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. COOK COUNTY RECORDER

CONSTRUCTION MORTGAGE,
PERSONAL PROPERTY SECURITY AGREEMENT,
ASSIGNMENT OF LEASES AND RENTALS
AND FINANCING STATEMENT

THIS CONSTRUCTION MORTGAGE, PERSONAL PROPERTY SECURITY AGREEMENT, ASSIGNMENT OF LEASES AND RENTALS AND FINANCING STATEMENT (collectively, hereinafter the "Mortgage") made this 5th day of June, 1996 by SIKH RELIGIOUS SOCIETY, an Illinois not-for-profit corporation ("Mortgagor"), with a mailing address of 1280 Winnetka, Palatine, Illinois 60667, HARRIS TRUST AND SAVINGS BANK an Illinois banking corporation ("Mortgagee"), with a mailing address at 111 West Monroe Street, Chicago, Illinois 60690.

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WITNESSETH:

WHEREAS, the Mortgagor, is indebted to Mortgagee in the aggregate principal sum of Four Hundred Thousand Dollars (\$400,000) or so much thereof as may be disbursed and outstanding from time to time pursuant to a Construction Loan Agreement between Mortgagor and Mortgagee of even date herewith (which, as maybe amended or modified from time to time, is herein called the "Loan Agreement"), plus interest in the amount as provided in and evidenced by the promissory note of even date herewith in the principal amount of Four Hundred Thousand Dollars (\$400,000) executed by the Mortgagor and payable to the order of Mortgagee (such promissory note, and all renewals, replacements, modifications of or substitutions for such note, being hereinafter referred to collectively as the "Note"). The indebtedness evidenced by the Note and the Loan Agreement, including principal and all interest thereon, and all other obligations of the Mortgagor hereunder and under the Note and the Loan Agreement, are hereinafter called the "Indebtedness".

THIS DOCUMENT PREPARED BY
AND UPON RECORDING MAIL TO:
Elvin E. Charity
Charity & Associates
20 North Clark Street #803
Chicago, Illinois 60602

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Box 430

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NOW, THEREFORE, to secure (a) the payment of the Indebtedness, (b) the repayment of any advances or expenses of any kind made or incurred by Mortgagee pursuant to the provisions of or on account of the Note, the Loan Agreement or this Mortgage; and (c) the performance and observance of all the terms, covenants, provisions and agreements of this Mortgage, the Note, the Loan Agreement and any and all other document executed or delivered by the Mortgagor in connection therewith (collectively, the "Loan Documents"), the parties agree as follows:

ARTICLE I GRANT

1.01 The Mortgagor hereby grants, bargains, sells, releases, conveys, assigns, transfers, mortgages and confirms unto the Mortgagee, and grants a security interest in, the Real Estate described in Exhibit A attached hereto and made a part hereof (the "Real Estate"), which with the property, estates and interests hereinafter described is referred to herein as the "Property."

Together with, all rents, issues, profits, royalties, income and other benefits derived from the Real Estate subject to the right, power and authority hereinafter given to Mortgagor to collect and apply such rents;

Together with, all leasehold estate, right, title and interest of Mortgagor in and to all leases or subleases covering the Real Estate or any title and interest of Mortgagor thereunder, including, without limitation, all cash or security deposits, advance rentals, and deposits or payments of similar nature;

Together with, all right, title and interest of Mortgagor in and to any greater estate in the Real Estate owned or hereafter acquired;

Together with, all interests, estate or other claims in law and in equity which Mortgagor now has or may hereafter acquire in the Real Estate;

Together with, all easements, rights-of-way and rights pertaining thereto or as a means of access thereto, and all tenements, hereditaments and appurtenances thereof and thereto;

Together with, all right, title and interest of Mortgagor, now owned or hereafter acquired, in and to any land lying within the right-of-way of any street, open or proposed, adjoining the Real Estate, and any and all sidewalks, alleys and strips and gores or land adjacent to or used in connection with the Real Estate;

Together with, any and all buildings and improvements now or hereafter erected thereon, including, but not limited to, the fixtures, attachments, appliances, equipment, machinery, and other articles attached to said buildings and improvements;

Together with, all machinery, apparatus, equipment, fittings, fixtures, and articles of personal property of every kind and nature whatsoever, other than consumable goods, now or useable in connection with any present or future operation of said Real Estate (hereinafter called "Equipment") and now owned or hereinafter acquired by the Mortgagor, including, but without limiting the generality of the foregoing, all heating, lighting, laundry, incinerating, and power equipment, engines, pipes, pumps, tanks, motors, conduits, switchboards, plumbing, lifting, cleaning, fire-prevention, fire-extinguishing,

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refrigerating, ventilating, and communications apparatus, air-cooling and air-conditioning apparatus, elevators, escalators, shades, awnings, screens, storm doors and windows, stoves, wall beds, refrigerators, attached cabinets, partitions, ducts and compressors and all of the right, title and interest of the Mortgagor in and to any Equipment which may be subject to any title retention or security agreement superior in lien to the lien of this Mortgage. It is understood and agreed that all Equipment is appropriated to the use of the Real Estate and, whether affixed or annexed or not, shall for the purpose of the Mortgage be deemed conclusively to be conveyed hereby. The Mortgagor agrees to execute and deliver, from time to time, such further instruments as may be requested by the Mortgagee to confirm the lien of this Mortgage on any Equipment;

Together with, all the estate, interest, right, title, other claim or demand, including claims or demands with respect to the proceeds of insurance, which Mortgagor now has or may hereinafter acquire in the Real Estate, and any and all awards made for the taking by eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of or interest in the Real Estate, including without limitation any awards resulting from a change of grade of streets and awards for severance damages.

To have and hold the Property unto the Mortgagee, and its successors and assigns forever, for the uses and purposes herein set forth.

ARTICLE II REPRESENTATIONS

2.01 Mortgagor represents it has good and marketable fee simple title to the Property. Mortgagor represents that it has good right and full power to sell and convey the same and that it has duly executed and delivered this Mortgage pursuant to proper authority and directions and that Mortgagor will make any further assurances of title that the Mortgagee may require and will defend the Property against all claims and demands whatsoever.

2.02 Mortgagor represents that the proceeds of the loan evidenced by the Note and the Loan Agreement have been or will be used for the purposes specified in Paragraph 205/4 of Chapter 815 of the Illinois Compiled Statutes and that the principal sum evidenced by the Note and the Loan Agreement constitutes a business loan which comes within the preview of such Paragraph 205/4.

2.03 Mortgagor represents that the proceeds of the loan evidenced by the Note and the Loan Agreement have been or will be used to fund the acquisition and construction of the Property as more fully described in the Loan Agreement.

2.04 Neither Mortgagor, nor, to the best of Mortgagor's knowledge, any previous owner of the Property or any third party, has used, generated, stored or disposed of any hazardous waste, toxic substances or related materials ("Hazardous Substances") on the Property. For the purposes of this representation and warranty, Hazardous Substances shall include, but shall not be limited to, any toxic or hazardous wastes, pollutants or substances, including without limitation, asbestos, PCB's, petroleum products or by-products, substances defined as "hazardous substances" or "toxic substances" or similarly identified in or pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Sec. 9061 et seq., the Hazardous Materials Transportation Act, 49 U.S.C. Sec. 1802 et seq. or The Resource Conservation and Recovery Act, 42 U.S.C. Sec. 6901 et seq., any chemical substance or mixture regulated under the Toxic Substance Control Act of 1976 as amended,

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15 U.S.C. section 2601 et. seq., any toxic pollutant under the Clean Water Act, as amended, 33 U.S.C. section 1251 et. seq., any hazardous air pollutant under the Clean Air Act, 42 U.S.C. section 7401 et. seq., and any hazardous or toxic substance or pollutant regulated under any other applicable federal, state or local environmental health or safety laws, regulations or rules of common law. Mortgagor shall indemnify and hold Mortgagee harmless from and against all liability, including all foreseeable and unforeseeable consequential damages, directly or indirectly arising out of the use, generation, storage or disposal of Hazardous Substances, including without limitation, the cost of any required or necessary repair, clean-up or detoxification and the preparation of any closure or other required plans, whether such action is required or necessary prior to or following transfer of title to the Property, to the full extent that such action is attributable, directly or indirectly, to the use, generation, storage or disposal of Hazardous Substances on the Property.

