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**MORTGAGE
AND SECURITY
AGREEMENT WITH
ASSIGNMENT OF RENTS**

THIS CONSTRUCTION
MORTGAGE AND SECURITY
AGREEMENT WITH
ASSIGNMENT OF RENTS
("Mortgage") dated as of
March 19, 1999 from
CRYSTAL IL 98, L.L.C.,
an Illinois limited
liability company (the

"Mortgagor"), with a mailing address of 3015 South Wentworth
Avenue, Chicago, Illinois 60616 and for the benefit of PACIFIC
GLOBAL BANK, with its office at 2323 South Wentworth Avenue,
Chicago, Illinois 60616-2013 ("Mortgagee").

W I T N E S S E T H T H A T :

WHEREAS, Mortgagor is the owner of fee simple title to certain
land and improvements located in Cook County, Illinois and legally
described in Exhibit "A" attached hereto;

WHEREAS, Mortgagor, Crystal Windows & Doors IL Corp., an
Illinois corporation, and Crystal Window & Door Systems, Ltd., a
New York corporation (collectively the "Borrowers"), have executed
and delivered to Mortgagee a Promissory Note of even date herewith
payable to the order of Mortgagee in the principal amount of
\$1,000,000.00 (said note and any and all extensions and renewals
thereof, amendments thereto and substitutions or replacements
therefor is referred to herein collectively as the "Note") pursuant
to which Borrowers promise to pay such principal sum (or so much
thereof as may be outstanding at the maturity thereof, on March 15,
2014, together with interest on the balance of principal from time
to time outstanding and unpaid thereon at the rate and at the times
specified in the Note;

**THIS INSTRUMENT PREPARED BY
AND AFTER RECORDING MAIL TO:**

PERMANENT INDEX NOS.:

PACIFIC GLOBAL BANK
2323 South Wentworth
Chicago, Illinois 60604
Attn: Betty Chow
President

17-32-115-004

ADDRESS OF PROPERTY:

1300 West 35th Street
Chicago, Illinois 60609

Handwritten: N 98000 44 Cash Co. IL

WHEREAS, the Note has been issued under and subject to the provisions of a Loan Agreement dated of even date herewith as amended from time to time, between Borrowers and Mortgagee (the "Loan Agreement");

WHEREAS, this Mortgage, the Note, the Loan Agreement and all other instruments and documents evidencing or securing the indebtedness evidenced by the Note are hereinafter collectively referred to as the "Loan Documents".

NOW, THEREFORE, to secure (i) the payment when and as due and payable of the principal of and interest on the Note or so much thereof as may be advanced from time to time under and pursuant to the Loan Agreement, (ii) the payment of all other indebtedness which this Mortgage by its terms secures and (iii) the performance and observance of the covenants and agreements contained in this Mortgage, the Loan Agreement, the Note and the other Loan Documents, including, without limitation, the obligations contained in an Environmental Indemnity Agreement of even date herewith from Crystal Windows & Doors IL Corp., an Illinois Corporation, Crystal Window & Door Systems, Ltd., a New York corporation, Mortgagor, Zhaojia ("Jack") Chen, Thomas Chiu Kuei Chen and Chang Shang Chen (all of such indebtedness, obligations and liabilities identified in (i), (ii) and (iii) above being hereinafter referred to as the "Indebtedness Hereby Secured"), the Mortgagor does hereby grant, sell, convey, mortgage and assign unto the Mortgagee, its successors and assigns and does hereby grant to Mortgagee, its successors and assigns a security interest in all and singular the Mortgagor's right, title and interest in and to the properties, rights, interests and privileges described in Granting Clauses I, II, III, IV, V, VI and VII below all of same being collectively referred to herein as the "Mortgaged Premises":

GRANTING CLAUSE I

That certain land lying and being in the County of Cook and State of Illinois, more particularly described in Exhibit "A" attached hereto and made a part hereof (the "Land").

GRANTING CLAUSE II

All buildings and improvements of every kind and description heretofore or hereafter erected or placed on the Land and all materials intended for construction, reconstruction, alteration and repair of the buildings and improvements now or hereafter erected thereon, all of which materials shall be deemed to be included within the Mortgaged Premises immediately upon the delivery thereof to the Land, and, except for business assets acquired after the date hereof with purchase money financing other than manufacturer equipment to be installed as part of the Renovations (as defined in the Loan Agreement) (such business assets, "Purchase Money Assets") all fixtures, machinery, apparatus, equipment, fittings and

articles of personal property of every kind and nature whatsoever now or hereafter attached to or contained in or used in connection with the Land and the buildings and improvements now or hereafter located thereon and the operation, maintenance and protection thereof, including but not limited to, all machinery, motors, fittings, radiators, awnings, shades, screens, all gas, coal, steam, electric, oil and other heating, cooking, power and lighting apparatus and fixtures, all fire prevention and extinguishing equipment and apparatus, all cooling and ventilating apparatus and systems, all plumbing, incinerating, sprinkler equipment and fixtures, all elevators and escalators, all communication and electronic monitoring equipment, all window and structural cleaning rigs and all other machinery and other equipment of every nature and fixtures and appurtenances thereto and all items of furniture, appliances, draperies, carpets, other furnishings, equipment and personal property used or useful in the operation, maintenance and protection of the Land and the buildings and improvements now or hereafter located thereon and all renewals or replacements thereof or articles in substitution therefor, whether or not the same are or shall be attached to such buildings or improvements in any manner; it being mutually agreed, intended and declared that all the aforesaid property shall, so far as permitted by law, be deemed to form a part and parcel of the Land and for the purpose of this Mortgage to be real estate and covered by this Mortgage; and as to the balance of the property aforesaid, this Mortgage is hereby deemed also to be a Security Agreement under the provisions of the Uniform Commercial Code of Illinois (810 ILCS 5/1 et seq.) ("Uniform Commercial Code") for the purpose of creating hereby a security interest in such property, which is hereby granted by Mortgagor, as debtor to Mortgagee, as secured party, securing the Indebtedness Hereby Secured. The addresses of Mortgagor (debtor) and Mortgagee (secured party) appear at the beginning hereof.

