgage indebtedness, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any purchaser; (d) to make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements to the Premises as to it may seem judicious; (e) to insure and reinsure the same and all risks incidental to Mortgagee's possession, operation and management thereof; and (f) to receive all of such avails, rents, issues and profits; hereby granting full power and authority to exercise each and every of the right, privileges and powers herein granted at any and all times hereafter, without notice to Mortgagors.

Mortgagee shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability under any leases. Mortgagors shall and do hereby agree to indemnify and hold Mortgagee harmless of and from any and all liability, loss or damage which Mortgagee may or might incur under such leases or under or by reason of the assignment thereof and of and from any and all claims and demands whatsoever which may be asserted against it by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in such leases, excepting any of the foregoing which result from the gross negligence or willful misconduct of Mortgagee. Should Mortgagee incur any such liability, loss or damage, under such leases or under or by reason of the assignment thereof, or in the defense of any claims or demands, the amount thereof, including costs, expenses and reasonable attorneys' fees, shall be secured hereby, and Mortgagors shall reimburse Mortgagee therefor immediately upon demand.

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18. Application of Income Received by Mortgagee.

Mortgagee, in the exercise of the rights and powers conferred herein and upon the occurrence of a Default, shall have full power to use and apply the avails, rents, income, issues and profits, if any, of the Premises to the payment of or on account of the following, in such order as Mortgagee may determine:

(a) to the payment of the operating expenses of the Premises, including cost of management and leasing thereof (which shall include appropriate compensation to Mortgagee and its agent or agents, if management be delegated to an agent or agents, and shall also include lease commissions and other compensation and expenses of seeking and procuring tenants and entering into leases), established claims for damages, if any, and premiums on insurance hereinabove authorized;

(b) to the payment of taxes and special assessments now due or which may hereafter become due on the Premises; and, if this is a leasehold mortgage, of all rents due or which may become hereafter due under the underlying lease;

(c) to the payment of all repairs, decorating, renewals, replacements, alterations, additions, betterments, and improvements of the Premises and of placing the Premises in such condition as will, in the reasonable judgment of Mortgagee, make it readily rentable and otherwise in a condition which is comparable to the condition of the Premises preceding the occurrence of the Default;

(d) to the payment of any indebtedness secured hereby or any deficiency which may result from any foreclosure sale.

19. Rights Cumulative. No right, power or remedy herein conferred upon or reserved to Mortgagee is intended to be exclusive of any other right, power or remedy, and each right, power and remedy herein conferred upon Mortgagee is cumulative and in addition to every other right, power or remedy, express or implied, given now or hereafter existing, at law or in equity, and each and every right, power and remedy herein set forth or otherwise so existing may be exercised from time to time as often and in such order as may be deemed expedient by Mortgagee, and the exercise or the beginning of the exercise of one right, power or remedy shall not be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy, and no delay or omission of Mortgagee in the exercise of any right, power or remedy accruing hereunder or arising otherwise shall impair any such right, power or remedy, or be construed to be a waiver of any default or acquiescence therein.

20. Mortgagee's Right of Inspection. Mortgagee shall have the right to inspect the Premises at all reasonable times and access thereto shall be permitted for that purpose.

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21. Condemnation. Mortgagors hereby assign, transfer and set over unto Mortgagee the entire proceeds of any award of any claim for damages for any of the Premises taken or damaged under the power of eminent domain or by condemnation. At the option of Mortgagee, such condemnation proceeds shall be applied either to reduce the indebtedness secured hereby or to reimburse Mortgagors for the cost of rebuilding and restoration. Irrespective of whether such proceeds are made available for restoration or rebuilding, and irrespective of whether such proceeds are adequate for such purpose, the buildings and improvements shall be restored or rebuilt in accordance with plans and specifications to be submitted to and approved by Mortgagee. In the event such proceeds are used for rebuilding or restoration, the proceeds of the award shall be disbursed in the manner and under the conditions that Mortgagee may require and paid out in the same manner as provided in Paragraph 6 hereof for the payment of insurance proceeds toward the cost of rebuilding or restoration. In such event, if the estimated cost to complete rebuilding or restoration exceeds the proceeds of the condemnations awards, Mortgagors immediately shall, on written demand of Mortgagee, deposit with Mortgagee in cash the amount of such excess cost. Any surplus which may remain out of such award after payment of such cost of building or restoration shall, at the option of Mortgagee, be applied on account of the indebtedness secured hereby or be paid to any party entitled thereto without interest.