2.05 The Real Estate is commercial real estate and is not subject to any homestead or similar laws relating to marital interests in real property.

ARTICLE III WAIVER OF REDEMPTION

3.01 The Mortgagor releases and waives all rights to retain possession of the Property after any Default (as defined herein or in the Loan Agreement); Mortgagor hereby releases and waives any and all rights of reinstatement and redemption from sale under any order or decree of foreclosure of this Mortgage on its own behalf and on behalf of each and every person, except decree and judgment creditors of the Mortgagor, including any and all persons acquiring any interest in or title to the Property. Mortgagor shall not, and will not, apply for or avail itself of any appraisal, valuation, stay, extension or exemption law, or so-called "Moratorium Laws," now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but hereby waives the benefit of such laws. Mortgagor for itself and all who may claim through or under it waives any and all right to have the Property, and any estates comprising the Property, marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Property sold in its entirety. Mortgagor hereby releases and waives, to the full extent permitted by law, all rights and benefits under and by virtue of any homestead or similar laws. All of the foregoing waivers are made and shall be deemed to apply to the fullest extent permitted by law.

ARTICLE IV MORTGAGOR'S COVENANTS

4.01 Mortgagor covenants and agrees to pay the Indebtedness and the other sums secured hereby in the manner and at the times provided for in the Note, the Loan Agreement, this Mortgage and the other Loan Documents (as described in the Loan Agreement).

4.02 Mortgagor covenants and agrees to pay, or cause to be paid, when due and payable by Mortgagor:

(a) all real estate taxes, personal property taxes, assessments, license fees, water and sewer rates and charges, and all other governmental levies and charges, of every kind and nature whatsoever, general and special, ordinary and extraordinary, unforeseen as well as foreseen, which shall be assessed,

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levied, confirmed, imposed or become a lien upon or against the Property or any portion thereof, and all taxes, assessments and charges upon rents, issues, income or profits of the Property, or which shall become payable with respect thereto or with respect to the occupancy, use or possession of the Property, whether such respect to the occupancy, use or possession of the Property, whether such taxes, assessments or charges are levied directly or indirectly (hereinafter collectively called the "Impositions"); and

(b) all other payments or charges required to be paid to comply with the terms and provisions of the Loan Agreement or this Mortgage.

Subject to Mortgagee's right to contest to contest Impositions pursuant to Section 12.01 hereof, Mortgagor shall deliver to Mortgagee the original, or a photostatic copy, of the official receipt evidencing payment of Impositions or other proof of payment satisfactory to Mortgagee, within ten (10) days after written demand therefor. Failure of Mortgagor to deliver to Mortgagee said receipts or to submit other proof of payment satisfactory to Mortgagee as aforesaid shall constitute a default hereunder.

4.03 Mortgagor covenants and agrees to promptly comply, and cause all persons to comply with, all present and future laws, ordinances, rules, regulations and other requirements of all governmental authorities having or claiming jurisdiction of or with respect to the Property or any portion thereof or the use or occupation thereof.

4.04 Mortgagor covenants and agrees to keep and maintain, or cause to be kept and maintained, the Property (including all improvements thereon and the sidewalks, sewers, and curbs) in good order and condition and will make or cause to be made, as and when the same shall become necessary, all structural and nonstructural, ordinary and extraordinary, foreseen and unforeseen repairs and all maintenance necessary to that end. Furthermore, and without limiting the generality of the foregoing, Mortgagor will suffer no waste of the Property or any part thereof. All repairs and maintenance required of Mortgagor shall be (in the opinion of Mortgagee) of a first-class quality.

4.05 Mortgagor shall not make or cause to be made any improvements to the Property, except in the ordinary course of maintaining and operating the Property and except as described in the Loan Agreement, unless written approval is first obtained from Mortgagee.

4.06 Mortgagor covenants and agrees that this Mortgage is and will be maintained as a valid first priority mortgage lien on the Property and the Mortgagor will not, directly or indirectly, create, or suffer or permit to be created, or to stand against the Property, or any portion thereof, or against the rents, issues and profits therefrom, any lien (including any liens arising with respect to the payment of Impositions, except in the case of Impositions that are not yet due and payable), security interest, encumbrance or charge, whether prior to or subordinate to the lien of the Mortgage, unless prior written approval is first obtained from Mortgagee. Mortgagor will keep and maintain the Property free from all liens ("Mechanics' Liens") of persons supplying labor and materials for the construction, modification, repair or maintenance of any building or site improvement, whether on the Property or not. If any Mechanics' Liens shall be filed against the Property, Mortgagor agrees to discharge the same of record within twenty (20) days after the liens are filed or, if not filed, within twenty (20) days after Mortgagor has notice thereof; provided, that in connection with any such Mechanics' Lien or claim of a right to a Mechanic's Lien which Mortgagor may in good faith desire to contest, Mortgagor may contest the same through appropriate legal proceedings, diligently prosecuted, but only if Mortgagor complies with the requirements of Paragraph 5.2 of the Loan Agreement. In no event shall Mortgagor do, or permit to be

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done, or omit to do, or permit the omission of, any act or thing, the doing or omission of which would impair the security of this Mortgage.

4.07 Mortgagor covenants and agrees that all awards heretofore or hereafter made by any public or quasi-public authority to the present and all subsequent owners of the Property by virtue of an exercise of the right of eminent domain by such authority, including any award for a taking of title, possession or right of access to a public way, or for any change of grade of streets affecting the Property, are assigned to the Mortgagee to secure the indebtedness.

(a) Subject to the provisions of clause (b) of this Section 4.07, the Mortgagee, at its option, is hereby authorized, directed and empowered to collect and receive the proceeds of any such award or awards from authorities making the same and to give proper receipts and acquittances therefor, and may, at the Mortgagee's election, use such proceeds in any one or more of the following ways: (i) apply the same or any part thereof upon the Indebtedness, whether such Indebtedness shall then be matured or unmatured, (ii) use the same or any part thereof to fulfill any of the covenants contained herein as the Mortgagee may determine, or (iii) use the same or any part thereof to replace or restore the Property to a condition satisfactory to the Mortgagee.

(b) Notwithstanding the provisions of clause (a) above, so long as Mortgagor is not in Default hereunder or under the Note or the Loan Agreement, Mortgagee shall, upon written request of Mortgagor, apply the proceeds of such an award to rebuild or restore the Property or the improvements thereon, provided that (i) in the Mortgagee's judgment, the Property can be rebuilt or restored to a complete architectural unit of an equivalent value, (ii) the proceeds of the award are in Mortgagee's reasonable judgment sufficient to complete such restoration or rebuilding or, if such proceeds are insufficient, Mortgagor has deposited with Mortgagee funds, which when added to the proceeds of the award are sufficient to rebuild or restore the improvements, (iii) the rebuilding or restoration can, in Mortgagee's reasonable judgment, be completed no later than ninety (90) days prior to the Maturity Date (as defined in the Loan Agreement), (iv) Mortgagee shall have approved plans and specifications for any rebuilding or restoration, (v) Mortgagee shall hold and disburse all funds necessary for such rebuilding and (vi) Mortgagor shall have commenced the reconstruction or restoration of the improvements within ninety (90) days after the occurrence of any such taking and shall proceed diligently thereafter to completion.