GRANTING CLAUSE III

All right, title and interest of Mortgagor now owned or hereafter acquired in and to all and singular the estates, tenements, hereditaments, privileges, easements, licenses, franchises, appurtenances and royalties, mineral, oil and water rights belonging or in any wise appertaining to the Land and the buildings and improvements now or hereafter located hereon and the reversions, rents, issues, revenues and profits thereof, including all interest of Mortgagor in all rents, issues and profits of the aforementioned property and all rents, issues, profits, revenues, royalties, bonuses, rights and benefits due, payable or accruing (including all deposits of money as advance rent or for security) under any and all leases and renewals thereof or under any contracts or options for the sale of all or any part of such property (including during any period allowed by law for the redemption of such property after any foreclosure or other sale), together with the right, but not the obligation, to collect, receive and receipt for all such rents and other sums and apply

them to the Indebtedness Hereby Secured and to demand, sue for and recover the same when due or payable; provided that the assignments made hereby shall not impair or diminish the obligations of Mortgagor under the provisions of such leases or other agreements nor shall such obligations be imposed upon Mortgagee. By acceptance of this Mortgage, Mortgagee agrees that until an Event of Default (as hereinafter defined) shall occur, Mortgagor may collect, receive (but not more than 30 days in advance) and enjoy such rents.

GRANTING CLAUSE IV

All judgments, awards of damages, settlements and other compensation hereafter made resulting from condemnation proceedings or the taking of the Land or any part thereof or any building or other improvements now or at any time hereafter located thereon or any easement or other appurtenance thereto under the power of eminent domain, or any similar power or right (including any award from the United States Government at any time after the allowance of the claim therefor, the ascertainment of the amount thereof and the issuance of the warrant for the payment thereof), whether permanent or temporary, or for any damage (whether caused by such taking or otherwise) to such property or any part thereof or the improvements thereon or any part thereof, or to any rights appurtenant thereto, including severance and consequential damage, and any award for change of grade of streets.

GRANTING CLAUSE V

All property and rights, if any, which are by the express provisions of this instrument required to be subjected to the lien hereof and any additional property and rights that may from time to time hereafter by installation or writing of any kind, be subjected to the lien hereof.

GRANTING CLAUSE VI

All rights in and to common areas and access roads on adjacent properties heretofore or hereafter granted to Mortgagor and any after-acquired title or reversion in and to the beds of any ways, roads, streets, avenues and alleys adjoining the Land or any part thereof.

GRANTING CLAUSE VII

All of the Mortgagor's "general intangibles" (as defined in the Uniform Commercial Code) now owned or hereafter acquired and related to the Mortgaged Premises, including, without limitation, all right, title and interest of the Mortgagor in and to: (i) all agreements, leases, licenses and contracts to which the Mortgagor is or may become a party relating to the Mortgaged Premises or improvements thereon; (ii) all obligations or indebtedness owing to

the Mortgagor (other than accounts) or other rights to receive payments of money from whatever source arising relating to the Mortgaged Premises; (iii) all tax refunds and tax refund claims relating to the Mortgaged Premises; (iv) all intellectual property relating to the Mortgaged Premises; and (v) all rights of Mortgage in all choses in action and causes of action relating to the Mortgaged Premises.

TO HAVE AND TO HOLD the Mortgaged Premises and the properties, rights and privileges hereby granted, sold, conveyed, mortgaged and assigned, and in which a security interest is granted, unto Mortgagee, its successors and assigns, forever; provided, however, that this instrument is upon the express condition that if the principal of and interest on the Note shall be paid in full and all other Indebtedness Hereby Secured shall be fully paid and performed and any commitment to advance funds contained in the Loan Agreement shall have been terminated, then this instrument and the estate and rights hereby granted shall cease, determine and be void and this instrument shall be released by Mortgagee upon the written request and at the expense of Mortgagor, otherwise to remain in full force and effect.

Mortgagor hereby covenants and agrees with Mortgagee as follows:

1. Payment of the Indebtedness. The Indebtedness Hereby Secured will be promptly paid as and when the same becomes due.

2. Representation of Title and Further Assurances. At the time of delivery of this Mortgage, the Mortgagor is well seized of an indefeasible estate in fee simple in the portion of the Mortgaged Premises which constitutes real property ("Real Property") subject only to the matters set forth in Exhibit "B" attached hereto and hereby made a part hereof (the "Permitted Exceptions"), and Mortgagor has good right, full power and lawful authority to convey and mortgage the Mortgaged Premises and create a security interest in that portion of the Mortgaged Premises which constitutes personal property or fixtures ("Personal Property") in the manner and form aforesaid; except for the Permitted Exceptions, the Mortgaged Premises is free and clear of all liens, charges, easements, covenants, conditions, restrictions and encumbrances whatsoever, including security agreements, conditional sales contracts and anything of a similar nature, and the Mortgagor shall and will forever defend the title to the Mortgaged Premises against the claims of all persons whomsoever. Mortgagor will execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purpose of this instrument and, without limiting the foregoing, to make subject to the lien hereof any property agreed to be subjected hereto or covered by the Granting Clauses hereof or intended so to be.