22. Release Upon Payment and Discharge of Mortgagors' Obligations. Mortgagee shall release this Mortgage and the lien thereof by proper instrument upon payment and discharge of all indebtedness secured hereby or in the Note.

23. Giving of Notice. Any notice which either party hereto may desire or be required to give to the other party shall be in writing and the mailing thereof by certified mail addressed to the addresses set forth below:

If to Mortgagors:

Linda I. McCabe and
Michael D. McCabe
4825 South Rockwell
Chicago, Illinois

with a copy to:

Vedder, Price, Kaufman &
Kammholz
Suite 2600
222 North LaSalle Street
Chicago, Illinois 60601
Attn: Pearl A. Zager, Esq.

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If to Mortgagee:

World's Finest Chocolate, Inc.
4801 South lawndale Avenue
Chicago, Illinois 60632
Attn: Linda C. Chatman, Esq.

or at such other place as any party hereto may by notice in writing designate as a place for service of notice, shall constitute service of notice hereunder.

24. Waiver of Certain Rights. Mortgagors shall not apply for or avail itself of any appraisal, valuation, stay, extension or exemption laws, or any so-called "Moratorium Laws," now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but hereby waives the benefit of such laws. Mortgagors for themselves and all who may claim through or under it waives any and all right to have the property and estates comprising the Premises marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Premises sold as an entirety. Mortgagors do hereby expressly waive any and all rights of redemption from any sale or from any order, judgment or decree of foreclosure of this Mortgage on behalf of Mortgagors, and each and every person acquiring any interest in or title to the Premises subsequent to the date of this Mortgage. No action for the enforcement of the lien or of any provision hereof shall be subject to any defense which would not be good and available to the party interposing same in an action at law upon the Note hereby secured. Mortgagors do hereby further expressly waive, to the extent now or hereafter permitted by law, all rights of reinstatement of this Mortgage pursuant to Section 15-1602 of the Illinois Mortgage Foreclosure Law.

25. Furnishing of Financial Statements to Mortgagee. Mortgagors shall keep and maintain books and records of account in which full, true and correct entries shall be made of all dealings and transactions relative to the Premises, which books and records of account shall be open to the inspection of Mortgagee and its accountants and other duly authorized representatives during business hours. Such books of record and account shall be kept and maintained in accordance with generally accepted accounting practice consistently applied.

26. Filing and Recording Fees. Mortgagors shall pay all filing, registration or recording fees, and all expenses incident to the execution and acknowledgement of this Mortgage and all federal, state, county, and municipal taxes, and other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of the Note and this Mortgage.

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27. Compliance with Laws: Environmental. The Premises and their present use complies, and at all times shall comply, with all applicable laws and governmental regulations including, without limitation, all federal, state and local laws pertaining to air and water quality, hazardous waste, waste disposal, air emissions and other environmental matters, all zoning and other land use matters, and utility availability.

Mortgagors shall take all actions necessary to cause the Premises to be kept free of any "Hazardous Materials". For the purposes of this Mortgage, the phrase Hazardous Materials shall mean any (a) petroleum product, (b) toxic or hazardous chemical, material, substance, pollutant, contaminant or waste or (c) any chemical, material or substance, exposure to which is prohibited, limited or regulated by any federal, state, county, regional or local authority or which, even if not so prohibited, limited or regulated, may or could pose a hazard to the health and safety of the occupants of the Premises or the occupants or owners of property near the Premises.