Mortgagor shall notify Mortgagee in writing within (60) days after Mortgagor first has notice of a proposed condemnation. Said written notice shall specify whether Mortgagor intends to rebuild or restore the Property using the proceeds of any such condemnation award. If Mortgagor does not timely notify Mortgagee of its election to so use the proceeds of a condemnation award or cannot comply with Mortgagee's requirements for use of the award to rebuild or restore the Property as set forth in this clause (b), then clause (a) shall be applicable and shall govern the use of the proceeds of any condemnation award. Mortgagor hereby covenants and agrees, upon request by the Mortgagee, to make, execute and deliver any and all assignments and other instruments sufficient for the purpose of assigning all such condemnation awards to the Mortgagee free, clear and discharged of any and all encumbrances of any kind or nature whatsoever.

4.08 Mortgagor covenants and agrees that it will promptly perform and observe, or cause to be performed or observed, all of the terms, covenants and conditions of all instruments of record affecting the Property, noncompliance with which might affect the security of this Mortgage or impose any duty or obligation upon Mortgagor, and Mortgagor shall do or cause to be done, all things necessary to

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preserve intact and unimpaired any and all easements, appurtenances and other interests and rights to, in favor of, or constituting any portion of the Property.

4.09 Mortgagor covenants and agrees that neither the value of the Property, nor the lien of this Mortgage will be diminished or impaired in any way by any act or omission of the Mortgagor, and the Mortgagor agrees it will not do or permit to be done to, in, upon or about said Property, or any part thereof, anything that may in any way impair the value thereof, or weaken, diminish, or impair the security of this Mortgage.

4.10 Mortgagor covenants and agrees to promptly pay and discharge any and all license fees or similar charges, with penalties and interest thereon, which may be imposed by the municipality or county in which the Property is situated or any other governmental body having jurisdiction thereof and will promptly cure any violation of law and comply with any order of said municipality, county or other governmental body in respect of the repair, replacement or condition of the Property and any governmental regulations concerning environmental control and improvements, and that in default thereof and after notice to Mortgagor, Mortgagee may, but shall not be required to, pay any and all such license fees or similar charges or comply with such charges of the municipality, county or other governmental body for such repair or replacement. All amounts so paid shall thereupon be liens upon the Property and secured by this Mortgage, and Mortgagor will repay the same upon demand, with interest thereon at the Default Rate applicable under the Note from the date of such payment by Mortgagee.

4.11 Mortgagor covenants and agrees that if any action or proceeding is commenced in which Mortgagee in good faith deems it necessary to defend or uphold the validity, enforceability or priority of the lien and interest of this Mortgage or to preserve the value of the security for this Mortgage, all sums paid by Mortgagee for the expense of any such litigation to prosecute or defend the rights, lien and security interest created by this Mortgage (including reasonable attorneys' fees) shall be paid by Mortgagor, together with interest thereon at the rate then applicable under the Note and any such sums and the interest thereon, shall be a lien and security interest on the Property prior to any right or title to, interest in or claim upon the Property attaching or accruing subsequent to the lien and security interest of this Mortgage, and shall be secured by this Mortgage.

4.12 Mortgagor covenants to furnish from time to time within fifteen (15) days after Mortgagee's request, a written statement, duly acknowledged, of the amount due upon this Mortgage, stating whether any alleged offsets or defenses exist against the indebtedness and stating whether any defaults exist under the Loan Documents.

4.13 Mortgagor covenants to furnish to Mortgagee such financial statements and other information regarding the financial condition of Mortgagor as required by the Loan Agreement and such additional information regarding the Property and its operation as Mortgagee may reasonably require.

ARTICLE V TRANSFER OR MORTGAGE OF PROPERTY

5.01 Mortgagor will not, without the prior written consent of Mortgagee, further mortgage, grant a deed of trust, pledge or otherwise dispose of or further encumber, whether by operation of law or otherwise, any or all of its interest in the Property, except for the Subordinate Mortgage (as defined in the Loan Agreement). Mortgagor will not, without the prior written consent of Mortgagee, sell,

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assign, or transfer the Property or any interest therein. Any sale, assignment, transfer, mortgage, deed of trust, pledge, change or other disposition or encumbrance made in violation of the above provisions shall be null and void and of no force and effect and the making thereof shall constitute a default under this Mortgage.

ARTICLE VI PERFORMANCE OF MORTGAGOR'S OBLIGATIONS

6.01 If Mortgagor shall fail to pay any Impositions (other than in accordance with Mortgagor's right to contest Impositions pursuant to Section 12.01 hereof) or to make any other payment required to be paid by Mortgagor under this Mortgage at the time and in the manner provided in this Mortgage, or if Mortgagor shall be in default in the performance or observance of any other term, covenant, condition or obligation required to be performed or observed by Mortgagor under this Mortgage, the Note, the Loan Agreement or any instrument of record, then, after the expiration of any applicable grace period as set forth in any such document or instrument, and without limiting the generality of any other provision of this Mortgage, and without waiving or releasing Mortgagor from any of its obligations hereunder, Mortgagee shall have the right, but shall be under no obligation, to pay any Impositions or other payment, or any sums due under this Mortgage, and may perform any other act or take such action as may be appropriate to cause such other term, covenant, condition or obligation to be promptly performed or observed on behalf of Mortgagor. In any such event, Mortgagee and any person designated by Mortgagee shall have, and is hereby granted, the right to enter upon the Property at any time and from time to time for the purposes of performing any such act or taking any such action, and all moneys expended by Mortgagee in connection with making such payment or performing such act (including, but not limited to, legal expenses and disbursements), together with interest thereon from the date of each such expenditure, shall be paid by Mortgagor to Mortgagee within ten (10) days after written notice to Mortgagor demanding such payment. Any such expenditures made by Mortgagee shall be deemed Indebtedness secured by this Mortgage and shall bear interest from the date expended at the Default Rate set forth in the Note. Mortgagee shall have the same rights and remedies in the event of nonpayment of any such expenditures by Mortgagor as in the case of a default by Mortgagor in the payment of the Indebtedness. Nothing in this Section or in any other part of this Mortgage shall be construed to require Mortgagee to make any payment or perform any obligation of Mortgagor. Any action taken by Mortgagee hereunder or in relation to the Property is for the sole benefit of Mortgagee and no other person shall rely upon any action, inaction, inspection or other act of Mortgagee in dealing with the Property or Mortgagor. Mortgagee, in making any payment relating to Impositions, may do so according to any bill, statement or estimate procured from the appropriate public office, without inquiry into the accuracy of such bill, statement or estimate or into the validity of any Imposition or of any sale, forfeiture, tax lien or title or claim thereof. Mortgagee, in making any payment for the purchase, discharge, compromise or settlement of any other lien, may do so without inquiry as to the validity or amount of any claim for lien which may be asserted.

ARTICLE VII ASSIGNMENT OF LEASES, RENTS AND CONTRACTS

7.01 Mortgagor hereby assigns to Mortgagee all of Mortgagor's interest in all rents, issues and profits of the Property, as further security for the payment of the Indebtedness and other sums secured hereby. Mortgagor grants to Mortgagee the right to enter upon the Property and to let the Property, or any part thereof, and to apply said rents, issues, profits and proceeds after payment of all charges and

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expenses, on account of the Indebtedness and other sums secured hereby. This assignment and grant shall continue in effect until the Indebtedness and other sums secured hereby are paid in full. Mortgagee hereby agrees not to exercise the right to enter the Property for the purpose of collecting said rents, issues or profits and Mortgagor shall be entitled to collect and receive said rents, issues, profits and proceeds until the occurrence of a Default by Mortgagor under the terms and provisions hereof; provided that any rents issues and profits collected and received by Mortgagor after the occurrence of a Default hereunder which is not cured within the applicable grace period provided hereby shall be deemed collected and received by Mortgagor in trust for Mortgagee and Mortgagor shall account to Mortgagee for the full amount of such receipts. Mortgagor agrees to apply said rents, issues and profits whenever received, to payment of any Indebtedness then due and payable, all Impositions on or against to Property and then to the use and operation of the Property. The right of Mortgagor to collect and receive said rents, issues and profits in trust for Mortgagee during the continuance of any Default by Mortgagor under the terms and provisions of this Mortgage may be revoked by Mortgagee's giving written notice of such revocation to Mortgagor.

