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American National Bank and Trust Company of Chicago,
as Trustee under Trust Agreement dated February 3, 1995
and known as Trust No. 120010-04

TO

DEPT-01 RECORDING $155.50
T#6666 TRAN 8015 03/08/95 16:51:00
#6733 # LC *-95-158105
COOK COUNTY RECORDER

U.S. Trust Company of New York,
as Trustee

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MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

Dated: As of March 3, 1995

Location: 10 South Wacker Drive
Chicago, Illinois

Permanent Real Estate
Index Number: 17-16-200-022-0000

95158105

This document prepared by and after recording should be returned to:

Skadden, Arps, Slate, Meagher & Flom
333 West Wacker Drive
Suite 2100
Chicago, Illinois 60606
Attention: Patricia A. Needham

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THIS MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT ("Mortgage"), made as of March 3, 1995, between American National Bank and Trust Company of Chicago, as Trustee under Trust Agreement dated February 3, 1995 and known as Trust No. 120010-04, ("Mortgagor"), and United States Trust Company of New York, as Trustee for the benefit of the holders of the Bonds (as hereinafter defined) ("Trustee").

WHEREAS, CME Finance N.V. ("Issuer") issued U.S $180,000,000 of Bonds Due March 5, 2004 (the "Bonds") pursuant to an Amended and Restated Indenture dated as of December 22, 1994 by and between Issuer and Trustee, as supplemented by the Supplemental Indenture dated as of December 22, 1994 (the "Indenture"); and

WHEREAS, pursuant to the terms of the Indenture, the Issuer is obligated to grant to the Trustee a certain mortgage on the Mortgaged Property (hereinafter defined) at such time as the Issuer becomes the owner of the Mortgaged Property; and

WHEREAS, for good and valuable consideration, the Issuer assigned to CME Real Estate Corp., a Delaware corporation ("Beneficiary"), all of its rights and obligations under the Indenture, and Beneficiary accepted and assumed all of such rights and obligations pursuant to a certain Assignment dated as of December 22, 1994 between Issuer as assignor and Beneficiary as assignee; and

WHEREAS, Mortgagor has become the owner of the Mortgaged Property; and

WHEREAS, Beneficiary is the owner of the beneficial interest in Mortgagor;

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Mortgagor and Trustee agree as follows:

CERTAIN DEFINITIONS

The following terms shall have the following meanings, such definitions to be applicable equally to the singular and the plural forms of such terms.

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"Affiliate" means any Entity (as hereinafter defined) that (i) directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with, the specified Entity, (ii) is an officer with a rank of senior vice president or higher, a director or general partner of the specified Entity, (iii) owns (directly or indirectly through one or more intermediaries) twenty-five percent (25%) or more of the outstanding voting securities of the specified Entity, (iv) has twenty-five percent (25%) or more of its outstanding voting securities owned (directly or indirectly through one or more intermediaries) by the specified Entity or (v) is an Entity in which the specified Entity serves as an officer with a rank of senior vice president or higher, director, or general partner. For purposes of this definition, "control" shall mean the ownership of fifty percent (50%) or more of the voting securities or other interests, as the case may be, of an Entity, or the ability to direct the policies of such Entity.

"Assignment" means that certain Assignment of Leases and Rents, dated the date hereof, made by Mortgagor and Beneficiary (as hereinafter defined) in favor of Trustee.

"Beneficiary" means CME Real Estate Corp., a Delaware corporation.

"Bonds" has the meaning ascribed to such term in the recitals hereof.

"Business Day" means a day other than (i) a Saturday or Sunday, or (ii) a day on which banking institutions located in Chicago, Illinois are required or authorized by law or other government action to be closed.

"Chattels" means all fixtures, fittings, appliances, apparatus, equipment, supplies, building materials, machinery and other articles of personal property (and additions thereto and replacements thereof) now or hereafter owned by Mortgagor, or in which Mortgagor has or shall have any interest, that are not Improvements (as hereinafter defined) and that (i) are now or at any time hereafter affixed to, attached to, placed upon, or used in any way in connection with the use, enjoyment, occu-

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pancy, improvement or operation of the Premises (as hereinafter defined) for so long as so affixed, attached, placed upon, or used.

"Default Rate" means a rate per annum as set forth in the Indenture, but in no event higher than the highest rate of interest per annum allowed by law for the Indebtedness.

"Entity" means any individual, partnership, corporation, trust or other entity.

"Environmental Laws" means any and all Requirements of Law (as hereinafter defined) regulating, relating to or imposing liability or standards of conduct concerning any Hazardous Material (as hereinafter defined), as may now or at any time hereinafter be in effect.

"Event of Default" means any of the events and circumstances described as such in Section 2.01 hereof.

"Governmental Authority" means any court, governmental, administrative, regulatory, adjudicatory, or arbitrational body, department, commission, board, bureau, agency or instrumentality of any kind properly exercising jurisdiction over the Mortgaged Property (as hereinafter defined), or whose consent or approval is required as a prerequisite to the use, operation or occupancy of the Mortgaged Property, or to the performance of any act or obligation or the observance of any agreement, provision or condition of whatsoever nature herein contained.

"Hazardous Material" means (a) pollutants, contaminants, toxic or hazardous wastes, or any other substances the removal of which is required, or the manufacture, use, maintenance, storage, ownership or handling of which is restricted, prohibited, regulated or penalized by any Requirement of Law now or at any time hereunder in effect, including, without limitation, any waste, substance or material that exhibits any of the characteristics enumerated in 40 C.F.R. §§ 261.20-261.24, inclusive, or any extremely hazardous substances listed under § 302 of the Superfund Amendment and Reauthorization Act of 1986 ("SARA") that are present in threshold planning or reportage quantities as defined under SARA,

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or any toxic or hazardous chemical substances that are present in quantities that exceed exposure standards as those terms are defined under §§ 6 and 8 of the Occupational Safety and Health Act and 29 C.F.R. Part 1910 subpart 2, and (b) any asbestos or asbestos-containing substances in quality or in quantity in violation of applicable Environmental Laws. Notwithstanding the foregoing, the term "Hazardous Material" shall not include chemicals routinely used in office areas or janitorial supplies, cleaning fluids or chemicals necessary for the day-to-day operation or maintenance of the Mortgaged Property; provided that such chemicals and cleaning fluids are used, stored and disposed of in compliance with all Requirements of Law applicable to the Mortgagor or the Mortgaged Property. All reference to statutes in this definition shall be deemed to refer to such statutes as same may be amended from time to time, and to include any statute superseding or supplementing any such statute.

"Improvements" means all structures or buildings and replacements thereof, now or hereafter erected or located upon the Land (as hereinafter defined), including, without limitation, all equipment, apparatus, machinery and fixtures of every kind and nature whatsoever forming part of said structures or buildings (excluding any equipment, apparatus, machinery and fixtures which are part of the commonly known "trading floor" owned by the Chicago Mercantile Exchange, an Illinois not-for-profit corporation).

"Indebtedness" means the aggregate, to the extent not previously paid, without duplication of (a) the principal amount of the debt evidenced by the Bonds together with all interest thereon calculated in accordance with the Indenture, and (b) upon the occurrence of an Event of Default herein, any amounts or costs paid by the Trustee, at Trustee's option, together with interest thereon at the Default Rate, (i) for real estate taxes and insurance premiums as provided in this Mortgage or in any other Loan Document (as hereinafter defined) with respect to the Mortgaged Property, (ii) pursuant to the terms of this Mortgage or any of the other Loan Documents to protect and preserve the Mortgaged Property or Trustee's interest in the Mortgaged Property, (iii) for reasonable attorneys' fees, costs and expenses, judgments and settlements paid by Trustee and to which Trustee is

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entitled to reimbursement pursuant to law or any provision hereof in any legal proceeding in connection with any of the Loan Documents or affecting the Mortgaged Property in which Trustee is a party, including any dispute regarding insurance coverage or insurance proceeds, any federal bankruptcy proceedings or state insolvency proceeding or other proceeding involving the rights of creditors, or any action to protect the security of this Mortgage; provided, however, that the amount of "indebtedness" (as such term is defined in the Bonds) shall not be included as part of the Indebtedness hereunder. The maximum amount secured hereby is One Billion Dollars ($1,000,000,000.00).

"Insurance Certificates" means Certificates of Insurance confirming that insurance policies meeting the requirements of this Mortgage are in effect, which certificates shall (a) list the types and amounts of coverage evidenced thereby, and (b) have all exclusions and exclusionary endorsements with respect to the coverage evidenced thereby appended thereto.

"Land" means all that certain plot, piece or parcel of land situate, lying and being in the City of Chicago, County of Cook, State of Illinois, legally described in Schedule A annexed hereto, including all of the easements, rights, privileges and appurtenances (including any "air" or development rights) thereunto belonging or in anywise appertaining, and all of the estate, right, title, interest, claim or demand of whatsoever kind of Mortgagor therein and in the rights-of-way, gores of land, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights and powers, and all estates, rights, titles, interests, privileges, liberties, tenements, hereditaments, and appurtenances of any nature whatsoever, in any way belonging, relating or pertaining thereto, in law or in equity, or in possession or expectancy, now or hereafter acquired, including, without limitation, all easements, rights, privileges and appurtenances pursuant to that certain Chicago Mercantile Exchange Center Easements, Reservations, Covenants and Restrictions dated July 22, 1981 among American National Bank and Trust Company of Chicago, as Trustee under Trust Agreement dated March 20, 1980 and known as Trust No. 48268, American National Bank and Trust Company of Chicago, as Trustee under Trust Agreement dated June 2, 1981 and known as Trust No.

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51234, and American National Bank and Trust Company, as Trustee under Trust Agreement dated June 2, 1981 and known as Trust No. 51235, recorded in the Office of the Recorder of Deeds, Cook County, Illinois, on July 23, 1981 as Document No. 25945760, as amended by that certain Amendment dated as of February 17, 1982, Second Amendment dated as of December 14, 1983, Third Amendment dated as of June 4, 1986 and Fourth Amendment dated as of November 1, 1988 (collectively, the "Easement Agreement").

"Loan" means the indebtedness evidenced by the Bonds.

"Loan Documents" means this Mortgage, the Indenture, the Bonds, the Assignment, that certain Mortgage, Security Agreement and Financing Statement dated of even date herewith granted by the 30 South Trust in favor of Trustee encumbering property adjacent to and connected with the Premises and any and all other security given by or on behalf of Mortgagor to Trustee from time to time to evidence or secure the Indebtedness and any and all other documents which may hereafter be given by Mortgagor to Trustee as further security for, or in connection with, the Loan. References to the Loan Documents or to any particular Loan Document shall be deemed references to such document as the same may be renewed, modified, consolidated, replaced and/or restated from time to time in accordance with the provisions of the Loan Documents; provided, however, that this sentence shall not be construed to permit any renewal, modification, consolidation, replacement and/or restatement that is prohibited by or inconsistent with the provisions of this Mortgage or any other document to which Trustee is a party, unless consented to by Trustee.