Mortgagors shall not cause or permit the Premises to be used to generate, manufacture, refine, transport, treat, store, handle, dispose of, transfer, produce, or process Hazardous Materials, except in compliance with all applicable federal, state, and local laws and regulations, nor shall mortgagor cause or permit, as a result of any intentional or unintentional act or omission on the part of Mortgagors or any tenant, subtenant, occupant or other entity or person, a release of Hazardous Materials onto the Premises or onto any other property.

Mortgagors shall conduct and complete all investigations, studies, sampling and testing, and all remedial, removal and other actions necessary to clean up and remove all Hazardous Materials, on, under, from or affecting the Premises in accordance with all applicable federal, state, and local laws, ordinances, rules, regulations and policies, to the reasonable satisfaction of Mortgagee, and in accordance with the orders and directives of all federal, state and local governmental authorities.

Neither Mortgagors nor, to the best of Mortgagors' knowledge, any previous owner, occupier, or user of the Premises, has used, generated, stored or disposed of, on, under or about the Premises any Hazardous Materials. Further, the Premises do not contain, and, to the best of Mortgagors' knowledge, have not in the past contained, any asbestos containing material in friable form and there is no current or potential airborne contamination that would be caused by maintenance or tenant finish activities in any building located on the Premises. Mortgagors shall protect, indemnify and hold harmless Mortgagee, its directors, officers, employees, agents, successors and assigns, from and against any and all loss, damage, cost, expense

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or liability (including reasonable attorneys' fees and costs) directly or indirectly arising out of or attributable to the use, generation, manufacture, production, storage, release, threatened release, discharge, disposal or presence of Hazardous Materials or asbestos on, under or about the Premises including without limitation (i) all foreseeable consequential damages; and (ii) the costs of any required or necessary repair, cleanup or detoxification of the Premises and the preparation and implementation of any closure, remedial or other plans as required by applicable law, regulation or ordinance or by any court or administrative order. This indemnity shall survive the reconveyance of the lien of this Mortgage, or the extinguishment of the lien by foreclosure or action in reconveyance or extinguishment or deed in lieu of foreclosure.

28. Security Agreement. In the event of a Default hereunder, Mortgagee, pursuant to the appropriate provisions of the UCC, shall have the option of proceeding as to both real and personal property in accordance with its rights and remedies with respect to the real property, in which event the default provisions of the UCC shall not apply. The parties agree that, in the event Mortgagee shall elect to proceed with respect to the personal property collateral securing the indebtedness separately from the real property, five (5) days notice of the sale of the personal property collateral shall be reasonable notice. The reasonable expenses of retaking, holding, preparing for sale, selling and the like incurred by Mortgagee shall include, but not be limited to, reasonable attorneys' fees and legal expenses incurred by Mortgagee. Mortgagors agree that, without the written consent of Mortgagee, Mortgagors will not remove or permit to be removed from the Premises any of the personal property or fixtures securing the indebtedness except that so long as Mortgagors are not in Default hereunder, Mortgagors shall be permitted to sell or otherwise dispose of such property when obsolete, worn out, inadequate, unserviceable or unnecessary for use in the operation of the Premises, upon replacing the same or substituting for the same other property at least equal in value to the initial value to that disposed of and in such a manner so that such other property shall be subject to the security interest created hereby and so that the security interest of Mortgagee shall always be perfected and first in priority, it being expressly understood and agreed that all replacements, substitutions and additions to the property securing the indebtedness shall be and become immediately subject to the security interest of this Mortgage and covered hereby. Mortgagors shall, from time to time, on request of Mortgagee, deliver to Mortgagee in reasonable detail an inventory of the personal property securing the indebtedness. Mortgagors covenant and represent that all personal property securing the indebtedness now is, and that all replacements thereof, substitutions therefor or additions thereto, unless Mortgagee

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otherwise consents, will be free and clear of liens, encumbrances or security interest of others.