3. [Intentionally omitted]

4. Compliance with Loan Agreement. Mortgagor will abide by and comply with and be governed and restricted by all of the terms, covenants, provisions, restrictions and agreements contained in the Loan Agreement, and in each and every supplement thereto or amendment thereof which may at any time or from time to time be executed and delivered by the parties thereto or their successors and assigns.

5. Provisions of Loan Agreement. The provisions of the Loan Agreement which are incorporated herein by reference to the same extent as if fully set forth herein. Mortgagor covenants that any and all monetary disbursements made in accordance with the Loan Agreement shall constitute adequate consideration to Mortgagor for the enforceability of this Mortgage and the Note, and that all advances and indebtedness arising and accruing under the Loan Agreement from time to time, whether or not the total amount thereof may exceed the face amount of the Note, shall be secured by this Mortgage; provided, however, that the total indebtedness secured by this Mortgage and any other document or instrument now or hereafter given as security for the Indebtedness Hereby Secured shall not in any event exceed \$2,000,000.00. Upon the occurrence of an Event of Default under the Loan Agreement, the Mortgagee may (but need not): (i) declare the entire principal indebtedness and interest thereon due and payable and pursue all other remedies conferred upon Mortgagee by this Mortgage, any of the other Loan Documents or by law upon a default; or (ii) complete the "Renovations" described in the Loan Agreement and enter into the necessary contracts therefor in accordance therewith. All monies so expended shall be so much additional indebtedness secured by this Mortgage and shall be payable on demand with interest at the "Default Interest Rate" (as defined in the Note the "Default Interest Rate"). Mortgagee may exercise either or both of the aforesaid remedies. The provisions, rights, powers and remedies contained in the Loan Agreement are in addition to, and not in substitution for, those contained herein.

6. Payment of Taxes. Mortgagor shall pay before any penalty attaches all general taxes and all special taxes, special assessments, water, drainage and sewer charges and all other charges, of any kind whatsoever, ordinary or extraordinary, which may be levied, assessed, imposed or charged on or against the Mortgaged Premises or any part thereof and which, if unpaid, might by law become a lien or charge upon the Mortgaged Premises or any part thereof, and, upon request of Mortgagee, shall exhibit to Mortgagee official receipts evidencing such payments, except that, unless and until foreclosure, distraint, sale or other similar proceedings shall have been commenced, no such charge or claim need be paid if being contested (except to the extent any full or partial payment shall be required by law), after notice to Mortgagee, by appropriate proceedings which shall operate to

prevent the collection thereof or the sale or forfeiture of the Mortgaged Premises or any part thereof to satisfy the same, conducted in good faith and with due diligence and if Mortgagor shall have furnished such security, if any, as may be required in the proceedings or required by Mortgagee's title insurer to insure over the lien of such taxes.

7. Payment of Taxes on Note, Mortgage or Interest of Mortgagee. Mortgagor agrees that if any tax, assessment or imposition upon this Mortgage or the Indebtedness Hereby Secured or the Note or the interest of Mortgagee in the Mortgaged Premises by reason of any of the foregoing (including, without limitation, corporate privilege, franchise and excise taxes, but excepting therefrom any income tax on interest payments on the principal portion of the Indebtedness Hereby Secured imposed by the United States or any State) is levied, assessed or charged, then, unless all such taxes are paid by Mortgagor to, for or on behalf of Mortgagee as they become due and payable (which Mortgagor agrees to do upon demand of Mortgagee, to the extent permitted by law), or Mortgagee is reimbursed for any such sum advanced by Mortgagee, all Indebtedness Hereby Secured shall become immediately due and payable, at the option of Mortgagee, upon thirty (30) days' notice to Mortgagor, notwithstanding anything contained herein or in any law heretofore or hereafter enacted, including any provision thereof forbidding Mortgagor from making any such payment. Mortgagor agrees to provide to Mortgagee, upon request, official receipts showing payment of all taxes, assessments and impositions which Mortgagor is required to pay hereunder.

8. Tax and Insurance Deposits. Mortgagor covenants and agrees to deposit with Mortgagee, commencing on the date of first payment under the Note and on the first day of each successive month thereafter, until the Indebtedness Hereby Secured is fully paid, a sum equal to one-twelfth (1/12th) of (a) the annual taxes and assessments (general and special) on the Mortgaged Premises (unless said taxes are based upon assessments which exclude improvements thereon now constructed or to be constructed, in which event the amount of such deposits shall be based upon Mortgagee's reasonable estimate as to the amount of taxes and assessments to be levied and assessed) plus (b) the annual hazard insurance premiums for the Mortgaged Premises as reasonably estimated by Mortgagee. In addition, on the date of the disbursement of the loan evidenced by the Note, Mortgagor shall deposit with Mortgagee \$ 19,699.38 to be held by Mortgagee for payment of taxes, assessments and hazard insurance premiums. At all times Mortgagor shall have deposited with Mortgagee pursuant to this Section 8 an amount equal to an amount determined by Mortgagee to be necessary, when taken together with all amounts to be deposited hereunder by Mortgagor on a monthly basis, to pay all annual taxes assessments and hazard insurance when such amounts are due and payable plus an amount equal to 1/6th of such total annual amounts. If prior deposits are insufficient, Mortgagor shall deposit with Mortgagee an amount of