"Manager" shall mean the Entity whom Mortgagor may employ to operate and manage the Premises on behalf of Mortgagor.

"Mortgage" means this Mortgage, Security Agreement and Financing Statement.

"Mortgaged Property" has the meaning ascribed to such term in the Granting Clause hereof.

"Permitted Exceptions" has the meaning ascribed to such term in Section 1.01 hereof.

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"Permitted Transfer" has the meaning ascribed to such term in Section 1.18 hereof.

"Premises" means the Land and the Improvements, and any parts thereof.

"Requirements of Law" means as to any Entity, any law, treaty, rule or regulation, or determination of a Governmental Authority, in each case applicable to or binding upon such Entity or any of its property or to which such Entity or any of its property is subject; and, as to the Mortgaged Property, any applicable laws, statutes, codes, treaties, permits, decrees, ordinances, orders, rules, regulations or requirements of any Governmental Authority, including, without limitation, any applicable environmental, ecological, zoning, landmark, subdivision, building, use and land use laws, codes, statutes and regulations and any applicable covenants and restrictions.

"Space Leases" means all leases, subleases, concessions, licenses and other occupancy agreements under which Mortgagor is the landlord or is otherwise the grantor of the applicable estate or interest, now or hereafter affecting the use or occupancy of the Premises or any part thereof.

"Space Tenant" means the tenant, subtenant, concessionaire or licensee, as the case may be, under a Space Lease.

"30 South Trust" means American National Bank and Trust Company of Chicago, as Trustee under Trust Agreement dated February 3, 1995 and known as Trust No. 120011-03.

"Transfer" means any (i) assignment, sale or other transfer of the Mortgaged Property or any part thereof or any interest therein (including, without limitation, any "air" or development rights but excluding any such assignment, sale or other transfer in connection with a taking by eminent domain or a transfer in lieu thereof) either voluntarily or involuntarily, by operation of law or otherwise, (ii) lease or sublease entered into by Mortgagor of all or substantially all of the space in the Improvements, in a single or successive transactions to any single lessee or related lessees

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(other than pursuant to a Space Lease permitted hereunder) or (iii) transfer of (x) any of the beneficial interest in Mortgagor or (y) any interest in Mortgagor or in any partnership, corporation or other Entity that has a direct or indirect ownership interest in Mortgagor (including, without limitation, a beneficial interest in Mortgagor).

"Trustee" means United States Trust Company of New York.

GRANTING CLAUSE

In order to secure the payment of the Indebtedness and the performance and observance of all of the provisions of this Mortgage, the Bonds and the other Loan Documents, Mortgagor does by these presents hereby mortgage, grant, remise, release, alien, convey and assign unto Trustee, its successors and assigns, all of Mortgagor's estate, right, title and interest in, to and under any and all of the following described property (collectively, the "Mortgaged Property") whether now owned or held or hereafter acquired:

(i) the Land;

(ii) the Improvements;

(iii) the Chattels;

(iv) all Space Leases, together with the rents, issues, income, and profits thereof, and all cash or security deposits, advance rentals, and deposits or payments made thereunder (except that Mortgagor shall have the right to collect, retain and distribute such rents and other amounts, subject to the provisions of this Mortgage, so long as no Event of Default shall have occurred);

(v) all proceeds of and any unearned premiums accrued, accruing or to accrue under any insurance policies (including, without limitation, title insurance policies) now or hereafter covering the Premises or the Chattels (except that Mortgagor shall have the right to collect, retain and distribute such rents and

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other amounts, subject to the provisions of this Mortgage);

(vi) all books and records relating to the Premises;

(vii) all warranties, plans and specifications relating to the Premises or the Chattels;

(viii) all consents, certificates, authorizations, variances, waivers, licenses, permits and approvals from any Governmental Authority with respect to the Mortgaged Property;

(ix) all management, maintenance, service, marketing, engineering, architectural and construction contracts, receipts, trademarks, names, logos, copyrights, and other items of intangible personal property now or hereafter relating to the ownership, improvement, operation or management of the Premises or the Chattels (but no such assignment shall be construed as a consent by Trustee to any agreement, contract, license or permit so assigned, or to impose upon Trustee any obligations with respect thereto);

(x) all rights and privileges of Mortgagor under any agreement relating to the use of subterranean tunnels connecting the Premises to any other building(s); and

(xi) all proceeds of the conversion, voluntary or involuntary, of any of the foregoing, including without limitation, subject to the provisions of Section 1.09 hereof, proceeds of insurance, and subject to the provisions of Section 1.10 hereof, condemnation awards, and all rights of Mortgagor to any refunds of real estate taxes and assessments to the extent such refunds are not refunded or credited to any Space Tenants.

TO HAVE AND TO HOLD the Mortgaged Property unto Trustee, its successors and assigns (as are permitted in accordance with the terms of the Bonds) forever, for the purposes and uses herein set forth.

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ARTICLE I

REPRESENTATIONS AND COVENANTS OF MORTGAGOR

Mortgagor represents and covenants to and for the benefit of Trustee as follows:

SECTION 1.01. Covenant of Title. Mortgagor is the owner of fee simple title to the Mortgaged Property, subject to no lien, charge or encumbrance except as listed on Schedule B attached hereto and made a part hereof (the "Permitted Exceptions"); and this Mortgage is and shall remain a valid single first mortgage lien on the Mortgaged Property subject only to the Permitted Exceptions. Mortgagor has full power and lawful authority to mortgage the Mortgaged Property in the manner and form herein done, and to perform all of its obligations hereunder. Mortgagor shall preserve such title, and shall forever defend such title and the validity and priority of the lien hereof against the claims of all persons and parties except as aforesaid.

SECTION 1.02. Further Assurances. (a) Mortgagor shall, at its sole cost and expense, perform such further acts, and execute, acknowledge and/or deliver all such further deeds, conveyances, mortgages, assignments, estoppel certificates, financing statements, notices of assignment, subordinations, transfers, assurances and other documents and instruments as Trustee shall from time to time require for the better assuring, conveying, assigning, transferring and confirming unto Trustee of any and all of the property and rights hereby conveyed or assigned, or that Mortgagor may be bound to convey or assign to Trustee, or for carrying out the intention or facilitating the performance of the terms of this Mortgage, or for filing, registering or recording this Mortgage. Upon demand from time to time, Mortgagor shall execute and deliver, and hereby authorizes Trustee to execute and file in Mortgagor's name, one or more financing statements, chattel mortgages or comparable security instruments, to evidence more effectively the lien of this Mortgage upon the Chattels.

(b) From and after the execution and delivery of this Mortgage, Mortgagor shall cooperate with Trustee in causing this Mortgage, all related financing statements, and any other instrument creating a lien or evi-

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dencing the lien of this Mortgage, to be filed, registered or recorded in such manner and in such places as may be required by any present or future law in order to publish notice of and fully perfect and protect the lien of this Mortgage upon, and the interest of Trustee in, the Mortgaged Property.

(c) Mortgagor shall promptly pay, whenever imposed, all filing, registration or recording fees, and all expenses incident to the execution and delivery of this Mortgage, any security instrument with respect to the Mortgaged Property, and any other instrument relating to the Indebtedness, and all federal, state, county and municipal recording taxes, stamp taxes and similar other taxes, duties, imposts, assessments and charges arising out of the execution and delivery of the Bonds, this Mortgage, any security instrument with respect to the Mortgaged Property or any other instrument referred to in this Section 1.02 imposed on Trustee by reason of its ownership of the Bonds or this Mortgage.

SECTION 1.03. Payment of Indebtedness. Mortgagor shall punctually pay each and every component of the Indebtedness at the time (time being of the essence) and place and in the manner specified hereunder, in the Bonds and in the other Loan Documents, all in immediately available lawful money of the United States of America.

SECTION 1.04. Mortgagor's Existence. Mortgagor shall, so long as it holds legal title to the Land, as long as any part of the Indebtedness remains unpaid, do all things necessary to preserve and keep in full force and effect its and Beneficiary's existence, franchises, rights and privileges as a business or stock corporation, partnership, trust or other entity under the laws of the state of its formation, and shall at all times during the term of this Mortgage be and remain authorized to do business in the state in which the Mortgaged Property is located.

SECTION 1.05. Additional Property. All rights, title and interest of Mortgagor in and to all extensions, improvements, betterments, renewals, substitutes and replacements of, and all additions and appurtenances to, the Mortgaged Property, hereafter acquired by or released to Mortgagor, or constructed, assembled or placed on the Premises, and, subject to the provisions of

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Sections 1.09 and 1.10, all conversions of the security constituted thereby, immediately upon such acquisition, release, construction, assembly, placement or conversion, as the case may be, and in each such case, without any further mortgage, conveyance, assignment or other act by Mortgagor, shall become subject to the lien of this Mortgage as fully and completely, and with the same effect, as though now owned by Mortgagor and specifically described in the granting clause hereof, but at any and all times Mortgagor shall promptly execute and deliver to Trustee any and all such further assurances, mortgages, conveyances or assignments thereof as Trustee may reasonably request for the purpose of expressly and specifically subjecting the same to the lien of this Mortgage; provided all such further assurances, mortgages, conveyances and assignments thereof shall be expressly subject to Section 3.26 hereof.

SECTION 1.06. Intentionally Omitted.

SECTION 1.07. Payment of Impositions and Insurance. (a) Except as otherwise provided by any of the other Loan Documents and the provisions hereof, Mortgagor, from time to time, shall pay and discharge prior to the date interest or penalties attach, all taxes (whether real or personal) of every kind and nature, all general and special assessments and levies, all permit, inspection and license fees, all water and sewer rents and charges, and all other public charges, whether of a like or different nature, imposed upon or assessed or levied against the Mortgaged Property or any part thereof, or resulting from the leasing, ownership, use or occupancy thereof (all of the foregoing items being referred to herein as "Impositions"). Mortgagor shall, promptly upon request of Trustee, deliver to Trustee receipts or other reasonably satisfactory documentation evidencing the timely payment of all Impositions. If, by law, any Imposition is payable (or may at the option of the payor be paid) in installments, Mortgagor may pay the same, together with any accrued interest on the unpaid balance of such Imposition, in installments as the same become due and before any fine, penalty, additional interest or cost may be added thereto for the nonpayment of any such installment and/or interest.