29. Indemnity. Mortgagors agree to indemnify and hold harmless Mortgagee from and against any and all losses, liabilities, suits, obligations, fines, damages, judgments, penalties, claims, charges, costs and expenses (including reasonable attorneys fees and disbursements) which may be imposed on, incurred or paid by or asserted against Mortgagee by reason or on account of, or in connection with, (i) any willful misconduct of Mortgagors or any event of Default hereunder or under the other Loan Documents given at any time to secure the payment of the Note secured hereby, (ii) Mortgagee's good faith and commercially reasonable exercise of any of its rights and remedies, or the performance of any of its duties, hereunder or under the other Loan Documents to which Mortgagors are a party, (iii) the construction, reconstruction or alteration of the Premises, (iv) any negligence of Mortgagors, or any negligence or willful misconduct of any lessee of the Premises, or any of their respective agents, contractors, subcontractors, servants, employees, licensees or invitees or (v) any accident, injury, death or damage to any person or property occurring in, on or about the Premises or any street, drive, sidewalk, curb or passageway adjacent thereto. Any amount payable to Mortgagee under this Paragraph shall be due and payable within ten (10) days after demand therefor and receipt by Mortgagors of a statement from Mortgagee setting forth in reasonable detail the amount claimed and the basis therefor, and such amounts shall bear interest at the Default Rate from and after the date such amounts are paid by Mortgagee until paid in full by Mortgagors.

Mortgagors' obligations under this paragraph shall not be affected by the absence or unavailability of insurance covering the same or by the failure or refusal by any insurance carrier to perform any obligation on its part under any such policy of covering insurance. If any claim, action or proceeding is made or brought against Mortgagors and/or Mortgagee which is subject to the indemnity set forth in this Paragraph, Mortgagors shall resist or defend against the same, if necessary in the name of Mortgagee, by attorneys for Mortgagors' insurance carrier (if the same is covered by insurance) or otherwise by attorneys approved by Mortgagee. Notwithstanding the foregoing, Mortgagee, in its reasonable discretion, may engage its own attorneys to resist or defend, or assist therein, and Mortgagors shall pay, or, on demand, shall reimburse Mortgagee for the payment of, the reasonable fees and disbursements of such attorneys.

30. Prohibition on Sale or Financing. Any sale, conveyance, assignment, pledge, hypothecation, mortgage, encumbrance, lease or other transfer of title to, or any interest in, the Premises, or any portion thereof, or of any entity or any person owning, directly or indirectly, any interest therein

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(whether voluntary or by operation of law) without Mortgagee's prior written consent shall be a Default hereunder.

It is understood and agreed that the indebtedness secured hereby was created solely due to the financial sophistication, creditworthiness, background and business sophistication of Mortgagors, and Mortgagee continues to rely upon same as the means of maintaining the value of the Premises. It is further understood and agreed that any junior financing placed upon the Premises or the improvements located thereon, or upon the interests of Mortgagors may divert funds which would otherwise be used to pay the indebtedness secured hereby, and could result in acceleration and/or foreclosure by any such junior lienor. Any such action would force Mortgagee to take measures, and incur expenses, to protect its security, and would detract from the value of the Premises mortgaged hereby, and impair the rights of Mortgagee granted hereunder. Without limitation by the foregoing, Mortgagors shall not incur any additional indebtedness, whether secured or unsecured, without the prior written consent of Mortgagee.

Any consent by Mortgagee to, or any waiver of any event which is prohibited under this Paragraph shall not constitute a consent to, or waiver of, any right, remedy or power of Mortgagee upon a subsequent event of Default.