7.02 Mortgagor will, from time to time after notice and demand, execute and deliver to Mortgagee, in form satisfactory to Mortgagee, further agreements evidencing its willingness to comply and its compliance with the provisions of this Article VII. Mortgagor shall pay Mortgagee the expenses incurred by Mortgagee in connection with the recording of any such agreement.

7.03 The assignment contained in this Article VII is given as collateral security and the execution and delivery hereof shall not in any way impair or diminish the obligations of the Mortgagor, nor shall this assignment impose any obligation on Mortgagee to perform under any provision of any contract or lease pertaining to the Property or create any responsibility for the non-performance thereof by Mortgagor. The assignment under this Article VII is given as a primary pledge and assignment of the rights described herein and such assignment shall not be deemed secondary to the Mortgagor's security interest and mortgage in the Property. Mortgagee shall have the right to exercise any rights under this Article VII before, together with, or after exercising any other rights under this Mortgage.

7.04 Mortgagor shall observe and perform all covenants, conditions and agreements in each lease to which it is a party, now or hereafter affecting any portion of the Property. Mortgagor shall not, without the prior written consent of Mortgagee, (a) accept any installments of rent for more than one month in advance or any security deposit for more than an amount equal to one month's rent, or (b) take any action or fail to take any action or exercise any right or option which would permit the tenant under any lease to cancel or terminate such lease, or (c) amend or modify any lease in a manner which would (i) decrease or abate the rent payable per unit of time under the lease, (ii) decrease or abate the payments to be made by the tenant under the lease for rent, taxes, insurance or other expenses, (iii) reduce or extend the term of the lease, (iv) impose any additional obligations on the landlord under the lease, (v) consent to a sublease or a substitution of tenants under the lease, or (vi) terminate any lease, unless the tenant thereunder is in default. Mortgagor agrees that hereafter it shall not assign any of the rents or profits of the Property.

7.05 In the event of a Default by Mortgagor under this Mortgage or any of the other Loan Documents, Mortgagee may, as attorney-in-fact for Mortgagor, or in its own name as Mortgagee, and under the powers herein granted, hold, operate, manage and control the Property and conduct the business, if any, thereof, either personally or by its agents, and with full power to use such measures, legal or equitable, as in its discretion or in the discretion of its successors or assigns may be deemed proper or necessary to enforce the payment of the avails, rents, issues, and profits of the Property.

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including actions for the recovery of rent, actions in forcible detainer and actions in distress for rent, and with full power: (a) to cancel or terminate any lease or sublease for any cause or on any ground which would entitle Mortgagor to cancel the same; (b) to elect to disaffirm any lease or sublease which is then subordinate to this Mortgage; (c) to extend or modify any then existing leases and to make new leases, which extensions, modifications and new leases may provide for terms to expire, or for options to lessees to extend or renew terms, beyond the Maturity Date, it being understood and agreed that any such leases, and the options or other such provisions to be contained therein, shall be binding upon Mortgagor and all persons whose interests in the Property are subject to this Mortgage; (d) to make all repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements to the Property as Mortgagee may deem necessary; (e) to insure and reinsure the Property and all risks incidental to Mortgagee's possession, operation and management thereof; and (f) to receive all of such avails, rents, issues and profits derived from the Property. Mortgagor hereby grants Mortgagee full power and authority to exercise each and every of the rights, privileges and powers herein granted at any and all times after the occurrence of a Default, without notice to Mortgagor, except for any notice of Default expressly provided for herein or in the other Loan Documents.

7.06 Mortgagee shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability under any of the leases assigned hereby. Mortgagor shall and does hereby agree to indemnify and hold Mortgagee harmless of and from any and all liability, loss or damage, including, without limitation, reasonable attorneys' fees and expenses related thereto, which Mortgagee may or might incur by reason of its performance of any action authorized under this Mortgage and of and from any and all claims and demands whatsoever which may be asserted against Mortgagee by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements of Mortgagor. Nothing herein contained shall be construed as constituting Mortgagee in possession in the absence of the taking of actual possession of the Property by Mortgagee. In the exercise of the powers herein granted Mortgagee, no liability shall be asserted or enforced against Mortgagee, all such liability being expressly waived and released by Mortgagor, its successors and assigns.

ARTICLE VIII CHANGES IN TAX LAWS; PAYMENT OF OTHER TAXES

8.01 In the event of the passage after the date of this Mortgage of any law applicable to the Property deducting from the value of land for the purposes of taxation any lien thereon, or changing in any way materially adverse to Mortgagee, the laws for the taxation of mortgages or debts secured by mortgages for state or local purposes, or the manner of the collection of any such taxes, the holder of this Mortgage and of the Indebtedness secured hereby shall have the right to give thirty (30) days' written notice to the Mortgagor requiring the payment in full of the Indebtedness. If such notice be given, the Indebtedness shall become due, payable and collectible at the expiration of said thirty (30) days, provided, however, that such requirement of payment shall be ineffective if the Mortgagor is permitted by law to pay the whole of such tax in addition to all other payments required hereunder, without any penalty thereby, and if the Mortgagor pays such tax, together with all applicable interest and penalties, prior to the date upon which payment is required by such notice.

8.02 In the event that it is claimed by any governmental agency that any tax or other governmental charge or imposition is due, unpaid or payable by Mortgagor or Mortgagee upon the Indebtedness (other than income tax on the interest or premium receivable by Mortgagee thereunder),

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including any recording tax, documentary stamps or other tax or imposition on the Note or this Mortgage, Mortgagor will forthwith either (a) pay such tax and, within a reasonable time thereafter, deliver to Mortgagee satisfactory proof of payment thereof or (b) deposit with Mortgagee the amount of such claimed tax or other governmental charge or imposition, together with interest and penalties thereon, or other security reasonably satisfactory to Mortgagee, pending an application for a review of the claim for such tax or other governmental charge or imposition and, within a reasonable time, deliver to Mortgagee either (i) evidence satisfactory to Mortgagee that such claim has been withdrawn or defeated, in which event any such deposit shall be returned to Mortgagor, or (ii) a direction from Mortgagor to Mortgagee to pay the same out of the deposit above mentioned, with any excess due over the amount of said deposit to be paid by Mortgagor directly to the taxing authority and any excess of such deposit over such payment by Mortgagee to be returned to Mortgagor, provided Mortgagor is not in default under the provisions of this Mortgage. Upon the failure of the Mortgagor to comply with the provisions of this Section 8.02, the entire Indebtedness shall, at the option of Mortgagee, become due and payable ten (10) days after written notice from Mortgagee. If liability for such tax or other governmental charge or impositions is asserted against Mortgagee, Mortgagee will give to Mortgagor prompt notice of such claim and Mortgagor, upon complying with the provisions of this Section, shall have full right and authority to contest such claim.