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money which, together with the aggregate of the monthly deposits made or to be made above as of one month prior to the date on which the total annual taxes, assessments and hazard insurance premiums for the current calendar year become due, shall be sufficient to pay in full the total annual taxes, assessments and hazard insurance premiums reasonably estimated by Mortgagee to become due and payable with respect to the Mortgaged Premises for the current calendar year. Such deposits are to be pledged to Mortgagee and are to be used for the payment of taxes, assessments (general and special) and hazard insurance premiums, respectively, on the Mortgaged Premises next due and payable when they become due. Mortgagee may, at its option, itself pay such taxes, assessments and hazard insurance premiums when the same become due and payable out of the foregoing Escrow (upon submission of appropriate bills therefor from Mortgagor) or shall release sufficient funds to Mortgagor in a time and manner to allow for payment of such taxes, assessments and hazard insurance premiums prior to the due date. If the funds so deposited are insufficient to pay any such taxes, assessments (general or special) and hazard insurance premiums for any year when the same shall become due and payable, Mortgagor shall within fifteen (15) days after receipt of demand therefor, deposit additional funds as may be necessary to pay such taxes, assessments (general and special) and hazard insurance premiums. If the funds so deposited exceed the amount required to pay such taxes, assessments (general and special) and hazard insurance premiums for any year, the excess shall be applied on the next due deposit or deposits. Such deposits need not be kept separate and apart from any other funds of Mortgagee.

9. Mortgagee's Interest In and Use of Deposits. Upon the occurrence of an Event of Default under this Mortgage, the Note, the Loan Agreement or any other Loan Document, the Mortgagee may at its option, without being required so to do, apply any monies at the time on deposit pursuant to Paragraph 8 hereof to the performance of any of Mortgagor's obligations hereunder or under the Note or Loan Agreement, in such order and manner as Mortgagee may elect. When the Indebtedness Hereby Secured has been fully paid, any remaining deposits shall be paid to Mortgagor. Such deposits are hereby pledged as additional security for the Indebtedness Hereby Secured and shall be irrevocably applied by Mortgagee for the purposes for which made hereunder and shall not be subject to the direction or control of Mortgagor; provided, however, that Mortgagee shall not be liable for any failure to apply to the payment of taxes, assessments and hazard insurance premiums any amount so deposited unless Mortgagor, while not in default hereunder, shall have requested Mortgagee in writing to make application of such funds to the payment of which they were deposited, accompanied by the bills for such taxes and assessments. Mortgagee shall not be liable for any act or omission taken in good faith or pursuant to the instruction of Mortgagor.

10. Recordation and Payment of Taxes and Expenses Incident Thereto. Mortgagor will cause this Mortgage, all mortgages supplemental hereto and any financing statement or other notices of a security interest required by Mortgagee at all times to be kept, recorded and filed at its own expense in such manner and in such places as may be required by law for the recording and filing or for the rerecording and refiling of a mortgage, security interest, assignment or other lien or charge upon the Mortgaged Premises, or any part thereof, in order fully to preserve and protect the rights of Mortgagee hereunder, and, without limiting the foregoing, Mortgagor will pay or reimburse Mortgagee for the payment of any and all taxes, fees or other charges incurred in connection with any such recordation or re-recordation, including any documentary stamp tax or tax imposed upon the privilege of having this instrument or any instrument issued pursuant hereto recorded.

11. Insurance. Mortgagor will, at its expense, maintain insurance in accordance with the requirements of the Loan Agreement. The proceeds of such insurance shall be applied as provided in Section 12 hereof. In the event of foreclosure, Mortgagor authorizes and empowers Mortgagee to obtain and maintain insurance upon the Mortgaged Premises in the amounts provided in the Loan Agreement, for a period covering the time of redemption from foreclosure sale provided by law, and if necessary therefor, to cancel any or all existing insurance policies.

12. Damage to and Destruction of the Improvements.

(a) Notice. In the case of any Material Damage ("Material Damage") to or destruction of any improvements which are or will be constructed on the Mortgaged Premises or any part thereof, Mortgagor shall promptly give notice thereof to Mortgagee generally describing the nature and extent of such damage or destruction. Material Damage shall mean damages in excess of \$50,000.00.

(b) Restoration. Upon the occurrence of any Material Damage to or destruction of any improvements on the Mortgaged Premises, provided Mortgagee permits the proceeds of insurance to be used for repairs, Mortgagor shall cause such damaged or destroyed improvements to be restored, replaced or rebuilt as nearly as possible to their value, condition and character immediately prior to such damage or destruction. Such restoration, replacement or rebuilding shall be effected promptly and Mortgagor shall notify the Mortgagee if it appears that such restoration, replacement or rebuilding may be unduly delayed. Any amounts required for repairs in excess of insurance proceeds shall be paid by Mortgagor.

(c) Application of Insurance Proceeds. Subject to the provisions set forth below in this Section 12(c) and Section 12(d), net insurance proceeds received by the Mortgagee under the provisions of this Mortgage or any instrument supplemental hereto or thereto or any policy or policies of insurance covering any

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improvements on the Mortgaged Premises or any part thereof shall be applied by the Mortgagee at its option as and for a prepayment on the Note (whether or not the same is then due or otherwise adequately secured) or shall be disbursed for restoration of such improvements (in which event the Mortgagee shall not be obligated to supervise restoration work nor shall the amount so released or used be deemed a payment of the indebtedness evidenced by the Note). If Mortgagee elects to permit the use of the insurance proceeds to restore such improvements it may do all necessary acts to accomplish that purpose including using funds deposited by Mortgagor with it for any purpose and advancing additional funds, all such additional funds to constitute part of the Indebtedness Hereby Secured. If Mortgagee elects to make the insurance proceeds available to Mortgagor for the purpose of effecting such a restoration, or, following an Event of Default, elects to restore such improvements, any excess of insurance proceeds above the amount necessary to complete such restoration shall be applied as and for a prepayment on the Note. Notwithstanding the foregoing provisions, Mortgagee agrees that net insurance proceeds shall be made available for the restoration of the portion of the Mortgaged Premises damaged or destroyed if:

(i) the cost of repairs is \$250,000.00 or less;