(b) From and after the occurrence of any Event of Default and until a cure of such Event of Default is

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accepted by Trustee, at the option of Trustee (to be exercised by written notice to Mortgagor) and further to secure the Indebtedness and the obligations of Mortgagor hereunder, including the payment of Impositions and the premiums on the insurance required to be carried hereunder, Mortgagor shall deposit with Trustee on the first day of each month, such amounts as, in the estimation of Trustee, shall be necessary to pay such Impositions as they become due; said deposits to be held by Trustee free of interest, and free of any liens or claims on the part of creditors of Mortgagor and as part of the security of Trustee. Subject to Subsection 1.07(c), payment from said sums for current Impositions and insurance premiums on the Premises shall be made by Trustee, and may be made even though such payments will benefit subsequent owners of the Premises. Said deposits shall not be, nor deemed to be, trust funds, but may be commingled with the general funds of Trustee; provided, however, that such funds shall not be distributed by Trustee or disbursed to pay any other sum. If Trustee shall reasonably determine that said deposits are or will be insufficient to pay Impositions and insurance premiums in full as the same become payable, Trustee shall increase the amount of such monthly deposit by an amount necessary to insure that Trustee has on deposit such sums as may be required in order to timely pay such Impositions and insurance premiums in full. Upon the occurrence of any subsequent Event of Default, and prior to any cure thereof, Trustee may, at its option, apply any money in the fund resulting from said deposits to the payment of the Indebtedness in such manner as it may elect, and shall give notice of such application to Mortgagor. Under no circumstances shall Trustee be liable for failure to make any payment on behalf of Mortgagor, including, without limitation, payments of Impositions or insurance premiums.

(c) Notwithstanding anything to the contrary contained herein, Mortgagor shall have the right to contest, at its own expense, the amount or validity of any Impositions, interest or penalties thereon, or to seek a reduction in the valuation of the Mortgaged Property (or any part thereof) as assessed for real estate or personal property tax purposes, provided that the foregoing shall not relieve Mortgagor of its obligation to timely pay all Impositions, interest and penalties thereon. Notwithstanding the preceding sentence, Mortgagor may defer the payment of any contested Impositions,

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interest or penalties provided that (i) such deferral of payment is permitted by applicable law, (ii) Mortgagor in good faith and at its own expense diligently contests the amount of such Impositions, interest, penalty or valuation (or the validity thereof) by appropriate legal proceedings which shall operate to prevent the collection thereof or other realization thereon and/or the sale or the forfeiture of the Mortgaged Property or any part thereof, and (iii) Mortgagor deposits with Trustee cash or other security reasonably satisfactory to Trustee in an amount equal to the amount of such Impositions, interest or penalties and any additional charge, penalty or expense that may arise from or be incurred as a result of such deferral or proceeding (as reasonably estimated by Trustee) without duplication of any deposits being held by Trustee pursuant to Subsection 1.07(b) or any deposits deposited with the appropriate Governmental Authority. Mortgagor's obligation, if any, to make deposits pursuant to Subsection 1.07(b) hereof shall not be affected by such deferral or proceeding; provided that Trustee shall not apply any amounts so deposited during any deferral period permitted hereunder. If at any time the Mortgaged Property or any part thereof would, in Trustee's reasonable judgment, by reason of such deferral or contest, be in imminent danger of being forfeited or lost, Trustee may immediately apply the cash or security theretofore deposited with it in payment of the amount so contested and unpaid, together with all interest and penalties thereon and shall give Mortgagor notice five (5) days prior to such application. If at any time Trustee reasonably determines that the cash or security deposited with Trustee is insufficient to pay all such amounts, Mortgagor shall, within five (5) Business Days after demand, pay such additional amounts as are necessary to cover such deficiency.

SECTION 1.08. Insurance. (a) Mortgagor, at its sole cost and expense, shall keep the Improvements and Chattels insured at all times for the mutual benefit of Trustee and Mortgagor, against loss or damage by fire and such other casualties, hazards and risks as are now or hereafter embraced by so-called "all risk" coverage, and, without limiting the generality of the foregoing, during any period when construction or alteration work is in progress, so-called "builders" risk, all risk, completed value, non-reporting form insurance. All such insurance shall be written on an agreed amount basis so

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as to prevent Mortgagor from becoming a co-insurer under the terms of the applicable policies, but in any event in an amount not less than the full replacement value of the Chattels and the Improvements, without regard to depreciation. Mortgagor shall carry such other insurance in amounts as shall be generally maintained by prudent owners of premises in Chicago, Illinois, that are comparable to the Premises.

(b) Simultaneously with the execution and delivery of this Mortgage, Mortgagor shall deliver to Trustee (x) binders of insurance (which by their terms cannot be cancelled unless at least ten (10) days prior written notice is given to Trustee) evidencing that the insurance required hereunder is in effect and obligating the issuers thereof to provide all policies of insurance referenced in the binders of insurance to be furnished to Trustee ("Binders"), or (y) endorsements with respect to all such policies together with proof that all premiums with respect to such policies have been paid in full for a period of not less than one (1) year. Thereafter, at least ten (10) days prior to the cancellation date or expiration of any such policy during the term of this Mortgage, Mortgagor shall deliver to Trustee a Binder or renewal endorsement therefor (until such time as a certified copy of the insurance policy is available to send to Trustee), which is to replace such expiring policy, together with proof that all premiums due in connection therewith have been paid in full for a period of not less than one (1) year. All Binders and endorsements relating to the insurance required by this Section 1.08 shall be in form reasonably satisfactory to Trustee and shall be issued by companies authorized to do business in the State of Illinois or qualified to write such policies in the State of Illinois and reasonably satisfactory to Trustee. All policies of insurance relating to the insurance provided for in Subsection 1.08(a) shall name Trustee as a mortgagee pursuant to the standard non-contributory mortgagee clause or its equivalent, and shall provide, subject to Subsection 1.08(c) below, that all losses payable thereunder shall be payable to Trustee. For purposes hereof, companies with a Best rating of B+ - VIII (with respect to non-primary excess liability coverage over Twenty-Five Million Dollars ($25,000,000), or A - X (with respect to all other insurance required hereunder) or better (or the equivalent rating at any applicable time) shall be deemed satisfactory to Trustee.

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(c) Mortgagor shall not agree to any adjustment of any claim with respect to any property damage or casualty insurance relating to the Mortgaged Property without the prior written consent of Trustee in each instance; provided, however, that so long as no Event of Default has occurred and has not been cured, Mortgagor shall have the right and the obligation to settle and adjust any claim under such insurance policies without obtaining Trustee's prior written consent if the amount of such claim is less than Ten Million Dollars ($10,000,000.00).

(d) Each property policy providing coverage required hereunder shall contain a provision that no act or omission of Mortgagor or any other named insured shall affect or limit the obligation of the insurance company to pay the amount of any loss sustained for the benefit of Trustee and each liability and property insurance policy providing coverage required hereunder shall contain an agreement by the insurer that such policy shall not be cancelled for any reason without at least thirty (30) days' prior written notice to Trustee, and that the insurer will accept performance by Trustee of Mortgagor's obligations under such policy as if performed by Mortgagor.

(e) Trustee shall not be limited, in the proof of any action or claim which Trustee may take or make against Mortgagor arising out of or by reason of Mortgagor's failure to provide and keep in force insurance as aforesaid, to the amount of any insurance premium or premiums not paid by Mortgagor and which would have been payable with respect to such insurance. In addition to its other rights hereunder or otherwise, Trustee shall be entitled to recover for any such failure to provide and keep the insurance required hereunder in force all damages, costs and expenses suffered or incurred by reason of Mortgagor's failure to provide insurance as aforesaid.

(f) If at any time Trustee is not in receipt of written evidence that all insurance required hereunder is in force and effect, or if at any time Mortgagor shall fail to deliver Binders or endorsements evidencing the renewal of insurance policies, or Binders therefor, not later than ten (10) days prior to the expiration or cancellation date of each of the insurance policies,

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Trustee shall have the right (but shall have no obligation) to take such action as Trustee deems reasonably necessary to protect its interest in the Mortgaged Property, and shall give written notice of such action to Mortgagor, including, without limitation the obtaining of such insurance coverage as Trustee in its reasonable discretion deems reasonably appropriate, and all expenses incurred by Trustee in connection with such action or in obtaining such insurance and keeping it in effect shall be paid by Mortgagor to Trustee within five (5) Business Days after written demand is made therefor.

(g) If at any time Mortgagor shall propose to obtain insurance coverage with respect to the Premises that would be subject to an aggregate annual limit or other similar limitation, Mortgagor shall, at the time that it obtains such coverage on such basis, deliver to Trustee (i) a notice describing in reasonable detail the limitation subject to which Mortgagor has obtained such coverage, and (ii) a statement, certified by Mortgagor, to the effect that the applicable coverage required hereunder is not commonly carried without such a limitation by prudent owners of premises in Chicago, Illinois that are comparable to the Premises.

(h) Mortgagor shall not have in force at any time insurance concurrent in form or contributing in the event of loss with that required to be maintained hereunder unless Trustee is included thereon as an additional insured and loss payee, and is furnished with the applicable Binders or Insurance Certificates, as required by this Section 1.08.

(i) If Mortgagor provides Binders with respect to any insurance required hereunder, Mortgagor shall deliver to Trustee a certified copy of the insurance policy or a renewal endorsement not less than thirty (30) days prior to the expiration or termination of such Binder.

SECTION 1.09. Damage or Destruction; Insurance Proceeds. (a) Mortgagor shall give to Trustee written notice of any damage to or destruction of the Improvements or Chattels, or any part thereof, having a reasonably estimated cost of repair or replacement in excess of Ten Million Dollars ($10,000,000.00). Such notice shall be given promptly after the occurrence of such damage or

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destruction. Within a reasonable period of time after the casualty, Mortgagor shall give Trustee a reasonable estimate of the cost of repair or replacement, and shall be accompanied by reasonable documentation supporting the basis for Mortgagor's estimate of the cost of repair or replacement.