ARTICLE IX DEFAULT

9.01 The entire Indebtedness shall become due, at the option of Mortgagee, if any one or more of the following events of default ("Default") shall occur:

- (a) Failure of Mortgagor to observe or perform any of the covenants or conditions by Mortgagor to be performed under the terms hereof and such failure continues for a period in excess of thirty (30) days after written notice thereof. Notwithstanding the foregoing, if the default is such that it is not reasonably capable of being cured within thirty (30) days, and if Mortgagor (i) initiates corrective action within said period, and (ii) diligently, continually and in good faith works to effect a cure as soon as possible, then Mortgagor shall have such additional time as is reasonably necessary to cure the default prior to exercise of any remedies by Mortgagee, provided that in no event shall the cure period, as extended, for any such failure or default exceed (60) days. Notwithstanding the foregoing, Mortgagee shall not be precluded from exercising its remedies hereunder if its security in the Property becomes or is about to become materially impaired or jeopardized by any failure to cure a default, notwithstanding any such grace period.
- (b) Any default shall occur under the terms of either of the Note the Loan Agreement or any other Loan Document, which default shall continue after any applicable notice and the expiration of any applicable grace periods.
- (c) Any warranty or representation of Mortgagor made hereunder was inaccurate or misleading in any material respect when made.
- (d) The assignment, pledge, hypothecation, or other disposition of the Property in violation of the provisions of Section 5.01 hereof.

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9.02 If a Default shall occur which is not cured within any applicable grace period provided for, Mortgagee may, at its option, exercise any and all of the following remedies, which remedies may be exercised separately or cumulatively:

- (a) Declare the unpaid portion of the Indebtedness to be immediately due and payable, without further notice or demand (each of which hereby is expressly waived by Mortgagor), whereupon the same shall become immediately due and payable.
- (b) Enter upon the Property and take possession thereof and of all books, records and accounts relating thereto.
- (c) Appoint a receiver for the Property, or any part thereof, and of the net income, rents, issues and profits thereof, without regard to the sufficiency of the Property covered by this Mortgage or any other security, and without the showing of insolvency on the part of Mortgagor or fraud or mismanagement, and without the necessity of filing any judicial or other proceeding for appointment of a receiver.
- (d) Hold, lease or otherwise use or permit the use of the Property, or any portion thereof, in such manner, for such time and upon repair, alterations, additions and improvements thereto, from time to time, as Mortgagee may deem to be in its best interest (making such repairs, alterations, additions, and improvements thereto from time to time, as Mortgagee shall deem necessary or desirable) and collect and retain all earnings, rentals, profits or other amounts payable in connection therewith.
- (e) Sell the property, in whole or in part:
 - (i) under the judgement or decree of a court of competent jurisdiction, or
 - (ii) at public auction (if permitted by law) in such manner, at such time and upon such terms as Mortgagee may determine, or as provided by law, and/or sell any personal property, in whole or in part, at one or more public or private sales, in such manner, at such time or times, and upon such terms as Mortgagee may determine or as provided by law.
- (f) Foreclose this Mortgage.
- (g) Exercise any other remedy, now or hereafter existing, in equity, at law, by virtue of statute or otherwise.

9.03 In case Mortgagee shall have proceeded to enforce any right under the Note, the Loan Agreement or this Mortgage and such proceedings shall have been discontinued or abandoned for any reason, then in every such case Mortgagor and Mortgagee shall be restored to their former positions and the right, remedies and powers of Mortgagee shall continue as if no such proceeding had been taken.

9.04 In the event Mortgagee (a) grants an extension of time on any payments of the Indebtedness, (b) takes other or additional security for the payment thereof, or (c) waives or fails to exercise any right granted herein, said act or omission shall not release Mortgagor, subsequent purchasers of the Property covered by this Mortgage or any part thereof, or any guarantor of the Note.

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ARTICLE X FORECLOSURE

10.01 In any suit to foreclose the lien hereof, there shall be allowed and included as additional Indebtedness in the decree of sale all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee, or holders of the Note, for reasonable attorneys' fees, court costs appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and costs of procuring title insurance policies (which fees, charges and costs may be estimated by Mortgagee as to items to be expended after entry of the decree), and all other expenses as Mortgagee or any holder of the Note may deem reasonably necessary to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the Property. All expenditures and expenses of such nature in this Article mentioned shall become so much additional Indebtedness secured hereby and shall be immediately due and payable, with interest thereon at the Default Rate in effect under the Note. In addition to foreclosure proceedings, the above provisions of this Section 10.01 shall apply to (a) any proceeding to which Mortgagee or any holder of the Note shall be a party, either as plaintiff, claimant or defendant, by reason of the Mortgage or any Indebtedness hereby secured; (b) preparation for the commencement of any suit for foreclosure hereof after accrual of such right to foreclosure, whether or not a suit is actually commenced; or (c) preparation for the defense of or investigation of any threatened suit, claim or proceeding which might affect the Property or the security hereof, whether or not actually commenced.

10.02 Upon or at any time after the filing of a bill to foreclose this Mortgage, the court in which such bill is filed may appoint a receiver of the Property. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency at the time of application for such receiver of the person or persons, if any, liable for the payment of the Indebtedness and other sums secured hereby and without regard to the then value of the Property and the Mortgagee hereunder may be appointed as receiver and placed in possession of the Property. The receiver shall have power to collect the rents, issues and profits of the Property during the pendency of such foreclosure suit, as well as during any further times when Mortgagee, its successors or assigns, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and exercise other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Property during the whole of said period. The court from time to time may authorize the receiver to apply the net income in his hands in payment in whole or in part of the Indebtedness and other sums secured hereby, or in payment of any Imposition or other lien which may be or become superior to the lien hereof or superior to a decree foreclosing this Mortgage, provided such application is made prior to foreclosure sale.

10.03 The proceeds of any sale of all or any portion of the Property and the earnings of any holding, leasing, operating or other use of the Property shall be applied by Mortgagee in the following order:

- (a) first, to the payment to Mortgagee of the costs and expenses of taking possession of the Property and of holding, using, leasing, repairing, improving and selling the same;
- (b) second, to the payment of Mortgagee's attorneys' fees and other legal expenses;
- (c) third, to the payment of accrued and unpaid interest on the Note;

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- (d) fourth, to the payment of the balance of the Indebtedness;
- (e) any surplus shall be paid to the parties entitled to receive it as specified by court order or decree.

ARTICLE XI INSPECTION

11.01 Mortgagor covenants and agrees that Mortgagee, or its agents or representatives, may make such inspection of the Property as Mortgagee may deem necessary or desirable, at all reasonable times and that any such inspections shall be solely for the benefit of Mortgagee and shall not be relied upon by Mortgagor for any purpose.

ARTICLE XII CONTESTING LIENS AND IMPOSITIONS

12.01 Mortgagor at its expense, may contest, after prior written notice to Mortgagee, by appropriate legal proceedings conducted in good faith and with due diligence, the amount or validity or application in whole or in part, of any Impositions described in Section 4.02 or any license fees or similar charges described in Section 4.10, provided that (a) Mortgagor shall first make all contested payments, under protest if it desires, unless such proceedings shall suspend the collection and payment thereof, (b) neither the Property nor any part thereof or interest therein is at any time in any danger of being sold, forfeited, lost or interfered with, and (c) Mortgagor shall have furnished to Mortgagee such security, if any, as may be reasonably required by Mortgagee. Mechanics' Liens filed against the Property may be contested in accordance with the requirements and conditions of Paragraph 5.2 of the Loan Agreement.

ARTICLE XIII ASSIGNMENT BY MORTGAGEE

13.01 Mortgagee may assign all or any portion of its interest hereunder and its rights granted herein and in the Note and the Loan Agreement to any person, trust, financial institution or corporation as Mortgagee may determine and upon such assignment, such assignee shall thereupon succeed to all the rights, interests, and options of Mortgagee herein and in the Note and the Loan Agreement contained and Mortgagee shall thereupon have no further obligations or liabilities hereunder.