31. Future Advances. Without limiting the generality of any other provision hereof, the indebtedness of Mortgagors hereunder shall include (a) all existing indebtedness of Mortgagors to Mortgagee evidenced by the Note and all renewals, extensions, modifications and replacements thereof, and (b) all future advances that may be subsequently made by Mortgagee and all renewals, extensions, modifications and replacements thereof. Mortgagors hereby agree to execute any and all supplemental notes, agreements or other documents as Mortgagee may reasonably request to evidence such future advances, which such supplemental notes, agreements or other documents shall be similar in form and substance to the existing notes, agreements and other documents from Mortgagors in favor of Mortgagee.

32. Enforceability. This Mortgage and the indebtedness arising hereunder shall be governed by, and construed in accordance with, the internal laws of the State of Illinois applicable to contracts made and performed in such State and any applicable laws of the United States of America.

33. Illinois Mortgage Foreclosure Act. Mortgagee shall have the benefit of and may exercise any and all of the rights and remedies set forth in the Illinois Foreclosure Act, 735 ILCS 5/15, et seq. (the "Foreclosure Act"), as amended from time to time, and such provisions of the Foreclosure Act are incorporated herein by express reference.

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34. Miscellaneous. This Mortgage and all provisions hereof, shall extend to and be binding upon Mortgagors and their successors, grantees and assigns, any subsequent owner or owners of the Premises, and all persons claiming under or through Mortgagors, and the word "Mortgagors" when used herein shall include all such persons and all persons liable for the payment of the indebtedness or any part thereof, whether or not such persons shall have executed the Note or this Mortgage. The word "Mortgagee" when used herein shall include the successors and assigns of Mortgagee named herein, and the holder or holders, from time to time, of the Note secured hereby.

In the event one or more of the provisions contained in this Mortgage or the Note secured hereby or in any other security documents given to secure the payment of the Note secured hereby shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of the Mortgagee, not affect any other provision of this Mortgage, and this Mortgage shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein.

No offset or claim that Mortgagors now have or may have in the future against Mortgagee shall relieve Mortgagors from paying any amounts due under the Note secured hereby or from performing any other obligations contained herein or secured hereby.

At all times, regardless of whether any loan proceeds have been disbursed, this Mortgage secures (in addition to any loan proceeds disbursed from time to time) the payment of any and all expenses and advances due to or incurred by Mortgagee in connection with the indebtedness secured hereby; provided, however, notwithstanding anything to the contrary herein, the total aggregate indebtedness secured by this Mortgage shall not exceed an amount equal to 500% of the face amount of the Note.

Mortgagors shall not by act or omission permit any building or other improvement on the Premises not subject to the lien of this Mortgage to rely on the Premises or any part thereof or any interest therein to fulfill any municipal or governmental requirement, and Mortgagors hereby assign to Mortgagee any and all rights to give consent for all or any portion of the Premises or any interest therein to be used. Similarly, no building or other improvement on the Premises shall rely on any premises not subject to the lien of this Mortgage or any interest therein to fulfill any governmental or municipal requirement. Mortgagors shall not by act or omission impair the integrity of the premises as a single zoning lot separate and apart from all other premises. Any act or omission by Mortgagors which would result in a violation of any of the provisions of this paragraph shall be void.

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Mortgagors on written request of Mortgagee will furnish a signed statement of the amount of the indebtedness secured hereby and whether or not any Default then exists hereunder and specifying the nature of any such Default.

Mortgagee shall have the right at its option to foreclose this Mortgage, and the failure to make any such tenant or tenants a party defendant to any such civil action or to foreclose their rights will not be asserted by Mortgagors as a defense in any civil action instituted to collect the indebtedness secured hereby, or any part thereof or any deficiency remaining unpaid after foreclosure and sale of the Premises, any statute or rule of law at any time existing to the contrary notwithstanding.

At the option of Mortgagee, this Mortgage shall become subject and subordinate, in whole or in part (but not with respect to priority of entitlement to insurance proceeds or any award in condemnation) to any and all leases of all or any part of the Premises upon the execution by Mortgagee and recording or registering thereof, at any time hereafter, in the Office wherein this Mortgage was recorded or registered, of a unilateral declaration to that effect.