(b) So long as any portion of the Indebtedness is outstanding, Mortgagor shall, to the extent of insurance proceeds actually received by Mortgagor, promptly commence and diligently complete the restoration of the Mortgaged Property (i) as nearly as possible to substantially the same or better physical condition as existed immediately prior to such loss or damage, (ii) within a reasonable time, and (iii) in a time and manner so as not to impair Trustee's recovery rights under any rental insurance maintained. Notwithstanding anything to the contrary contained in the previous sentence, in the event of any damage to or destruction of the Improvements or any part thereof and if (x) the estimated cost of repair (as either estimated by Mortgagor and agreed to by Trustee or as finally determined in the event of a dispute) is greater than fifty (50%) percent of the replacement cost of the Improvements prior to the damage or destruction or (y) it is not legally, economically or practically feasible (in the reasonable judgment of Mortgagor) to restore the Improvements or (z) the restoration of the Improvements cannot reasonably be completed before Maturity (as such term is defined in the Indenture) (such damage or destruction being referred to herein as a "Substantial Casualty"), then, in lieu of Mortgagor's obligation to restore the Improvements Mortgagor may elect to provide for the Indebtedness by depositing Defeasance Collateral (as defined in the Indenture) in accordance with Article Eleven of the Indenture. Any restoration shall be performed in accordance with the requirements set forth in this Section 1.09 and in Section 1.11(b) hereof.

(c)(i) In the event of damage to or destruction of the Improvements or Chattels or any part thereof, the estimated cost of repair (as either estimated by Mortgagor or as finally determined in the event of a dispute in accordance with the terms of Section 1.09(a)) of which is equal to or less than Ten Million Dollars ($10,000,000.00), except as provided to the contrary below, any insurance proceeds actually received by Trustee with respect thereto (less any expenses, including,

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without limitation, any attorneys' fees incurred by Trustee in connection with determining the amount of the loss, excluding, however, any salaries paid to employees of Trustee (as hereinafter defined) shall be immediately released by Trustee to Mortgagor for application to the cost of restoration.

(ii) In the event of any damage to or destruction of the Improvements or Chattels or any part thereof, the estimated cost of repair of which exceeds Ten Million Dollars ($10,000,000.00) (x) any rental insurance proceeds actually received by Trustee (less any reasonable expenses, including, without limitation, any attorneys' fees, incurred by Trustee in connection with the collection of such insurance proceeds, and costs of consultants or other costs in determining the amount of the loss, excluding, however, any salaries paid to employees of Trustee) with respect thereto shall be immediately released by Trustee to Mortgagor, and (y) any insurance proceeds, excluding any rental insurance proceeds, actually paid to Mortgagor shall be promptly delivered to an escrow agent or trustee experienced in administering construction loans, as reasonably chosen by Trustee ("Escrowee"), and any such insurance proceeds received by Escrowee shall be applied by Escrowee (1) first to reimburse Trustee for any expenses (including without limitation, any reasonable attorneys' and consultants' fees, excluding, however, any salaries paid to employees of Trustee) incurred by Trustee in connection with the collection of such insurance proceeds, or the determination of the amount of the loss, and, except as provided to the contrary below, then (2) to Mortgagor to pay the cost of the restoration of the Improvements and Chattels pursuant to the terms of an escrow agreement which shall contain the provisions of Subsection 1.11(b) herein as well as such other terms customarily found in construction loan agreements between sophisticated lenders and borrowers and (3) the balance, if any, shall be payable to Mortgagor. Any provision of this Mortgage to the contrary notwithstanding, Trustee shall not be obligated to

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make insurance proceeds, including any rental insurance proceeds, received by Trustee available to Mortgagor for restoration or otherwise in accordance with the terms and conditions more particularly set forth herein and (A) shall apply such proceeds to pay the Indebtedness or to enable Mortgagor to deposit Defeasance Collateral (pursuant to Article Eleven of the Indenture) or (B) may elect to hold such proceeds if an Event of Default has occurred which has not been cured or (2) for casualties in excess of Ten Million Dollars ($10,000,000.00). In the event Trustee is entitled to hold the proceeds and elects to do so, Trustee shall release the funds to the Escrowee upon its acceptance of a cure for any Event of Default, or Trustee may apply the proceeds towards any sums due under the Bonds. Not more than once each month, Mortgagor shall submit to Escrowee for payment a cost breakdown of work completed to date, together with a requisition on Trustee's form which shall be certified by Mortgagor and its architect and shall state that (x) such work has been completed substantially in accordance with the plans and specifications reasonably approved by Trustee, (y) the requested amount has been paid in full or has actually been incurred and is payable, and (z) the then estimated cost of completing the restoration does not exceed the amount that Escrowee will hold pursuant to this Subsection 1.09(c) following the requested payment to Mortgagor. Disbursements by Escrowee with respect to costs of restoration shall be subject to retainages equal to the amount actually withheld or to be withheld by Mortgagor with respect to any payment made or to be made to any contractors, laborers, subcontractors, mechanics, materialmen, vendors or any other Entities with respect to such restoration, which sum shall not, in any event, be less than five percent (5%) of the total contract amount; shall be conditioned upon receipt by Escrowee of such evidence of the absence of liens as Trustee shall reasonably require; and may be conditioned upon such independent inspections by Trustee or its agents as Trustee

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may reasonably elect to make or cause to be made at Mortgagor's expense. Funds deposited in the Escrow shall be invested at the direction of Mortgagor, which direction shall be reasonably satisfactory to Trustee, and all interest earned thereon shall be added to the sums deposited in the Escrow.

(d) Notwithstanding any damage or destruction of the Improvements or the Chattels or any part thereof, and regardless of the sufficiency or insufficiency of insurance proceeds, including any rental insurance proceeds made available to Mortgagor by reason thereof, Mortgagor shall continue to pay the Indebtedness, and any reduction in the Indebtedness resulting from the application of any insurance proceeds, including any rental insurance proceeds, to the payment of the Indebtedness by Trustee shall be deemed to take effect only from and after the date of such application by Trustee.

SECTION 1.10. Condemnation. (a) Mortgagor shall give Trustee prompt written notice of the commencement of any condemnation or eminent domain proceedings affecting all or any part of the Mortgaged Property, and shall deliver to Trustee copies of any papers served in connection with such proceedings. Mortgagor shall give Trustee advance notice of, and Trustee shall have the right to intervene or otherwise participate with Mortgagor in any such proceedings and be represented by counsel of its selection, and Mortgagor shall be responsible for the payment of Trustee's reasonable legal fees in connection therewith.

(b) So long as no Event of Default has occurred that has not been cured, Mortgagor shall have the right and the obligation to enforce, compromise or settle the claim for any award, but if the amount of such claim is in excess of Ten Million ($10,000,000.00) Dollars, such enforcement, compromise or settlement shall be subject to the prior written consent of Trustee, which consent shall not be unreasonably withheld. The foregoing notwithstanding, so long as an Event of Default has occurred which has not been cured, Trustee (to the exclusion of Mortgagor) is hereby empowered and authorized to enforce, compromise or settle the claim for any award without the consent of Mortgagor. Any awards made to Mortgagor for the taking by condemnation or eminent

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domain of all or any part of the Mortgaged Property (or payments made in lieu thereof) are hereby assigned by Mortgagor to Trustee, and Trustee shall be and is hereby irrevocably authorized to collect and receive such awards (or payments) from the condemnation authorities. Any such awards (or payments) shall be applied (i) first to reimburse Trustee for any expenses, including, without limitation, any reasonable attorneys' fees, incurred by Trustee in connection with the collection of such awards (or payments), and then (ii) to the Indebtedness; provided, however, Trustee shall not apply such awards (or payments) to pay, or provide for the Indebtedness (pursuant to Article Eleven of the Indenture) and shall make such awards available to Mortgagor to the extent of the costs of restoring the Improvements actually incurred by Mortgagor as a direct result of such condemnation if (1) less than all or substantially all of the Mortgaged Property shall have been taken, (2) Mortgagor shall not have elected to satisfy the Bonds in connection with a Substantial Condemnation (as hereinafter defined), (3) there shall not have occurred any Event of Default which has not been cured and (4) using such awards to pay for costs of restoration rather than to make payment of or to make provision for the payment of the Bonds would not, in Trustee's reasonable judgment, result in a reduction in the Indebtedness which is less than the reduction in the fair market value of the Premises occasioned by such taking. Notwithstanding anything to the contrary contained herein, in the event of any taking by condemnation or eminent domain of all or any part of the Improvements and if (x) the estimated cost of restoration (as either estimated by Mortgagor and agreed to by Trustee or as finally determined in the event of a dispute) exceeds fifty percent (50%) of the replacement cost of the Improvements prior to the taking or (y) it is not legally, economically or practically feasible (in the reasonable judgment of Mortgagor) to restore the Improvements or (z) the restoration of the Improvements cannot reasonably be completed before Maturity (such taking by condemnation or eminent domain being referred to herein as a "Substantial Condemnation), Mortgagor may deposit Defeasance Collateral in accordance with the terms of the Indenture. Disbursements by Trustee with respect to costs of restoration shall be made in the same manner as disbursements of insurance proceeds under Section 1.09, subject to retainages as provided in such Section 1.09. Provided that Trustee shall make available to Mortgagor the net

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proceeds of any condemnation awards, Mortgagor shall, to the extent it receives awards sufficient for such purpose, diligently proceed in accordance with the procedures set forth in Subsection 1.11(b) to restore the Improvements as nearly as practicable to their condition prior to such taking. Escrowee shall hold and apply such awards toward such costs of restoration in the same manner as Escrowee would hold and disburse insurance proceeds pursuant to Section 1.09 hereof. Notwithstanding any provision to the contrary herein, to the extent any partial condemnation awards exceed the actual cost incurred by Mortgagor to restore the damage to the Improvements, such excess shall be paid to Mortgagor.

(c) Notwithstanding any condemnation of the Mortgaged Property or any part thereof, and regardless of the sufficiency or insufficiency of any condemnation award made available to Mortgagor by reason thereof, Mortgagor shall continue to pay the Indebtedness hereby secured, and any reduction in the Indebtedness resulting from the application of the proceeds of any condemnation award by Trustee to the reduction of the Indebtedness shall be deemed to take effect only from and after the date of such application by Trustee.

(d) Mortgagor shall not enter into any agreement providing for or relating to the taking of the Mortgaged Property or any part thereof having a value of more than Ten Million ($10,000,000.00) Dollars by any Governmental Authority, or providing for or relating to compensation in excess of Ten Million ($10,000,000.00) Dollars to be received in connection therewith, without Trustee's prior written consent.

(e) As long as no Event of Default has occurred that has not been cured, all awards made for any temporary requisitioning or taking of the Mortgaged Property, or any portion thereof, by a Government Authority shall be the property of, made payable to and retained by Mortgagor.