ARTICLE XIV INSURANCE

14.01 (a) Mortgagor will procure and maintain for the benefit of Mortgagee during the continuance of this Mortgage and until the same is fully satisfied and released, the policy or policies of insurance required pursuant to Article VI of the Loan Agreement. Mortgagor shall deliver to Mortgagee copies of such policies (or certificates thereof). Such policies of insurance required hereunder shall be in such form, with such companies, and in such amounts as may be acceptable to Mortgagee, and shall

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contain a mortgagee clause acceptable to Mortgagee, with loss payable to Mortgagee. Mortgagor will promptly pay when due, any premiums on any policy or policies of insurance required hereunder, and will deliver to Mortgagee renewals of such policy or policies at least ten (10) days prior to the expiration dates thereof; the said policies and renewals to be marked "paid" by the issuing company or agent. Upon Mortgagor's failure to comply with the requirements of this Section, Mortgagee may, in its discretion, effect any insurance required hereunder and pay the premiums due therefor, and any amounts so paid by Mortgagee shall become immediately due and payable by Mortgagor with interest at the rate provided in the Note and Loan Agreement, and shall be secured by this Mortgage. The delivery to Mortgagee of any policies of insurance hereunder, or renewals thereof, shall constitute an assignment to Mortgagee of all unearned premiums thereon as further security for the payment of the indebtedness secured hereby. In the event any foreclosure action or other proceeding hereunder is instituted by Mortgagee, all right, title and interest of Mortgagor in any or to any policy of insurance then in force shall vest in Mortgagee.

(b) Mortgagor shall obtain and keep in force during the construction of the improvements on the Real Estate builder's risk insurance, public liability insurance, flood insurance, if applicable, and such other types of insurance in such amounts and in such form as Mortgagee shall reasonably require hereunder or under the Loan Agreement. Such insurance shall name Mortgagee as additional named insured and shall provide that it may not be canceled or materially modified except after 30 days prior written notice to Mortgagee. Mortgagor shall deliver evidence of such insurance to Mortgagee in such form and at such times as Mortgagee may reasonably require.

14.02 (a) In case of damage to or the destruction of the improvements on the Property by fire or other casualty, Mortgagor, at Mortgagor's election exercised within sixty (60) days after the occurrence of loss or casualty, may cause all proceeds of insurance to be applied to the Indebtedness or the restoration to their former condition of the improvements damaged or destroyed; provided, however, Mortgagor's right to elect to have the proceeds applied to restoration of the improvements shall be conditioned upon the following: (i) no Default exists hereunder or under any other Loan Document, (ii) the proceeds of insurance are sufficient, in Mortgagee's reasonable judgment, to completely repair or restore the improvements, or, if such proceeds are insufficient, that Mortgagor has deposited with Mortgagee funds which, when added to the proceeds of insurance, shall be sufficient to repair or restore said improvements, (iii) in the judgment of Mortgagee, Mortgagor can complete such repairs or restoration no later than ninety (90) days prior to the Maturity Date, (iv) Mortgagee shall have approved the plans and specifications for any such restoration, and (v) Mortgagor shall have commenced the restoration or reconstruction of the improvements within one hundred twenty (120) days after the occurrence of such loss or casualty and shall proceed diligently thereafter to completion. In the event Mortgagor does not or is not entitled to make the election aforesaid, Mortgagee may decide whether the insurance proceeds shall be applied against the Indebtedness secured hereby or in the repair or restoration of the improvements.

(b) In the event the insurance proceeds are to be applied to the Indebtedness, Mortgagee may collect all proceeds of insurance and after deduction of all reasonable expense of collection and settlement, including attorneys' and adjustors' fees and charges, and apply same against the Indebtedness in full. Mortgagee may declare the balance remaining unpaid immediately due and payable, and avail itself of any of the remedies provided for in the event of any default. Provided that no Default then exists hereunder, any proceeds remaining after application upon the Indebtedness shall be paid by Mortgagee to Mortgagor.

(c) In the event the insurance proceeds are to be used to rebuild the improvements, Mortgagee

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may collect and retain the insurance proceeds and disburse same. Mortgagor shall proceed with diligence to make settlement with insurers and cause the proceeds of the insurance to be deposited with Mortgagee.

ARTICLE XV COLLATERAL AGREEMENT

15.01 The Loan Agreement, as the same hereafter may from time to time be amended, supplemented or modified, is hereby incorporated in this Mortgage by reference.

15.02 If any terms and provisions of the Loan Agreement, including periods for curing specific defaults, are inconsistent with any of the terms of this Mortgage, the provisions of the Loan Agreement shall prevail.

ARTICLE XVI SECURITY AGREEMENT

16.01 Mortgagor hereby grants to Mortgagee, in addition to and not in substitution for, any interest granted hereinabove, an express security interest in, and mortgages to the Mortgagee, all goods, types and items of personal property and fixtures owned by the Mortgagor which are described in Section 1.01 of this Mortgage and in Section 16.02 below (hereinafter the "Collateral") whether now or hereafter erected on or placed in or upon the Real Estate or any part thereof, and all replacements thereof and accessions thereto and proceeds thereof to further secure the payment of the Indebtedness, the payment of all other sums due from the Mortgagor to the Mortgagee, and the performance by Mortgagor of all the covenants and agreements set forth herein. Mortgagor warrants and covenants that Mortgagor is the owner of the Collateral free from any adverse lien, security interest or encumbrance and Mortgagor warrants that Mortgagor has made payment in full for all such Collateral. Mortgagor will upon request from Mortgagee, deliver to Mortgagee such further security agreements, chattel mortgages, financing statements and evidence of ownership of such Collateral as Mortgagee may request.

16.02 The security interest granted to the Mortgagee hereby shall cover the following types of items of property now or hereafter owned by the Mortgagor and used in connection with, and located upon, the Real Estate: the Property and all machinery, apparatus, Equipment, goods, systems, fixtures and property of every kind and nature whatsoever now or hereafter located in or upon or affixed to the Real Estate, or any part thereof, and used or usable in connection with any present or future operation of the Real Estate, and now owned or hereafter acquired by Mortgagor, including, but without limitation of the generality of the foregoing, all building permits, plans and specifications, the construction contract, all contracts, sub-contracts and all other rights, licenses, permits, and agreements related to construction, leasing and management of the Property, heating, lighting, incinerating, refrigerating, ventilating, air-conditioning, air-cooling, lifting, fire-extinguishing, plumbing, cleaning, communications, power, equipment, systems and apparatus; and all elevators, escalators, switchboards, engines, motors, tanks, pumps, screens, storm doors, storm windows, shades, blinds, awnings, floor coverings, ranges, stoves, refrigerators, washers, dryers, cabinets, partitions, conduits, ducts and compressors; and all other items of personal property used in connection with the Real Estate. In addition, the Mortgagor hereby grants to the Mortgagee an express security interest in all tenements, hereditaments, easements, appendages, licenses, privileges and appurtenances belonging or in any way appertaining to the Real Estate, and all interests in property, rights and franchises or any part thereof together with all the reversions and remainders, and to the extent permitted by laws, all rents, tolls, issues and profits from the Real Estate,

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and all the estate, right, title, interest and claims whatsoever, at law and in equity which the Mortgagor now has or may hereafter acquire with respect to the Real Estate and the Collateral.

16.03 Upon a Default hereunder and acceleration of the Indebtedness pursuant to the provisions hereof, Mortgagee may at its discretion require Mortgagor to assemble the Collateral and make it available to Mortgagee at a place reasonably convenient to both parties to be designated by Mortgagee and Mortgagee may exercise all of its right and remedies under the Illinois Uniform Commercial Code, Chapter 810, Illinois Compiled Statutes with respect to the Collateral, either exclusive of or contemporaneously with, the exercise of any other right or remedy granted under this Mortgage.