(ii) no Event of Default, or event which if uncured within any applicable cure period would constitute an Event of Default, shall have occurred and be continuing hereunder or under the Loan Documents and if such an event shall occur during restoration Mortgagee may, at its election and provided all applicable notice and cure or grace periods have expired without cure by Mortgagor, apply insurance proceeds then remaining in its hands to the reduction of the Indebtedness Hereby Secured);

(iii) Mortgagor shall have submitted to Mortgagee evidence reasonably satisfactory to Mortgagee (including, at Mortgagee's election, fixed price contracts with good and responsible contractors and materialmen covering all work and materials necessary to complete restoration), that the cost to complete restoration is not in excess of the amount of insurance proceeds available for restoration, or if a deficiency shall exist, Mortgagor shall have deposited the amount of such deficiency with Mortgagee;

(iv) in Mortgagee's reasonable judgment, all restoration can be completed within thirty (30) days prior to the Maturity Date of the Note;

(v) Mortgagor is maintaining business interruption and/or rents loss insurance and is receiving the proceeds of such insurance;

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(vi) no tenants not affected by the casualty terminate their leases as a result of such damage or destruction; and

(vii) all insurers have waived any subrogation rights against Mortgagor under the insurance policies maintained by Mortgagor.

Any insurance proceeds to be released pursuant to the foregoing provisions shall be disbursed from time to time as restoration progresses to pay for restoration work completed and in place. Mortgagee may impose such further conditions upon the release of insurance proceeds (including the receipt of title insurance) as are customarily imposed by prudent construction lenders to insure the completion of the restoration work free and clear of all liens or claims for lien. All necessary and reasonable title insurance charges and other costs and expenses paid to or for the account of Mortgagee in connection with the release of such insurance proceeds shall constitute so much additional Indebtedness Hereby Secured by this Mortgage to be payable upon demand and if not paid upon demand shall bear interest at the Default Interest Rate. Mortgagee may deduct any such costs and expenses from insurance proceeds at any time held by Mortgagee. No interest shall be payable to Mortgagor upon insurance proceeds held by Mortgagee.

(d) Adjustment of Loss. Mortgagee is hereby authorized and empowered, at its option, to adjust or compromise any loss of more than \$250,000.00 under any insurance policies covering or relating to the Mortgaged Premises and to collect and receive the proceeds from any such policy or policies. Mortgagor hereby irrevocably appoints Mortgagee as its attorney-in-fact for the purposes set forth in the preceding sentence. Each insurance company is hereby authorized and directed to make payment (i) of 100% of all such losses of more than said amount directly to Mortgagee alone and (ii) of 100% of all such losses of said amount or less directly to Mortgagor alone, and in no case to Mortgagor and Mortgagee jointly. After deducting from such insurance proceeds any expenses incurred by Mortgagee in the collection and settlement thereof, including without limitation reasonable attorneys' and adjusters' fees and charges, Mortgagee shall apply the net proceeds as provided in Section 12(c). Mortgagee shall not be responsible for any failure to collect any insurance proceeds due under the terms of any policy regardless of the cause of such failure except for its gross negligence or willful misconduct.

13. Eminent Domain.

(a) Notice. Mortgagor covenants and agrees that Mortgagor will give Mortgagee immediate notice of the actual or threatened commencement of any proceedings under condemnation or eminent domain affecting all or any part of the Mortgaged Premises including any easement therein or appurtenance thereof or severance and consequential damage and change in grade of streets, and will

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deliver to Mortgagee copies of any and all papers served in connection with any such proceedings.

(b) Assignment of Claim, Power of Attorney to Collect, Etc.

Any and all awards heretofore or hereafter made or to be made to the present and all subsequent owners of the Mortgaged Premises by any governmental body for taking or affecting the whole or any part of the Mortgaged Premises, the improvements on the Mortgaged Premises or any easement therein or appurtenance thereto (including any award from the United States Government at any time after the allowance of the claim therefor, the ascertainment of the amount thereof and the issuance of the award for payment thereof) are hereby assigned by Mortgagor to Mortgagee to the extent of the Indebtedness Hereby Secured and Mortgagor hereby irrevocably constitutes and appoints Mortgagee its true and lawful attorney in fact with full power of substitution for it and in its name, place and stead to collect and receive the proceeds of any such award granted by virtue of any such taking and to give proper receipts and acquittances therefor. Mortgagee shall not settle any condemnation award with the condemning party without the consent of the Mortgagor, not to be unreasonably withheld, conditioned or delayed. Mortgagor shall have the right to participate in any proceedings which determine the award to be granted.

(c) Effect of Condemnation and Application of Awards.

In the event that any proceedings are commenced by any governmental body or other person to take or otherwise affect the Mortgaged Premises, the improvements thereon or any easement therein or appurtenance thereto, Mortgagee may, at its option, apply the proceeds of any award made in such proceedings as and for a prepayment on the indebtedness evidenced by the Note, notwithstanding the fact that such indebtedness may not then be due and payable or is otherwise adequately secured. Notwithstanding the foregoing provisions, Mortgagee agrees that net condemnation proceeds shall be made available for the restoration of the portion of the Mortgage Premises not so taken if:

(i) the cost of restoration is \$250,000.00 or less;

(ii) no Event of Default, or event which upon giving of a notice, the passage of time or both would constitute an Event of Default, shall have occurred and be continuing hereunder or under the Loan Documents (and if such an event shall occur during restoration Mortgagee may, at its election and provided all applicable notice and cure or grace periods have expired without cure by Mortgagor, apply condemnation proceeds then remaining in its hands to the reduction of the Indebtedness Hereby Secured);