SECTION 1.11. <u>Condition of Premises; Compliance with Laws; Restrictive Covenants</u>. (a) Mortgagor (i) shall maintain the Premises and Chattels in good condition, safe operating order and good repair, subject to ordinary wear and tear; (ii) shall not commit or suffer any intentional waste thereof; (iii) shall not amend the

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Easement Agreement; (iv) shall observe, perform or cause to be performed all material obligations arising under agreements or recorded instruments the default of which would materially adversely affect the Premises or the operation thereof; (v) shall comply or cause to be complied in all material respects with all Requirements of Law now or hereafter relating to the Mortgaged Property or any part thereof, including, without limitation, all applicable covenants, conditions and restrictions affecting the Premises or Chattels, and shall not suffer or permit any violation thereof by Manager or an Affiliate of Mortgagor or Manager and shall from time to time promptly take such actions and make all repairs, renewals, replacements, additions and improvements in connection therewith that are necessary to comply with Mortgagor's obligations hereunder and permitted hereunder; and (vi) shall comply with all requirements of insurance policies covering the Mortgaged Property, and with all applicable orders, rules and regulations of the National Board of Fire Underwriters or any other body hereafter exercising similar functions; provided, however, that Borrower shall have, to the extent permitted by law, the right to contest any such Requirement of Law or insurance requirement, and to defer compliance with such Requirement of Law or insurance requirement pending the outcome of such contest, provided that (1) Borrower conducts such contest at its own expense and in good faith and pursues such contest diligently, (2) such contest operates so as to prevent (x) any adverse effect upon the lien or security interest created hereby, (y) Trustee from being subject to any criminal liability, and (z) any impairment of the insurance coverage required hereby; and (3) Borrower shall provide security reasonably satisfactory to Trustee to assure (A) discharge of any penalty, fine, liability, judgment or charge affecting Borrower, Trustee or the Premises that could arise out of such non-compliance and/or contest, and (B) compliance with such Requirement of Law, insurance requirement, or agreement or instrument in the event such contest is unsuccessful, including any potential increase in the cost of such compliance arising from such contest or the delay in compliance engendered thereby. If, at any time during the continuance of such contest, Trustee shall determine in its reasonable judgment that the security theretofore delivered to Trustee pursuant to this Section 1.11 no longer constitutes adequate security, then Trustee may demand additional security, and

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Borrower shall provide such additional security within ten (10) days following Trustee's demand therefor, failing which Trustee, in addition to its other rights and remedies flowing from such default, shall be entitled to apply the security being held pursuant to this Section 1.11 in any manner within its reasonable discretion; provided, however, upon the conclusion of such contest and satisfaction of all sums due, to the extent the security being held pursuant hereto is in excess of the amount necessary to satisfy all sums due, Trustee shall return the excess to Mortgagor.

(b) Mortgagor shall have the right from time to time during the term of this Mortgage to make, at its sole cost and expense, changes and alterations in or to the Improvements, whether or not in connection with any repair or restoration required by this Mortgage, provided, however, that any such changes, alterations or restoration shall be effected as follows:

(i) Any change, alteration or restoration materially affecting the structure of the Improvements (1) shall be performed only with the prior written consent of Trustee, which shall not be unreasonably withheld, (2) shall be conducted under the supervision of a reputable, licensed architect or engineer selected by Mortgagor and reasonably satisfactory to Trustee, and (3) no such change, alteration or restoration shall be made except in accordance with plans and specifications and cost estimates prepared in writing by such architect or engineer; provided, however, that the provisions of this Subsection 1.11(b)(i) shall not apply to any work performed for or by Space Tenants unless such work may adversely affect the structure of the Improvements or materially affect the heating, ventilation, air conditioning, electrical, plumbing or any other system of the Improvements ("Approved Tenant Work").

(ii) No change, alteration or restoration made by or with the approval of Mortgagor shall be undertaken until Mortgagor shall have procured and paid for all required permits and authorizations of all Governmental Authorities having jurisdiction.

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(iii) Any change, alteration or restoration made by or with the approval of Mortgagor shall, when completed, be of such a character so as not to reduce the physical value of the Mortgaged Property below its physical value immediately before such change or alteration (or, in the case of a restoration following damage or destruction, its value immediately before the occurrence of such damage or de struction).

(iv) Any change, alteration or restoration made by or with the approval of Mortgagor shall be performed promptly, in a good and workmanlike manner, in compliance with all Requirements of Law and in accordance with the applicable orders, rules and regulations of the National Board of Fire Underwriters or any other body hereafter exercising similar functions.

(v) The Mortgaged Property shall at all times be free of liens for labor and materials supplied or claimed to have been supplied to the Premises; provided, however, that in the event any lien is filed against the Premises, Mortgagor may proceed to diligently contest such lien upon its deposit with Trustee of an amount of cash reasonably satisfactory to Trustee to pay for the cost of such lien, interest and penalties, or by giving Trustee such other security as may be reasonably satisfactory to Trustee or by obtaining title insurance coverage insuring Trustee against any loss as the result of such lien.

(vi) At all times when any change, alteration or restoration is in progress, Mortgagor shall maintain or cause to be maintained, for the benefit of Mortgagor, such workers' compensation and, for the mutual benefit of Mortgagor and Trustee, general liability insurance, in addition to the coverage required by Section 1.08 hereof, as Trustee shall reasonably require in order to protect Trustee against any potential liabilities arising out of such work that shall not be covered by the insurance

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required by Section 1.08. Insurance Certificates evidencing such insurance or Binders therefor evidencing coverage issued by the respective insurers and evidencing the payment of premiums therefor (or accompanied by other evidence satisfactory to Trustee of such Payment), shall be delivered to Trustee prior to the commencement of such work.

(vii) Before the commencement of any structural change, alteration, or restoration, or any other change, alteration or restoration made by or with the approval of Mortgagor (which such approval is required under any Space Lease) materially affecting the structure of the Improvements or involving an estimated cost of more than Ten Million Dollars ($10,000,000.00), Mortgagor shall furnish to Trustee (1) evidence of builder's risk insurance coverage in form reasonably satisfactory to Trustee and in an amount equal to the projected completed value of such work, workers' compensation insurance as required by regulation and comprehensive general liability insurance in an amount reasonably satisfactory to Trustee, (2) executed copies of construction contracts, in form assignable to Trustee, which shall provide for completion of the proposed work in accordance with plans and specifications submitted to and, if required herein, approved by Trustee as provided in Subsection 1.11(b) hereof and (3) after the occurrence of an Event of Default hereunder which has not been cured, collateral assignments of such construction contracts.

(viii) Mortgagor shall promptly furnish to Trustee copies of all plans and specifications, contracts and permits, evidence reasonably satisfactory to Trustee of Mortgagor's ability to pay for such work and/or other materials or information which Trustee shall from time to time reasonably request in connection with any change, alteration or restoration made by or with the approval of Mortgagor materially affecting the structure of the Improvements or

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having an estimated cost in excess of Ten Million Dollars ($10,000,000.00).

(c) Mortgagor shall not remove, demolish or destroy, in whole or in part, any material portion of the Improvements (other than any tenant improvements) or Chattels unless the same is promptly replaced by Improvements or Chattels substantially equal in quality, value, and condition to those removed, free from security interests (other than purchase money financing), licenses, claims or encumbrances, including any reservations of title thereto; provided, however, if by reason of technological or other developments in the operation and maintenance of buildings of the general character of the Improvements, no replacement of Chattel(s) so removed or disposed of is necessary and desirable for the proper operation or maintenance of such Improvements, Mortgagor shall not be required to replace same.

(d) Mortgagor shall not without the prior consent of Trustee, initiate, join in or consent to any material change in any restrictive covenant, zoning ordinance or other public or private restriction limiting or defining in any material respect the uses that may be made of the Premises or any part thereof.

SECTION 1.12. Space Leases. (a) Except as Trustee may otherwise agree in writing, each Space Lease executed after the date hereof (other than any Space Lease executed after the date hereof where the form of such Space Lease has been agreed upon prior to the date hereof) shall be expressly subject and subordinate to this Mortgage and shall contain a covenant on the part of the Space Tenant thereunder that such Space Tenant, at the request of Trustee, shall attorn to Trustee, its successors in interest or any purchaser at a foreclosure sale; provided, however, that Trustee shall execute a non-disturbance agreement in the form submitted to the Trustee by the Mortgagor as of the date hereof.

(b) Notwithstanding any provision contained in this Mortgage to the contrary, Trustee may elect to have any of the Space Leases be superior to this Mortgage, and may signify such election by a separate written instrument executed by Trustee, and upon the recording of such instrument evidencing said election, such Space Lease shall be superior to the lien of this Mortgage.

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(c) Neither the entering upon and taking of possession of the Premises nor the collection of rents and the application thereof by Trustee shall cure or constitute a waiver of any occurrence constituting any default or Event of Default under this Mortgage, or modify or affect any notice thereof hereunder, or invalidate any act done pursuant to any such notice.

(d) Mortgagor shall, from time to time, (but not more than twice in any given year) request from each of its Space Tenants and use reasonable efforts to obtain and deliver to Trustee, within thirty (30) days (or such shorter time period as any Space Lease may provide) after request therefor, estoppel certificates in a form reasonably approved by Trustee with respect to any or all of the Space Leases, which certificates shall be executed by Mortgagor and each other party to the appropriate Space Lease, stating (1) that the Space Lease is unmodified and in full force and effect, or, if modified, that such Space Lease is in full force and effect as modified and stating the modification(s), and (2) to the best of their knowledge, whether or not any party to such Space Lease is in default in any respect under such Space Lease, and, if so, specifying such default, and Mortgagor shall use reasonable efforts to obtain a statement from any Space Tenant as to any other matters that may be reasonably requested by Trustee. All Space Leases hereafter entered into (and hereafter negotiated) shall contain provisions mandating the Space Tenant to deliver estoppel certificates complying with the provisions of this Subsection 1.12(e), unless Trustee otherwise agrees.

(e) Mortgagor shall lease the Mortgaged Property in a first-class manner consistent with other first-class office buildings in Chicago, Illinois and then-current market conditions in Chicago, Illinois. All Space Leases, and amendments thereto, shall provide for the payment of rent at then-market rates and then-market terms for the space in question. Mortgagor shall annually submit the following to Trustee: (i) Mortgagor shall submit a leasing report as to leasing activity for the previous year, which shall be in such form and contain such information as has been approved by Trustee; (ii) Mortgagor shall submit a leasing status report, in such form as has been approved by Trustee as of the date hereof; and (iii) after execution of any Space Lease,

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amendment or modification, Mortgagor shall submit a fully executed copy thereof.

(f) If Trustee shall at any time question whether any proposed Space Lease or amendment or modification is, in fact, on market terms, Mortgagor may certify to Trustee in writing that such Space Lease, modification or amendment is on then-market terms, which certification shall be conclusive, and, after delivery of such certification, may execute such Space Lease, modification or amendment.