16.04 Mortgagee shall give Mortgagor notice, by registered mail, postage prepaid, 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 five (5) days before time of the sale or other disposition, which provisions for notice Mortgagor and Mortgagee agree are reasonable; provided, however, that nothing herein shall preclude Mortgagee from proceeding as to both Real Estate and personal property in accordance with Mortgagee's rights and remedies in respect to the Real Estate as provided in Section 5/9-501 of Chapter 810 of the Illinois Compiled Statutes.

16.05 Mortgagor shall reimburse Mortgagee for all costs, charges and fees, including reasonable legal fees incurred by Mortgagee in preparing and filing security agreements, extension agreements, financing statements, continuation statements, termination statements and chattel searches.

16.06 The Collateral described herein shall be considered for all purposes a part of the Mortgaged Property as described herein; all warranties and covenants contained in this Mortgage made by Mortgagor shall be deemed as having been made with reference to the Collateral; all agreements, undertakings and obligations of Mortgagor stated herein shall apply to the Collateral, including without limitation, obligations regarding insurance, freedom from adverse lien or encumbrance, repair and maintenance; and all remedies of the Mortgagee in the event of any default by Mortgagor under the provisions of this Mortgage or any other instrument evidencing or securing the Indebtedness shall be available to the Mortgagee against the Collateral.

16.07 This Mortgage constitutes a Security Agreement as the term is used in the Illinois Uniform Commercial Code, Chapter 810, Illinois Compiled Statutes.

16.08 This Mortgage is intended to be a financing statement within the purview of the Code with respect to any Collateral, which is or may become fixtures relating to the Property. The addresses of Mortgagor (debtor) and Mortgagee (secured party) are hereinabove set forth. This Mortgage is to be filed with the Recorder of Deeds of the County where the Property is located. Mortgagor is the record owner of the Property.

ARTICLE XVII PROTECTIVE ADVANCES/MAXIMUM AMOUNT OF INDEBTEDNESS

17.01 All advances, disbursements and expenditures (collectively "Protective Advances") made by Mortgagee before and during a foreclosure, and before and after judgment of foreclosure, and at any time prior to sale, and, where applicable, after sale, and during the pendency of any related proceedings, for the following purposes, in addition to those otherwise authorized by this Mortgage or by the Illinois

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Mortgage Foreclosure Act (the "Act"), 735 ILCS 5/15-1101 et seq. shall have the benefit of all applicable provisions of the Act, including those provisions of the Act hereinbelow referred to:

(a) all advances by Mortgagee in accordance with the terms of this Mortgage to: (i) preserve or maintain, repair, restore or rebuild the improvements upon the Property; (ii) preserve the lien of this Mortgage or the priority thereof; or (iii) enforce this Mortgage, as referred to in Subsection (b)(5) of Section 5/15-1302 of the Act;

(b) payments by Mortgagee of: (i) when due, installments of principal, interest or other obligations in accordance with the terms of any senior mortgage or other prior lien or encumbrance; (ii) when due, installments of real estate taxes and assessments, general and special and all other taxes and assessments of any kind or nature whatsoever which are assessed or imposed upon the Property or any part thereof; (iii) other obligations authorized by this Mortgage; or (iv) with court approval, any other amounts in connection with other liens, encumbrances or interests reasonably necessary to preserve the status of title, as referred to in Section 5/15-1505 of the Act;

(c) advances by Mortgagee in settlement or compromise of any claims asserted by claimants under senior mortgages or any other prior liens;

(d) attorneys' fees and other costs incurred: (i) in connection with the foreclosure of this Mortgage as referred to in Sections 5/15-1504(d)(2) and 5/15-1510 of the Act; (ii) in connection with any action, suit or proceeding brought by or against Mortgagee for the enforcement of this Mortgage or arising from the interest of Mortgagee hereunder; or (iii) in the preparation for the commencement or defense of any such foreclosure or other action;

(e) Mortgagee's fees and costs, including attorneys' fees, arising between the entry of judgment of foreclosure and the confirmation hearing as referred to in Subsection (b)(1) of Section 5/15-1508 of the Act;

(f) advances of any amount required to make up a deficiency in deposits for installments of taxes and assessments and insurance premiums as may be authorized by this Mortgage;

(g) expenses deductible from proceeds of sale as referred to in Subsections (a) and (b) of Section 5/15-1512 of the Act;

(h) expenses incurred and expenditures made by Mortgagee for any one or more of the following: (i) if the Property or any portion thereof constitutes one or more units under a condominium declaration, assessments imposed upon the unit owner thereof; (ii) if any interest in the Property is a leasehold estate under a lease or sublease, rentals or other payments required to be made by the lessee under the terms of the lease or sublease; (iii) premiums for casualty and liability insurance paid by Mortgagee whether or not Mortgagee or a receiver is in possession, if reasonably required, in reasonable amounts, and all renewals thereof, without regard to the limitation to maintaining of existing insurance in effect at the time any receiver or mortgagee takes possession of the Property imposed by Subsection (c)(1) of Section 5/15-1704 of the Act; (iv) repair or restoration of damage or destruction in excess of available insurance proceeds or condemnation awards; (v) payments required or deemed by Mortgagee to be for the benefit of the Property or required to be made by the owner of the Property under any grant or declaration of easement, easement agreement, agreement with any adjoining land owners or instruments creating covenants or restrictions for the benefit of or affecting the Property; (vi) shared or

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common expense assessments payable to any association or corporation in which the owner of the Property is a member in any way affecting the Property; (vii) if the loan secured hereby is a construction loan, costs incurred by Mortgagee for demolition, preparation for and completion of construction, as may be authorized by the applicable commitment or loan agreement; (viii) pursuant to any lease or other agreement for occupancy of the Property; and (ix) if this Mortgage is insured, payments of FHA or private mortgage insurance.

All Protective Advances shall be so much additional indebtedness secured by this Mortgage, and shall become immediately due and payable without notice and with interest thereon from the date of the advance until paid at the rate of interest payable after a default under the terms of the Note.

This Mortgage shall be a lien for all Protective Advances as to subsequent purchasers and judgment creditors from the time this Mortgage is recorded pursuant to Subsection (b)(1) of Section 5/15-1302 of the Act.

All Protective Advances shall, except to the extent, if any, that any of the same is clearly contrary to or inconsistent with the provisions of the Act, apply to and be included in:

- (1) the determination of the amount of indebtedness secured by this Mortgage at any time;
- (2) the indebtedness found due and owing to Mortgagee in the judgment of foreclosure and any subsequent supplemental judgments, orders, adjudications or findings by the court of any additional indebtedness becoming due after such entry of judgment, it being agreed that in any foreclosure judgment, the court may reserve jurisdiction for such purpose;
- (3) if the right of redemption has not been waived by this Mortgage, computation of amount required to redeem, pursuant to Subsections (d)(2) and (e) of Section 5/15-1603 of the Act;
- (4) the determination of amounts deductible from sale proceeds pursuant to Section 5/15-1512 of the Act;
- (5) the application of income in the hands of any receiver or mortgagee in possession; and
- (6) the computation of any deficiency judgment pursuant to Subsections (b)(2) and (e) of Sections 5/15-1508 and Section 5/15-1511 of the Act.

The maximum amount of indebtedness secured by this Mortgage is \$600,000, plus interest, plus any disbursements for the payment of taxes and insurance on the Property, together with interest thereon, plus the amount of any other Protective Advances, together with interest thereon.

ARTICLE XVIII MISCELLANEOUS

18.01 The rights of Mortgagee arising under the provisions and covenants contained in this Mortgage, the Note, the Loan Agreement and other documents securing the Indebtedness or any part thereof shall be separate, distinct and cumulative and none of them shall be in exclusion of the others. No act of Mortgagee shall be construed as an election to proceed under any one provision hereof.

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anything herein or otherwise to the contrary notwithstanding.