Any property management agreement for the Premises, whether now in effect or entered into hereafter by Mortgagors with a property manager, shall contain a "no lien" provision whereby the property manager waives and releases, to the extent permitted by law, any and all mechanics' lien rights, if any, that it or anyone claiming through or under it may have pursuant to applicable law. Such property management agreement or a short form thereof shall, at Mortgagee's request, be recorded with the Office of the Recorder of Deeds for the county in which the Premises are located. In addition, Mortgagors shall cause the property manager to enter into a subordination agreement with Mortgagee, in recordable form, whereby the property manager subordinates, to the extent permitted by law, its present and future lien rights and those of any party claiming by, through or under it, to the lien of this Mortgage. Mortgagors' failure to require the "no lien" provision or the subordination agreement described herein shall constitute a Default hereunder.

The terms "Mortgage," "Security Agreement" and "Mortgage and Security Agreement" wherever used herein or in the Note secured hereby or in any other instrument evidencing or securing the Note secured hereby shall mean this Mortgage and the Security Agreement herein contained or any other security agreement securing the Note, as the context may so require.

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IN WITNESS WHEREOF, Mortgagors executed this Mortgage the day and year first above written.

Linda I. McCabe
Linda I. McCabe

Michael D. McCabe
Michael D. McCabe

ATTEST:

WORLD'S FINEST CHOCOLATE, INC.

By: [Signature]

By: Linda C Chatman

Its: Secretary

Its: VP Legal Affairs + HR

THIS DOCUMENT WAS PREPARED BY:

Edward X. Clinton, Esq.
19 South LaSalle Street, Suite 1300
Chicago, Illinois 60603

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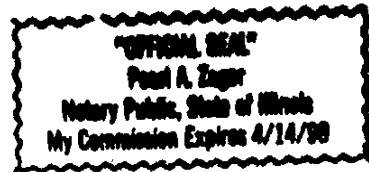
STATE OF ILLINOIS)
) SS.
COUNTY OF C O O K)

I, PAUL A. ZAGER, a Notary Public in and for said County in the state aforesaid, DO HEREBY CERTIFY THAT (LINDA I MCCABE and MICHAEL B. MCCABE, personally known to me, in whose name the above and foregoing instrument is executed, appeared before me this day in person and acknowledge that s/he signed and delivered the said instrument as his/her free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 11th day of July, 1995.

Paul A. Zager
Notary Public

My Commission Expires:



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EXHIBIT A

LEGAL DESCRIPTION

Property Address: 4825 South Rockwell
Chicago, Illinois

P.I.N. 19-12-209-012-000

PARCEL 1:

That part of the South 1/2 of the South 1/2 of the Northeast 1/4 of the Northeast 1/4 of Section 12, Township 38 North, Range 13 East of the Third Principal Meridian, in Cook County, Illinois, described as follows: Beginning at a point in the West line of said South 1/2 which is 33 feet North of the Southwest corner thereof and running thence East along a line 33 feet North of and parallel to the South line of said South 1/2 a distance of 700 feet; thence Northwestwardly along a straight line to a point in the West line of said South 1/2 which is 294.43 feet north of said Southwest corner of said South 1/2, thence South along the West line of said South 1/2 a distance of 261.43 feet to the point of beginning, excepting the south 10 feet thereof and also excepting a strip of land 31 feet wide lying Southwesterly of and adjoining the Northeasterly line thereof, East of the Third Principal Meridian, in Cook County, Illinois.