(g) Mortgagor shall duly and timely perform and observe in a commercially reasonable manner all of the material terms, covenants and conditions of all Major Leases required to be performed and observed by the landlord thereunder.

(h) Mortgagor hereby irrevocably authorizes and directs each Space Tenant, upon receipt of written notice from Trustee of the occurrence of an Event of Default and until directed otherwise by Trustee, to pay directly to, or as directed by Trustee, all rents, issues and profits accruing or due under its Space Lease from and after the receipt of such notice. Mortgagor agrees that any and all Space Tenants shall have the right to rely upon any such notice from Trustee, and to pay such rents, issues and profits to or as directed by Trustee without any obligation to inquire into the actual existence of any Event of Default claimed by Trustee, and notwithstanding any notice from or contrary claim by Mortgagor; and Mortgagor shall have no right or claim against any Space Tenant with respect to any rents, issues or profits so paid to Trustee. Upon Trustee's acceptance of a cure of such Event of Default, Trustee shall notify each Space Tenant to resume paying all sums due under its Space Lease to Mortgagor and shall give Mortgagor a written account of all sums received from each Space Tenant under the Space Leases pursuant to this Section 1.12(h).

SECTION 1.13 Intentionally Omitted.

SECTION 1.14. Intentionally Omitted.

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SECTION 1.15. Management. (a) Mortgagor shall cause the Premises to be operated at all times as a first-class office building.

(b) Mortgagor shall deliver to Trustee, no later than November 30 of any calendar year, a proposed annual operating budget for the succeeding calendar year (the "Budget"). The Budget shall be prepared on a basis comparable to budgets for other first-class office buildings in Chicago, Illinois. Together with the Budget, Mortgagor shall present a certification to Trustee, whereby Mortgagor certifies that the Budget is comparable to the operating budgets of other first-class office buildings in Chicago, Illinois which certification shall be conclusive.

SECTION 1.16. No Prior Sale. Mortgagor has not sold, conveyed, assigned or otherwise transferred, or agreed to sell, convey, assign or otherwise transfer, to any Entity, any development, "air" or floor-area-ratio rights of Mortgagor or with respect to any of the Mortgaged Property, other than as may be set forth in any of the Permitted Exceptions.

SECTION 1.17. Hazardous Material. Neither Mortgagor nor the Manager has received written notice of any violation of or noncompliance with any Environmental Law and has no knowledge of any action or other proceeding having ever been commenced or threatened against Mortgagor by any Governmental Authority involving any claim of violation of or noncompliance with any such Environmental Law with respect to the Mortgaged Property. To the best of Mortgagor's knowledge, neither Mortgagor or any Affiliate has ever received notice of any violation of or noncompliance with any Environmental Law with respect to Hazardous Material located on the Premises or any structure thereon, and has no knowledge of any action or other proceeding having ever been commenced or threatened by a Governmental Authority involving any claim of, violation of or noncompliance with any such Environmental Law. Neither Mortgagor nor, to the best of Mortgagor's knowledge, any other Entity, has ever caused or knowingly permitted or suffered any Hazardous Material to be placed, held, located or disposed of on, under or at the Premises, or any part thereof (other than diesel tanks on the Premises which are and at all times have been and will be in compliance with all Environmental Laws), and

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the Premises have never been used by Mortgagor as a dump or storage site for Hazardous Material. If Trustee purchases the Mortgaged Property at foreclosure, takes a deed in lieu of foreclosure, operates or takes possession of the Mortgaged Property or takes other action to realize on the Mortgaged Property at any time before the Indebtedness has been repaid in full, the representations and warranties in this Section 1.17 shall continue, subject to the provisions of Section 3.23 hereof. Nothing herein shall be construed as devolving control of the Mortgaged Property or imposing owner or operator status upon Trustee prior to any purchase of the Mortgaged Property by Trustee at foreclosure or the taking of a deed in lieu of foreclosure.

SECTION 1.18. Transfers. (a) Mortgagor acknowledges that further encumbrance of the Mortgaged Property could significantly and materially alter, impair and reduce Trustee's security for the Bonds. Therefore, in order to induce Trustee to advance the Indebtedness, Mortgagor hereby covenants that neither it nor Beneficiary shall further mortgage, encumber or pledge the Mortgaged Property or any beneficial interest in Mortgagor, or suffer the same to occur without the prior written consent of Trustee.

(b) Mortgagor acknowledges that (i) the financial stability and expertise of Mortgagor and Beneficiary were substantial and material considerations to Trustee and (ii) a Transfer could significantly impair and reduce Trustee's security for the Bonds. Therefore, Mortgagor hereby covenants that Mortgagor shall not, without the prior written consent of Trustee, cause, permit or suffer a Transfer other than a transfer permitted under Article Eleven of the Indenture.

ARTICLE II

EVENTS OF DEFAULT; REMEDIES

SECTION 2.01. Events of Default. The occurrence of any one or more of the following events shall be an "Event of Default":

(a) if Mortgagor or any Affiliate shall fail, within ten (10) Business Days after written notice, to make any payment required by this Mortgage or under any other Loan Document (excluding the Bonds); or

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(b) if Mortgagor fails within (10) Business Days after written notice to timely pay any Taxes as provided in Subsection 1.07(a), subject to the terms of Subsection 1.07(c); or

(c) if Mortgagor shall fail to at any and all times keep in full force and effect all insurance required hereunder, or if Mortgagor fails to renew or replace any insurance policy required hereunder prior to the date such policy would otherwise expire, or, in the event of a casualty, if Mortgagor fails to deposit such sums with Escrowee described in Subsection 1.09(c) which may be necessary to complete restoration of the Improvements within twenty (20) Business Days after written notice; or

(d) if Mortgagor fails for twenty (20) Business Days after notice and demand to deliver Binders or endorsements when and as required by Section 1.08 hereof; or

(e) if Mortgagor shall fail to comply with any requirement or order or notice of violation of any Requirement of Law issued by any Governmental Authority claiming jurisdiction over the Premises (or any part thereof) or, in lieu thereof, if Mortgagor fails to diligently contest any such Requirement of Law or fails to deposit with Trustee cash equal to the amount required to correct any violation of such Requirement of Law or other security reasonably satisfactory to Trustee within twenty (20) Business Days after the receipt thereof; or

(f) if title to the Mortgaged Property shall be subject to any lien, charge or encumbrance other than Permitted Exceptions, and Mortgagor fails within twenty (20) Business Days after written request by Trustee to discharge by bonding, title insurance or otherwise such lien, charge or encumbrance; or

(g) if any change, alteration, removal or restoration shall be commenced or performed in violation of Sections 1.09, 1.10 and/or 1.11 hereof, and such default is not cured within twenty (20) Business Days after written notice from Trustee to Mortgagor; or

(h) if any assignment, sale, mortgage, encumbrance or Transfer shall occur in contravention of Sec-

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tion 1.18 hereof which is not cured within twenty (20) Business Days after written notice from Trustee to Mortgagor; or

(i) if any representation or warranty contained herein or in any other Loan Document, or in any certificate, statement, letter, document, or financial statement heretofore or hereafter delivered or caused to be delivered to Trustee in writing by Mortgagor or any Affiliate of Mortgagor, shall be false or incorrect in any material and adverse respect so as to have an adverse effect on the Premises or the security granted to Trustee under any of the Loan Documents on the date as of which it was or shall be made, except that an Event of Default shall be deemed to have occurred only if within twenty (20) Business Days after written notice from Trustee to Mortgagor, such false or incorrect statement or the underlying cause thereof, shall not have been corrected to the satisfaction of Trustee; or

(j) if any default shall occur under any Loan Document, and such default is not cured within the applicable grace period (if any) provided for in such Loan Document; or

(k) if Beneficiary or any other party to any of the Loan Documents (excluding Trustee) (a "Loan Party") shall file a voluntary petition seeking an order for relief under Title 11 of the United States Code, or Beneficiary shall be adjudicated a debtor, bankrupt or insolvent, or shall file any petition or answer seeking, consenting to or acquiescing in any order for relief, reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future federal bankruptcy act or any other present or future applicable federal, state, or other statute or law (foreign or domestic), or shall file an answer admitting or failing to deny the material allegations of a petition against it for any such relief, or shall admit in writing its inability to pay its debts as they mature, or shall make an assignment for the benefit of creditors, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver, examiner, sequestrator, custodian or liquidator, or similar official of Mortgagor or Beneficiary, or of all or any portion of the Mortgaged Property; or if, within ninety (90) days after the commencement of any such proceeding,

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whether by the filing of a petition or otherwise, seeking any order for relief, reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal bankruptcy act or any other present or future applicable federal, state or other statute or law (foreign or domestic), such proceeding shall not have been dismissed, or if, within ninety (90) days after the appointment (without the consent or acquiescence of Mortgagor or Beneficiary) of any trustee, receiver or liquidator of Mortgagor or Beneficiary or of all or any portion of the Mortgaged Property, such appointment shall not have been vacated or otherwise discharged; or

(l) if a judgment shall be rendered by any court of law or equity against Mortgagor or Beneficiary or any Loan Party that could reasonably be expected to impair the ability of Mortgagor to perform any of its obligations under and by virtue of the Loan Documents in any material respect, and the same shall not be dis charged or an appeal commenced therefrom, and a stay of execution pending such appeal secured or a bond posted therefor within thirty (30) days after the entry thereof; or

(m) if the termination, liquidation or dissolution (unless immediately reconstituted pursuant to applicable law or applicable partnership agreement) or the commencement of proceedings towards the liquidation or dissolution of Mortgagor, Beneficiary or any Loan Party occurs, unless the same is in connection with or results in a Permitted Transfer hereunder; or

(n) if Mortgagor fails to keep, observe and/or perform any of the other covenants, conditions, obligations or agreements contained in this Mortgage, and such default continues for a period of twenty (20) Business Days after written notice to Mortgagor; or

(o) if any default by Mortgagor shall occur under the Easement Agreement, and such default continues for a period of twenty (20) Business Days after written notice to Mortgagor.

Notwithstanding anything in this Section 2.01 to the contrary, to the extent any of Mortgagor's non-monetary obligations hereunder cannot be remedied within

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the period of twenty (20) Business Days after written notice thereof which has been provided for, such time period shall be extended by such additional reasonable time as may be necessary to remedy such default, provided that Mortgagor promptly commences to cure such default and diligently continues such cure.