(iii) Mortgagor shall have submitted to Mortgagee evidence reasonably satisfactory to Mortgagee (including, at Mortgagee's election, fixed price contracts with good and responsible contractors and materialmen covering all work and materials necessary to complete restoration), that the cost to complete restoration is not in excess of the amount of

condemnation proceeds available for restoration, or if a deficiency shall exist, Mortgagor shall have deposited the amount of such deficiency with Mortgagee;

(iv) in Mortgagee's reasonable judgment, all restoration can be completed within thirty (30) days prior to the Maturity Date of the Note;

(v) Mortgagor is maintaining rents loss insurance and is receiving the proceeds of such insurance; and

14. Construction, Repair, Waste, Etc. Except for the improvements on the Mortgaged Premises to be constructed pursuant to the provisions of the Loan Agreement, Mortgagor covenants and agrees (i) that no building or other improvement on the Mortgaged Premises and constituting a part thereof shall be materially altered, removed or demolished nor shall any material fixtures or appliances on, in or about such buildings or improvements be severed, removed, sold or mortgaged, without the consent of Mortgagee; and in the event of the demolition or destruction in whole or in part of any of the material fixtures, chattels or articles of personal property covered hereby, the same will be replaced promptly by similar fixtures, chattels and articles of substantially similar quality and condition to those replaced, free from any security interest in or encumbrance thereon or reservation of title thereto; (ii) to permit, commit or suffer no waste, impairment or deterioration of the Mortgaged Premises or any part thereof (ordinary wear and tear and damage from casualty and condemnation excepted); (iii) to keep and maintain the Mortgaged Premises and every part thereof in good and first class repair and condition (ordinary wear and tear and damages from casualty and condemnation excepted); (iv) to comply with all statutes, orders, requirements or decrees relating to the Mortgaged Premises by any federal, state or municipal authority; (v) to observe and comply with all conditions and requirements necessary to preserve and extend any and all rights, licenses, permits (including, but not limited to, zoning variances, special exceptions and nonconforming uses), privileges, franchises and concessions which are applicable to the Mortgaged Premises or which have been granted to or contracted for by Mortgagor in connection with any existing or presently contemplated use of the Mortgaged Premises or any part hereof and not to initiate or acquiesce in any changes to or terminations of any of the foregoing or of zoning classifications affecting the use to which the Mortgaged Premises or any part thereof may be put without the prior written consent of Mortgagee; and (vii) to make no material alterations in or material improvements or additions to the Mortgaged Premises without Mortgagee's written permission except the Renovations as contemplated by the Loan Agreement or required by governmental authority.

15. Liens and Encumbrances. Mortgagor will not, without the prior written consent of Mortgagee, directly or indirectly, create

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or suffer to be created, or to remain, and will discharge or promptly cause to be discharged any mortgage, lien, encumbrance or charge on, pledge or conditional sale or other title retention agreement with respect to the Mortgaged Premises or any part thereof, whether superior or subordinate to the lien hereof, except for this instrument and the lien of all other documents given to secure the Indebtedness Hereby Secured; provided, however, that Mortgagor may contest the validity of any mechanic's lien, charge or encumbrance (other than the lien of this Mortgage or of any other document securing payment of the Note) upon giving Mortgagee timely notice of its intention to contest the same and either (a) maintaining with Mortgagee a deposit of cash or negotiable securities satisfactory to Mortgagee in an amount sufficient in the opinion of Mortgagee to pay and discharge or to assure compliance with the matter under contest in the event of a final determination thereof adversely to Mortgagor or (b) obtaining title insurance coverage over such lien on Mortgagee's title insurance policy by endorsements acceptable to Mortgagee. Mortgagor agrees to prosecute and contest such lien diligently and by appropriate legal proceedings which will prevent the enforcement of the matter under contest and will not impair the lien of this Mortgage or interfere with the normal conduct of business on the Mortgaged Premises. On final disposition of such contest, any cash or securities in Mortgagee's possession not required to pay or discharge or assure compliance with the matter contested shall be returned to Mortgagor without interest.

16. Right of Mortgagee to Perform Mortgagor's Covenants, Etc.

If Mortgagor shall fail to make any payment or perform any act required to be made or performed hereunder, Mortgagee, without waiving or releasing any obligation of default, may (but shall be under no obligation to) at any time thereafter, upon prior written notice to Mortgagor and failure of Mortgagor to make such payment or perform such act within any applicable cure period provided herein, make such payment or perform such act for the account and at the expense of Mortgagor, and may enter upon the Mortgaged Premises or any part thereof for such purpose and take all such action thereon as, in the opinion of Mortgagee, may be necessary or appropriate therefor. All sums so paid by Mortgagee and all costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) so incurred, together with interest thereon from the date of payment or incurrence at the Default Interest Rate, shall constitute so much additional Indebtedness Hereby Secured and shall be paid by Mortgagor to Mortgagee on demand. Mortgagee in making any payment authorized under this Section relating to taxes or assessments may do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax assessment, sale, forfeiture, tax lien or title or claim thereof.

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17. After-Acquired Property. Except for Purchase Money Assets, any and all property hereafter acquired which is of the kind or nature herein provided and related to the Land, or intended to be and become subject to the lien hereof, shall ipso facto, and without any further conveyance, assignment or act on the part of Mortgagor, become and be subject to the lien of this Mortgage as fully and completely as though specifically described herein; but nevertheless Mortgagor shall from time to time, if requested by Mortgagee, execute and deliver any and all such further assurances, conveyances and assignments as Mortgagee may reasonably require for the purpose of expressly and specifically subjecting to the lien of this Mortgage all such property.