PARCEL 2:

Easement for the benefit of Parcel 1 as created by grant from Continental Illinois National Bank and Trust Company, NBA as Trustee under T/A dated January 26, 1927, known as Trust Number 4559, to Cook Chocolate Company, a corporation of Illinois dated July 2, 1956 recorded October 3, 1956 as Document 16716493 for a roadway, together with the right to construct and maintain in said roadway, sewer, water and gas mains and conduits for carrying and conveying water, electricity and other similar utilities, and the right to erect and maintain poles, wires and cables over, under, and upon the following described premises:

The East 40 feet of the South 1/2 of the Northwest 1/4 of the Northeast 1/4 of (except the South 66 feet thereof) of Section 12, Township 38 North, Range 13, all of the above being in Cook County, Illinois.

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EXHIBIT B

LIST OF PERMITTED TITLE EXCEPTIONS

1. Real estate taxes for the year 1994, second installment only, and subsequent years.
2. Zoning and building laws or ordinances.
3. Any applicable municipal or governmental restrictions and regulations imposed by any City, County, State, Federal or other governmental authority having jurisdiction to impose the same.
4. Right-of-Way for drainage tiles, ditches, feeders and laterals.
5. Easement for roadway purposes (for the purpose of ingress and egress to the Premises described in and conveyed by deed recorded as Document Number 13729440) over and upon that part of the Premises described as Parcel 7 as created by agreement made by and between Continental Illinois National Bank as Trustee under Trust Agreement 4559 to Chicago Tube and Iron Company, recorded February 28, 1946, as Document Number 13729441.

Affects Parcel 2

6. Possible encroachment of railroad embankment over and upon the Premises.

Affects Parcels 1 and 2

7. Terms, provisions and conditions relating to said easement described as Parcel 2 contained in the instrument creating such easement; rights of the adjoining owners to the concurrent use of said easement; express reservation by the Grantor in the instrument creating said easement of the right to dedicate the said roadway as a public street without obligation of any kind by said Grantor to the Grantee in said instrument.

Affects Parcel 2

8. Existing railroad Right-of-Way and switch tracks, as indicated in grant recorded as Document Number 16716493.

Affects Parcels 1 and 2

9. Possible rights of Chicago River and Indiana Railroad Company in and to that portion of Parcel 7 over which the railroad company may have "lead tracks" as indicated on plat dated March 1, 1956.

Affects Parcel 2

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10. Easement in favor of City of Chicago, and its/their respective successors and assigns, to install sewer 10 feet by 10 feet and operate and maintain all equipment necessary for the purpose of serving the land and other property, together with the right of access to said equipment, and the provisions relating thereto contained in the grant recorded/filed as Document Number 26128144, affecting the land.

Parcel 2

11. Easements as set forth in deed recorded October 3, 1956 as Document Number 16716494 made by Continental Illinois National Bank as Trustee under Trust Agreement 4459 and Cook Chocolate Company.
12. Easement as set forth in quit claim deed from the New York Central Railroad Company to Cook Chocolate Company and recorded on March 18, 1969 as Document Number 20784269.

Parcel 2

13. Existing tracks and switch track rights pertaining thereto as disclosed by survey made by Chicago Guaranty Survey Company dated May 16, 1995, as order number 9505002.

Affects Parcel 1

14. Encroachment of the concrete pad onto the property west and adjoining by approximately 70 feet.
15. Encroachment of the building located mainly on the land and onto the property north and adjoining by approximately 0.34 feet.
16. Rights of the public or quasi-public utilities as disclosed by survey made by Chicago Guaranty Survey Company dated May 16, 1995, as order number 9505002, depicting the following: manhole, catch basin, wood pole with transformers.
17. All other roads, rights of way and public utilities of record.

Exhibit B to Mortgage, Security Agreement and Financing Statement dated _____, 1995, between World's Finest Chocolate, Inc., as Seller, and Linda I. McCabe and Michael D. McCabe, as Buyers.

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EXHIBIT C

TO MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

Mortgagor's Alterations Approved by Mortgagee

1. Construction of office space in warehouse area of Premises.
2. Removal and replacement of existing heating system.

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