SECTION 2.02. Trustee's Remedies. At any time following the occurrence of any Event of Default, Trustee may (but need not), as Trustee deems advisable to protect and enforce its rights against Mortgagor and in and to the Mortgaged Property, and without impairing or otherwise affecting the other rights and remedies of Trustee, take any one or more of the following actions, at such times and in such order as Trustee shall determine in its sole discretion:

(a) elect to accelerate the Indebtedness, in which case the Bonds shall be immediately due and payable in accordance with their terms; and/or

(b) to the extent permitted by law, enter into and upon the Premises, and each and every part thereof, and exclude Mortgagor and its agents wholly therefrom, and having and holding the same, use, operate, manage and control the Mortgaged Property and conduct the business thereof, either personally or by its superintendents, managers, agents and attorneys; at the expense of Mortgagor, maintain and restore the Mortgaged Property, complete the renovation of any Improvements, and in the course of such completion make such changes in any contemplated improvements on and to the Mortgaged Property as Trustee deems desirable; at the expense of Mortgagor, make all necessary or proper repairs, renewals and replacements, and such alterations, additions, betterments and improvements on and to the Mortgaged Property as Trustee may deem advisable; manage and operate the Mortgaged Property and carry on the business thereof and exercise all rights and powers of Mortgagor with respect thereto, either in the name of Mortgagor, as Mortgagor's attorney-in-fact, or otherwise as Trustee shall deem best; collect and receive all rents with respect to the Mortgaged Property and every part thereof, all of which shall for all purposes constitute property of Trustee, and, after deducting the reasonable expenses of conducting the business thereof and of all maintenance, repairs, renewals, replacements, alterations, additions, better-

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ments and improvements, and amounts, necessary to pay for Taxes, insurance and other prior or proper charges upon the Mortgaged Property or any part thereof, as well as reasonable compensation for the services of Trustee's attorneys, consultants, contractors, and agents, apply the moneys arising as aforesaid, to the payment of the delinquency in the payment of the Indebtedness; and/or

(c) with or without entry, personally or by its agents or attorneys:

(i) sell to the fullest extent permitted and pursuant to the procedures provided by law, the Mortgaged Property and all estate, right, title and interest, claim and demand therein, and right of redemption thereof, at one or more sales as an entirety or in parcels, and at such time and place, upon such terms and after such notice thereof as may be required or permitted by law; and/or

(ii) institute proceedings for the complete or partial foreclosure of this Mortgage; and/or

(iii) take such steps as Trustee shall elect to protect and enforce its rights, whether by action, suit or proceeding in equity or at law for the specific performance of any covenant, condition or agreement in any of the Loan Documents, or in aid of the execution of any power herein granted, or for any foreclosure hereunder or for the enforcement of any other appropriate legal or equitable remedy now or hereafter existing; and/or

(iv) perform or comply with any term, covenant or condition of this Mortgage and any of the other Loan Documents that Mortgagor has failed to timely perform or comply with, and all payments made or costs or expenses incurred by Trustee in connection therewith shall be immediately repaid by Mortgagor to Trustee with interest thereon at the Default Rate upon demand by Trustee. The necessity for any such actions and of the amounts to be paid shall be determined by Trustee in its reasonable discre-

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tion. Trustee is hereby irrevocably authorized and empowered to enter (and to authorize and empower its designees to enter) upon the Premises or any part thereof for the purpose of performing or observing any such term, covenant or condition without thereby becoming liable to Mortgagor or any person in possession holding under Mortgagor except for any loss or damage as a result of Trustee's willful misconduct, gross negligence or bad faith.

SECTION 2.03. Proceeds. Upon any sale made under or by virtue of this Mortgage, whether made by virtue of judicial proceedings, or of a judgment or decree of foreclosure and sale, Trustee may bid for and acquire the Mortgaged Property or any part thereof, and in lieu of paying cash therefor may make settlement for the purchase price by crediting against the Indebtedness the net sales price after deducting therefrom the expenses of the sale and the costs of the action and any other sums which Trustee is authorized to deduct under this Mortgage or pursuant to applicable law. The proceeds available by virtue of this Mortgage shall be applied following such sale as follows:

First: To the payment of the reasonable costs and expenses (including the reasonable fees of Trustee's counsel and including those costs incurred pursuant to Section 3.08 hereof) of or incidental to such sale or any judicial proceedings wherein the same may be made, and of all expenses, liabilities, Impositions, insurance premiums and other advances reasonably necessary to (i) protect the security of this Mortgage or the Mortgaged Property, or (ii) cure defaults of Mortgagor under this Mortgage, together with interest at the Default Rate on all payments or advances made by Trustee on account of such expenses, liabilities, Taxes, insurance premiums and other advances.

Second: To the payment of the Indebtedness.

Third: The payment of the surplus, if any, shall be distributed to Beneficiary unless otherwise prohibited by law.

SECTION 2.04. Payment of Mortgagor's Expenses after Default. If an Event of Default shall have oc-

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curred, then, upon written demand of Trustee, Mortgagor shall pay to Trustee the reasonable costs and expenses of collection and enforcement in respect of any payment and/or obligation of Mortgagor hereunder, including reasonable compensation to Trustee's agents and counsel, and any other reasonable expenses incurred by Trustee hereunder. If Mortgagor shall fail to pay such amounts upon such demand, Trustee shall be entitled and empowered to institute actions or proceedings at law or in equity for the collection of the sums so due and unpaid, and may prosecute any such action or proceedings to judgment or final decree, and may collect, in any manner provided by law, moneys adjudged or decreed to be payable, provided it is done in accordance with the provisions of Section 3.21(b) herein. Following the occurrence of any Event of Default and immediately upon the commencement of any action, suit or other legal proceedings by Trustee of any nature in aid of the enforcement of the Bonds or of this Mortgage or any other Loan Document, Mortgagor shall enter its voluntary appearance in such action, suit or proceeding. Trustee shall be entitled to recover judgment before, after or during the pendency of any proceedings for the enforcement of the provisions of this Mortgage.

SECTION 2.05. Receivers. To the extent permitted by law, at any time after the occurrence of an Event of Default for which Trustee has not yet accepted a cure, or in connection with any legal suit, action or proceeding brought by Trustee with respect to this Mortgage, the Indebtedness or the Mortgaged Property, Trustee shall be entitled, if it shall so elect, without the giving of notice and without regard to the adequacy or inadequacy of any security held by Trustee with respect to the Indebtedness, to the appointment of a receiver or receivers in respect of the Mortgaged Property. Any such receiver shall have a right to possession of the Mortgaged Property from and after his or her appointment, it being the intention of the parties hereto that this Mortgage permit such receiver to have every right and power with respect to the Mortgaged Property that is permitted by applicable law.

SECTION 2.06. Election of Remedies. (a) If the Indebtedness is now or hereafter further secured by chattel mortgages, pledges, contracts, guaranties, assignments of leases, or other security, Trustee may at

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its option exercise any or all of its remedies thereunder and/or its remedies hereunder either concurrently or independently, and in such order as it may determine.

(b) Each of the rights of Trustee granted and/or arising under this Mortgage shall be separate, distinct and cumulative of all other rights that Trustee may have at law, in equity or otherwise, and none of them shall be in exclusion of the others, and all of them are cumulative to the remedies for collection of indebtedness, enforcement of rights under mortgages, and preservation of security as provided at law. No act of Trustee shall be construed as an election to proceed under any one or more provisions hereof or under the Note or any other Loan Document to the exclusion of any other provision, or an election of remedies to the bar of any other remedy allowed at law or in equity.

SECTION 2.07. Waiver by Mortgagor. Mortgagor shall not at any time insist upon, or plead, or in any manner whatever claim or take any benefit or advantage of any stay or extension or moratorium of law, any exemption from execution or sale of the Mortgaged Property or any part thereof, whether now or at any time hereafter in force, which may affect the covenants and terms of performance of this Mortgage. Mortgagor shall not claim, take or insist upon any benefit or advantage of 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 that may be made pursuant to any provision hereof or pursuant to the decree, judgment or order of any court of competent jurisdiction, and after any such sale or sales, Mortgagor shall not claim or exercise any right under any statute or other law heretofore or hereafter enacted to redeem the property so sold or any part thereof. Mortgagor hereby expressly waives all benefit or advantage of any such law or laws, and covenants not to hinder, delay or impede the execution of any power herein granted or delegated to Trustee, but to suffer and permit the execution of every power as though no such law or laws had been made or enacted. Mortgagor, for itself and all who may claim under it, hereby waives, to the fullest extent that it lawfully may, all right to have the Mortgaged Property marshalled upon any foreclosure hereof, and any and all rights of redemption from sale under any order or

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decree of foreclosure of this Mortgage on its behalf and on behalf of each and every person.

SECTION 2.08. Fair Rental. Following the occurrence and continuance of any Event of Default and prior to the exclusion of Mortgagor from all or any part of the Premises, Mortgagor agrees to pay to Trustee the fair rental value (as such shall be determined by Trustee) for the use and occupancy of any portion of the Premises that is being occupied by Beneficiary or any Affiliate for such period that is not covered by any Space Lease which was at market rental terms for such space when it was executed, and, upon default of any such payment, shall vacate and surrender possession thereof to Trustee or to a receiver, if any, and in default thereof may be evicted by any summary action or proceeding for the recovery of possession of the Premises for nonpayment of rent, however designated.

SECTION 2.09. Modification of Collateral Agreements. Without affecting the liability of Mortgagor or any other Entity for payment of the Indebtedness or for performance of any obligation contained herein, and without affecting the rights of Trustee with respect to any security not expressly released in writing, Trustee may, at any time and from time to time, either before or after the maturity of the Bonds and without notice or consent:

(a) make any agreement extending the time or otherwise altering the terms of payment of or any part of the Indebtedness, or modifying or waiving any such obligation, or subordinating, modifying, or otherwise dealing with the lien of charge hereof;

(b) exercise, or refrain from exercising, or waive any right Trustee may have;

(c) accept additional security of any kind; or

(d) release or otherwise deal with any property, real or personal, securing the Indebtedness, including all or any part of the Mortgaged Property.

SECTION 2.10. Costs of Litigation and Collection. If this Mortgage is put into the hands of an attorney for collection, suit, action or foreclosure and

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Trustee prevails in such suit, action or foreclosure, or if any action or proceeding shall be commenced to which Trustee is made a party or in which it becomes necessary, in the opinion of Trustee's counsel, to defend or uphold the lien of this Mortgage, all sums expended by Trustee, including reasonable counsel fees and disbursements, shall be paid by Mortgagor, together with interest thereon at the Default Rate from and after the rendition of bills therefor through the date of payment, and, in any action or proceedings to foreclose this Mortgage, or to recover or collect the Indebtedness, the provisions of law respecting the recovery of costs, disbursements and allowances shall prevail unaffected by this covenant.