18. Inspection by Mortgagee. Mortgagee and its agents shall have the right to inspect the Mortgaged Premises at all reasonable times upon reasonable advance notice to Mortgagor, subject to rights of tenants, and access thereto shall be permitted for that purpose.

19. Subrogation. Mortgagor acknowledges and agrees that Mortgagee shall be subrogated to any lien discharged out of the proceeds of the loan evidenced by the Note or out of any advance by Mortgagee hereunder or under the Loan Agreement, irrespective of whether or not any such lien may have been released of record.

20. Transfer of the Mortgaged Premises.

(a) In determining whether or not to make the loan secured hereby, Mortgagee has examined the credit-worthiness of Mortgagor, found it acceptable and relied and continues to rely upon same as the means of repayment of the loan evidenced by the Note. Mortgagor is well-experienced in borrowing money and owning and operating property such as the Mortgaged Premises, was ably represented by a licensed attorney at law in the negotiation and documentation of the loan secured hereby and bargained at arm's length and without duress of any kind for all of the terms and conditions of the loan secured hereby, including this provision. Mortgagor further recognizes that any secondary or junior financing placed upon the Mortgaged Premises by Mortgagor, (i) may divert funds which would otherwise be used to pay the loan secured hereby, (b) could result in acceleration and foreclosure by any such junior encumbrancer which would force Mortgagee to take measures and incur expenses to protect its security, (c) would detract from the value of the Mortgaged Premises should Mortgagee come into possession thereof with the intention of selling the Mortgaged Premises; and (d) impair Mortgagee's right to accept a deed in lieu of foreclosure as a foreclosure by Mortgagee would be necessary to clear the title to the Mortgaged Premises.

(b) In accordance with the foregoing and for the purposes of (i) protecting Mortgagee's security, both of repayment by Mortgagor and in the value of the Mortgaged Premises; (ii) giving Mortgagee

the full benefit of its bargain and contract with Mortgagor; (iii) allowing Mortgagee to raise the interest rate and/or collect assumption fees; and (iv) keeping the Mortgaged Premises free of subordinate financing liens, Mortgagor agrees that if this Section be deemed a restraint on alienation, that it is a reasonable one, and except as otherwise expressly permitted under the Loan Agreement, Mortgagor shall not permit or suffer to occur any sale, assignment, conveyance, mortgage, lease, pledge, encumbrance or other transfer of, or the granting of any option in, or any contract for any of the foregoing (on an installment basis or otherwise) pertaining to:

(i) the Mortgaged Premises, any part thereof, or any interest therein; or

(ii) any membership interest in Mortgagor.

whether involuntary or by operation of law or otherwise, without the prior written consent of Mortgagee having been obtained to such sale, assignment, conveyance, mortgage, lease, option, pledge, encumbrance or other transfer (each a "Prohibited Transfer"). Mortgagor agrees that if a Prohibited Transfer occurs, Mortgagee may, without notice to Mortgagor, deal in any way with such successor or successors in interest with reference to this Mortgage, the Note, and any other document evidencing the Indebtedness Hereby Secured, without in any way vitiating or discharging Mortgagor's liability hereunder or under any other document evidencing the Indebtedness Hereby Secured. Prohibited Transfer, forbearance to any person with respect to this Mortgage, or extension to any person of the time for payment of the Note given by Mortgagee shall operate to release, discharge, modify, change or affect the liability of Mortgagor, either in whole or in part, except to the extent specifically agreed in writing by Mortgagee. Without limitation of the foregoing, in any event in which the written consent of Mortgagee is required in this Section 20, Mortgagee may condition its consent upon any combination of (i) the payment of compensation to be determined by Mortgagee, (ii) the increase of the interest rate payable under the Note, (iii) the shortening of maturity of the Note, and (iv) other modifications of the terms of the Note or the other instruments evidencing the Indebtedness Hereby Secured.

(c) Without limitation of the foregoing, (i) in any event in which Mortgagee's consent is requested in accordance with the terms of this Section 20, Mortgagor shall pay all expenses incurred by Mortgagee, including reasonable attorneys' fees, in connection with the processing of such request, and (ii) the consent of Mortgagee to any Prohibited Transfer shall not operate to release, discharge, modify, change or affect the liability of Mortgagor, either in whole or in part.

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21. Events of Default. Any one or more of the following shall constitute an "Event of Default" hereunder:

(a) Default in making payment within five (5) days of the due date of such payment of the principal of or interest on the Note or default in making payment within ten (10) days of written notice that such payment is due of any other Indebtedness Hereby Secured;

(b) Any violation of Sections 11 or 20 hereof;

(c) The Mortgaged Premises is abandoned by the Mortgagor;

(d) Default in the observance or performance of any other covenant, condition, agreement or provisions hereof or of the Note or any additional collateral document which is not remedied within thirty (30) days after written notice thereof to Mortgagor by Mortgagee, or if such remedy cannot be made within thirty (30) days, the failure of Mortgagor to commence such remedy within such thirty (30) day period and diligently pursue such remedy to completion;

(e) Any representation or warranty made by the Mortgagor herein or in the Note, Loan Agreement or any other Loan Documents or in any statement or certificate furnished pursuant hereto or thereto proves untrue in any material respect as of the date of the issuance or making thereof, which is not remedied within thirty (30) days after written notice thereof to Mortgagor to Mortgagee, if such remedy cannot be made within thirty (30) days, the failure of Mortgagor to commence such remedy within such thirty (30) day period and diligently pursue such remedy to completion;

(f) Any Event of Default shall occur under the Loan Agreement, the Note or any other of the Loan Documents.