18.02 A waiver in one or more instances of any of the terms, covenants, conditions or provisions hereof, or of the Note, the Loan Agreement or any other documents given by Mortgagor to secure the Indebtedness, or any part thereof, shall apply to the particular instance or instances and at the particular time or times only, and no such waiver shall be deemed a continuing waiver but all of the terms, covenants, conditions and other provision of this Mortgage and of such other documents shall survive and continue to remain in full force and effect. No waiver shall be asserted against Mortgagee unless in writing signed by Mortgagee.

18.03 No change, amendment, modification, cancellation or discharge hereof, or any part hereof, shall be valid unless in writing and signed by the parties hereto or their respective successors and assigns.

18.04 All notices, demands and requests given or required to be given by either party hereto to the other party shall be in writing. All notices, demands and requests by Mortgagee to Mortgagor shall be delivered in accordance with Section 8.4 of the Loan Agreement.

18.05 If any action or proceeding shall be instituted to evict Mortgagor or recover possession of the Property or any part thereof, or for any other purpose affecting the Property or this Mortgage, or if any notice relating to a proceeding or a default is served on Mortgagor, Mortgagor will immediately, upon service thereof on or by Mortgagor, deliver to Mortgagee a true copy of each notice, petition, or other paper or pleading, however designated.

18.06 In the event a portion of the Property is released from the lien of this Mortgage by Mortgagee, or if any other property is added to this Mortgage by Mortgagor, the "Property" as herein defined shall refer only to that portion from time to time subject to the lien of this Mortgage.

18.07 This Mortgage and all provisions hereof shall be binding upon Mortgagor, its successors, assigns, legal representatives, and all other persons or entities claiming under or through Mortgagor, and the word "Mortgagor," when used herein, shall include all such persons and entities and any others liable for the payment of the indebtedness secured hereby or any part thereof, whether or not they have executed the Note or this Mortgage. The word "Mortgagee," when used herein, shall include Mortgagee's successors, assigns, and legal representatives, including all other holders, from time to time, of the Note.

18.08 If one or more of the provisions of this Mortgage shall be or become invalid, illegal or unenforceable in any respect, such provision shall be deemed to be severed from this Mortgage and the validity, legality and enforceability of the remaining provisions contained herein, shall not in any way be affected or impaired thereby. Without limiting the generality of the foregoing, any provision herein, or in the Note or the Loan Agreement to the contrary notwithstanding, Mortgagee shall in no event be entitled to receive or collect, nor shall or may amounts received hereunder be credited, so that Mortgagee shall be paid, as interest, a sum greater than the maximum amount permitted by law. If any construction of this Mortgage, the Note or the Loan Agreement indicates a different right given to Mortgagee to ask for, demand or receive any larger sum, as interest, such as a mistake in calculation or in wording, which this clause shall override and control, and proper adjustment shall automatically be made accordingly.

18.09 Upon receipt of evidence reasonably satisfactory to Mortgagor of the loss, theft, destruction or mutilation of the Note, and in the case of any such loss, theft or destruction, upon delivery

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of an indemnity agreement reasonably satisfactory to Mortgagor or, in the case of any such mutilation, upon surrender and cancellation of the Note, Mortgagor will execute and deliver to Mortgagee in lieu thereof, a replacement Note, identical in form and substance to the Note and dated as of the date of the Note and upon such execution and delivery all references in this Mortgage to the Note shall be deemed to refer to such replacement Note.

18.10 It is specifically agreed that time is of the essence of this Mortgage.

18.11 All of the covenants of this Mortgage shall run with the land constituting the Property.

18.12 The place of negotiation, execution, and delivery of this Mortgage, the location of the Mortgaged Property, and the place of payment and performance under the Loan Documents being the State of Illinois, this Mortgage shall be construed and enforced according to the laws of that State. To the extent that this mortgage may operate as a security agreement under the Code, Mortgagee shall have all rights and remedies conferred therein for the benefit of a secured party, as such term is defined therein.

18.13 All rights and remedies set forth in this Mortgage are cumulative, and the holder of the Note and of every other obligation secured hereby may recover judgment hereon, issue execution therefor, and resort to every other right or remedy available at law or in equity, without first exhausting and without affecting or impairing the security of any right or remedy afforded hereby.

18.14 If title to the Mortgaged Property or any part thereof is now or hereafter becomes vested in a trustee, any prohibition or restriction contained herein against the creation of any lien on the Property shall be construed as a similar prohibition or restriction against the creation of any lien on or security interest in the beneficial interest of such trust.

IN WITNESS WHEREOF, Mortgagor has caused this Mortgage to be executed on the day and year first above written.

MORTGAGOR:

SIKH RELIGIOUS SOCIETY, an Illinois not-for-profit corporation

By: *Gurinder D. Jh*

Its: *Finance Secretary*

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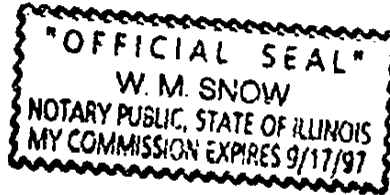
STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, W. M. SNOW, a Notary Public, in and for said County, in the State aforesaid, DO HEREBY CERTIFY that BURCHARN S. THAJ, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as the FINANCIAL SECRETARY of SIKH RELIGIOUS SOCIETY, an Illinois not-for-profit corporation, appeared before me this day in person and acknowledged that she signed and delivered the said instrument as her own free and voluntary act and as the free and voluntary act of said corporation for the uses and purposes therein.

Given under my hand and notarial seal this 5th day of JUNE, 1996.

W. M. Snow
Notary Public

My Commission Expires:



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EXHIBIT A

LEGAL DESCRIPTION

Parcel 1:

ALL OF BLOCK 13 AND THAT PART OF VACATED GLENCOE STREET LYING NORTH OF AND ADJOINING BLOCK 13 AND THAT PART OF VACATED PARK AVENUE LYING EAST OF AND ADJOINING BLOCK 13 IN PERCY WILSON'S FOREST VIEW HIGHLANDS, A SUBDIVISION IN THE WEST HALF OF SECTION 9, TOWNSHIP 42 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS. ✓

P.I.N.: 02-09-303-001 Vol. 148 ✓

Parcel 2:

ALL OF BLOCK 12 AND THAT PART OF VACATED PARK AVENUE LYING WEST OF AND ADJOINING BLOCK 12 AND THAT PART OF VACATED GLENCOE STREET LYING NORTH OF AND ADJOINING BLOCK 12 AND THAT PART OF FOREST AVENUE LYING EAST OF AND ADJOINING BLOCK 12 IN PERCY WILSON'S FOREST VIEW HIGHLANDS, A SUBDIVISION IN THE WEST HALF OF SECTION 9, TOWNSHIP 42 NORTH, RANGE 10 EAST OF THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS. ✓

P.I.N.: 02-09-304-001 Vol. 148 ✓

Parcel 3:

THE WEST 124 FEET OF THE SOUTH HALF OF BLOCK 11 AND THAT PART OF VACATED FOREST AVENUE LYING WEST OF AND ADJOINING SAID SOUTH HALF OF BLOCK 11 IN PERCY WILSON'S FOREST VIEW HIGHLANDS, A SUBDIVISION IN THE WEST HALF OF SECTION 9, TOWNSHIP 42 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

P.I.N.: 02-09-305-505 Vol. 148 ✓

Parcel 4:

BLOCK 19 IN PERCY WILSON'S FOREST VIEW HIGHLANDS, A SUBDIVISION IN THE WEST HALF OF SECTION 9, TOWNSHIP 42 NORTH, ✓

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RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS. ✓

P.I.N.: 02-09-310-003 Vol. 148 ✓
02-09-310-004 Vol. 148 ✓
02-09-310-005 Vol. 148 ✓

ADDRESS: 1280 Winnetka, Palatine, Illinois

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