SECTION 2.11. Security Agreement. This Mortgage is and is hereby deemed to be a Security Agreement under the Uniform Commercial Code (the "Code") with respect to any and all of the Mortgaged Property that is not real property, for the purpose of creating hereby a security interest in such property, which security interest is hereby granted to Trustee as "Secured Party" (as said term is defined in the Code), securing the Indebtedness and the obligations of Mortgagor hereunder and, upon recording or registration in the real property records of the County of Cook, State of Illinois, shall constitute a "fixture filing" within the meaning of Sections 9-313 and 9-402 of the Code creating a perfected security interest in all fixtures now or hereafter located upon the Land. At any time following any acceleration of the Indebtedness pursuant to the provisions hereof, Trustee may at its discretion require Mortgagor to assemble the collateral and make it available to Trustee at the Premises. Trustee shall give Mortgagor written notice of the time and place of any public sale of any of the collateral or of the time after which any private sale or other intended disposition thereof is to be made by sending notice to Mortgagor at least twenty (20) Business Days before the time of the sale or other disposition, which provisions for notice Mortgagor hereby agrees to be reasonable.

SECTION 2.12. Suits without Acceleration. Following the occurrence of any Event of Default, Trustee shall have the right from time to time to sue for any sums, whether interest (or any installment thereof), Impositions, penalties, or any other sums required to be paid under the terms of this Mortgage, as (or at any time after) the same become due, without regard to whether or

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not all of the Indebtedness shall be due on demand, and without prejudice to the right of Trustee thereafter to enforce any appropriate remedy against Mortgagor, including sale under this Mortgage, or any other action, for an Event of Default by Mortgagor existing before, at or after the time such earlier action was commenced, unless Trustee shall have expressly and specifically accepted performance of such Event of Default by Mortgagor and shall have acknowledged such acceptance as a limitation of Trustee's rights under this Section 2.12.

SECTION 2.13. Report of Title. Trustee, following the occurrence of any Event of Default, may order a report of title to the Premises, and if the cost of the same shall not be paid by Mortgagor within ten (10) days following the date of demand therefor and presentation of bills with respect thereto, Trustee may, but shall be under no obligation to, pay the same, and Mortgagor shall reimburse Trustee for the cost thereof within ten (10) days after demand therefor with interest thereon from the date of demand through the date of payment at the Default Rate.

SECTION 2.14. Additional Rights of Trustee. (a) If Mortgagor fails to (i) pay or discharge any claim, lien or encumbrance (other than any Permitted Exception), as and when required by the terms and provisions of this Mortgage, or (ii) pay any Impositions, insurance premiums, or other sums payable by the Trustee to third parties with respect to the Mortgaged Property, as and when required by the terms and provisions of this Mortgage, and any such default is not cured within the applicable grace period (if any) provided for in this Mortgage, then, in any such case, Trustee at its option may, but shall be under no obligation to, cause such claim, lien, or encumbrance to be discharged of record, or pay such Imposition, insurance premium, or other sum payable by Mortgagor with respect to the Mortgaged Property, and for any of said purposes, Trustee may incur such expenses and advance such sums of money as it deems necessary in its reasonable discretion.

(b) Notwithstanding anything to the contrary contained herein, if Mortgagor shall fail, refuse or neglect to perform any act required by this Mortgage within the applicable notice and grace period, if any (except that in the case of an emergency, Trustee need

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not wait until the expiration of any such grace period before taking any action pursuant to this Section 2.14(b)), then Trustee may, at its option and without any obligation, at any time thereafter, and without waiving or releasing any other right, remedy or recourse Trustee may have because of the same, perform such acts on behalf of and at the expense of Mortgagor, and shall have the right (i) to enter upon the Mortgaged Property for such purpose, and (ii) to take all action with respect to the Mortgaged Property as Trustee may deem necessary in its reasonable discretion.

(c) If there be commenced any action or proceeding that would, if decided against Mortgagor, have a material adverse effect upon the Premises or Chattels, or the title thereto or the lien of this Mortgage thereon, Trustee may, at its option, appear in any such action or proceeding and retain counsel therein, and take any action therein as Trustee deems advisable in its reasonable discretion.

(d) Any provision of this Mortgage to the contrary notwithstanding, in cases where Trustee reasonably determines that an emergency exists, Trustee (acting through its agents or designees or otherwise) may, without prior notice, enter upon the Premises and take such action as Trustee deems necessary in its reasonable discretion to preserve the Premises or Chattels or any parts thereof.

SECTION 2.15. Repayment of Expenses. Mortgagor shall pay to Trustee within ten (10) days after written demand therefor by Trustee, all sums incurred or advanced by Trustee to cure any default which was not cured by Mortgagor within the applicable grace period (if any), or any payments made or expenses incurred pursuant to Section 2.14 or to otherwise preserve and protect the Mortgaged Property or Trustee's interest therein, together with interest at the Default Rate on each such advancement from the date of notice given to Mortgagor of such disbursement through the date of payment.

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ARTICLE III

ADDITIONAL PROVISIONS

SECTION 3.01. Business Purpose. It is specifically understood and agreed that the Indebtedness is incurred solely for a business purpose and not a personal, family, household or agricultural purpose.

SECTION 3.02. Tender of Payment. No purported tender of payment of sums payable under the Bonds (by way of acceleration or otherwise) shall be deemed to be a valid tender unless made in strict accordance with the relevant provisions of the Bonds. To the extent that Trustee receives any funds hereunder, Trustee shall be entitled to apply such funds first to satisfy any obligation of Mortgagor under Section 3.08 of this Mortgage and Section 6.07 of the Indenture.

SECTION 3.03. Books, Records, Accounts and Reports. Mortgagor shall keep and maintain or shall cause to be kept and maintained, at Mortgagor's cost and expense and in accordance with sound accounting practices and principles consistently applied, proper and accurate books, records and accounts reflecting all items of income and expense in connection with the operation of the Premises and all items of cost in connection with the construction of any improvements which are now or hereafter a portion of the Premises, and Trustee and any persons authorized by Trustee shall have the right at all reasonable times and upon reasonable notice to inspect such books, records and accounts and to make copies thereof.

SECTION 3.04. Intentionally Omitted.

SECTION 3.05. Inspection by Trustee. Mortgagor shall permit Trustee and any agent or representative of Trustee to enter upon the Premises and inspect the Premises, the Improvements and all books, contracts and records of Mortgagor relating to the Mortgaged Property at reasonable times and upon reasonable notice, until such time as the Indebtedness is repaid in full, provided that such inspection does not violate the terms of any Space Lease. Trustee shall not have any duty to make any such inspection and shall not incur any liability or

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obligation as a result of making or not making any such inspection, except as a result of the intentional misconduct, gross negligence or bad faith when making such an inspection of Trustee or its agents.

SECTION 3.06. Estoppel Certificates. Within ten (10) Business Days following the written request of either Mortgagor or Trustee (which may be made from time to time), Mortgagor or Trustee, as the case may be, shall certify to the requesting party or to any Entity designated thereby, by a duly acknowledged writing, the amount of principal and interest then owing under the Bonds and secured by this Mortgage, and, if the Estoppel Certificate is requested by Trustee, whether any offsets or defenses exist against the Indebtedness and, if the Estoppel Certificate is requested by Mortgagor, whether any notice of default has been given by Trustee or, to Trustee's knowledge or, in the case of Mortgagor, to Mortgagor's knowledge (without any duty on the part of Trustee or Mortgagor to make or undertake any investigation) whether there exists any basis for such a notice. If in connection with such request the requesting party provides a statement of the amount of principal and interest then owing under the Bonds and secured by this Mortgage, Mortgagor or Trustee, as the case may be, shall confirm such statement or dispute it in reasonable detail in the certificate to be delivered hereunder.

SECTION 3.07. No Waivers; Approvals. (a) Any failure by Trustee to insist, or election by Trustee not to insist, upon the strict performance of any of the terms and provisions of this Mortgage or any of the other Loan Documents, shall not be deemed to be a waiver of any of the terms and provisions hereof, and Trustee, notwithstanding any such failure(s), shall have the right thereafter to insist upon the strict performance by Mortgagor of any and all of the terms and provisions of this Mortgage to be performed by Mortgagor. As a special inducement to Trustee to advance the sums evidenced by the Bonds, Mortgagor hereby specifically agrees that no provision of this Mortgage can be waived by course of conduct or orally.

(b) Except as otherwise provided herein, whenever, pursuant to this Mortgage, Trustee exercises any right given to it to approve or disapprove, or any document, arrangement or term is to be satisfactory to

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Trustee, the decision of Trustee to approve or disapprove or to decide that the document, arrangement or terms are satisfactory or not satisfactory shall be in the sole discretion of Trustee and shall be final and conclusive. Trustee shall have a reasonable period of time, unless otherwise specified, to evaluate any requests for its approval referred to herein. In the event Trustee does not approve or consent to any matter requested by Beneficiary, Trustee shall give a reasonable explanation of such disapproval. If Trustee does not approve or disapprove any matter for which consent is required hereunder within fifteen (15) Business Days of the date such request was received by Trustee, Trustee shall be deemed to have approved such a request. As to any matter set forth herein for which Trustee's consent is required, Trustee's evaluation shall be based upon (i) whether the requested matter could materially adversely affect (x) the operation of the Premises as a first class office building, or (y) the security for the Loan, or (ii) whether the matter would increase the obligations of the Premises, Mortgagor or Beneficiary without offering a corresponding increase in benefit to the Premises.

(c) If, pursuant to the terms of this Mortgage, any consent or approval by Trustee is not to be unreasonably withheld or is subject to a specified standard, and it is held by a court of competent jurisdiction that the consent or approval was unreasonably withheld or delayed or that such specified standard was met so that the consent or approval should have been granted, the consent or approval shall be deemed granted, and except to the extent that there has been a final judicial determination that such consent or approval was withheld in bad faith (in which case the limitations on damages set forth in this sentence shall not apply), such granting of the consent or approval shall be the exclusive remedy of Mortgagor, and Trustee shall not in any event be liable for damages by reason thereof.

SECTION 3.08. Indemnification. Except for any loss or claim suffered by Trustee as the result of Trustee's intentional misconduct or gross negligence while Trustee or its agents are in possession of the Premises, Mortgagor shall indemnify Trustee and Trustee for and hold Trustee and Trustee harmless from and against any and all claims, damages, losses, liabilities, penalties and causes of action of any kind whatsoever,

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