22. Remedies. When any Event of Default has happened and is continuing (regardless of the pendency of any proceeding which has or might have the effect of preventing Mortgagor from complying with the terms of this instrument) and in addition to such other rights as may be available under applicable law or under the Loan Agreement, but subject at all times to any mandatory legal requirements:

(a) Acceleration. The Note and all unpaid Indebtedness Hereby Secured, including interest then accrued thereon, shall be accelerated and be forthwith due and payable without other notice or demand of any kind.

(b) Uniform Commercial Code. Mortgagee shall, with respect to any part of the Mortgaged Premises constituting property of the type in respect of which realization on a lien or security interest granted therein is governed by the Uniform Commercial Code, have all the rights, options and remedies of a secured party under the Uniform Commercial Code, including without limitation, the right to the possession of any such property or any part thereof, and the right to enter with or without legal process any premises where any such property may be found. Any requirement of such Code for reasonable notification shall be met by mailing written notice to Mortgagor at its address above set forth at least ten (10) days prior to the sale or other event for which such notice is required. The expenses of retaking, selling and otherwise disposing of such property, including reasonable attorneys' fees and legal expenses incurred in connection therewith, shall constitute so much additional Indebtedness Hereby Secured and shall be payable upon demand with interest at the Default Interest Rate.

(c) Foreclosure. Mortgagee may proceed to protect and enforce the rights of Mortgagee hereunder (i) by any action at law, suit in equity or other appropriate proceedings, whether for the specific performance of any agreement contained herein, or for an injunction against the violation of any of the terms hereof, or in aid of the exercise of any power granted hereby or by law, or (ii) by the foreclosure of this Mortgage. In any suit to foreclose the lien hereof, there shall be allowed and included as additional Indebtedness Hereby Secured in the decree of sale, all reasonable expenditures and expenses authorized by the Illinois Mortgage Foreclosure Law, 735 ILCS 5/15-1101, et seq., as from time to time amended (the "Act") and all other expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for reasonable attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, and similar data and assurance with respect to title as Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at sales which may be had pursuant to such decree the true conditions of the title to or the value of the Mortgaged Premises. All expenditures and expenses of the nature mentioned in this paragraph, and such other expenses and fees as may be incurred in the protection of the Mortgaged Premises and rents and income therefrom and the maintenance of the lien of this Mortgage, including the reasonable fees of any attorney employed by Mortgagee in any litigation or proceedings affecting this Mortgage, the Note or the Mortgaged Premises, including bankruptcy proceedings, or in preparation of the commencement or defense of any proceedings or threatened suit or proceeding, or otherwise in dealing specifically therewith, shall be so much additional Indebtedness Hereby Secured and shall be immediately due and

payable by Mortgagor, with interest thereon at the Default Interest Rate until paid.

(d) Appointment of Receiver. Mortgagee shall, as a matter of right, without notice and without giving bond to Mortgagor or anyone claiming by, under or through it, and without regard to the solvency or insolvency of Mortgagor or the then value of the Mortgaged Premises, be entitled to have a receiver appointed pursuant to the Act of all or any part of the Mortgaged Premises and the rents, issues and profits thereof, with such power as the court making such appointment shall confer, and Mortgagor hereby consents to the appointment of such receiver and shall not oppose any such appointment. Any such receiver may, to the extent permitted under applicable law, without notice, enter upon and take possession of the Mortgaged Premises or any part thereof by force, summary proceedings, ejectment or otherwise, and may remove Mortgagor or other persons and any and all property therefrom, and may hold, operate and manage the same and receive all earnings, income, rents, issues and proceeds accruing with respect thereto or any part thereof, whether during the pendency of any foreclosure or until any right of redemption shall expire or otherwise.

(e) Taking Possession, Collecting Rents, Etc. Upon demand by Mortgagee, Mortgagor shall surrender to Mortgagee and Mortgagee may enter and take possession of the Mortgaged Premises or any part thereof personally, by its agent or attorneys or be placed in possession pursuant to court order as mortgagee in possession or receiver as provided in the Act and Mortgagee, in its discretion, personally, by its agents or attorneys or pursuant to court order as mortgagee in possession or receiver as provided in the Act may enter upon and take and maintain possession of all or any part of the Mortgaged Premises, together with all documents, books, records, papers, and accounts of Mortgagor relating thereto, and may exclude Mortgagor and any agents and servants thereof wholly therefrom and may, on behalf of Mortgagor, or in its own name as Mortgagee and under the powers herein granted:

(i) hold, operate, manage and control all or any part of the Mortgaged Premises and conduct the business, if any, thereof, either personally or by its agents, with full power to use such measures, legal or equitable, as in its discretion may be deemed proper or necessary to enforce the payment or security of the rents, issues, deposits, profits, and avails of the Mortgaged Premises, including without limitation actions for recovery of rent, actions in forcible detainer, and actions in distress for rent, all without notice to Mortgagor;

(ii) cancel or terminate any lease or sublease of all or any part of the Mortgaged Premises for any cause or on any ground that would entitle Mortgagor to cancel the same;

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(iii) elect to disaffirm any lease or sublease of all or any part of the Mortgaged Premises made subsequent to this Mortgage without Mortgagee's prior written consent;

(iv) extend or modify any then existing leases and make new leases of all or any part of the Mortgaged Premises, which extensions, modifications, and new leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the maturity date of the loan evidenced by the Note and the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such leases, and the options or other such provisions to be contained therein, shall be binding upon Mortgagor, all persons whose interests in the Mortgaged Premises are subject to the lien hereof, and the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from sale, discharge of the Indebtedness Hereby Secured, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any such purchaser;

(v) make all necessary or proper repairs, decoration renewals, replacements, alterations, additions, betterments, and improvements in connection with the Mortgaged Premises as may seem reasonably judicious to Mortgagee, to insure and reinsure the Mortgaged Premises and all risks incidental to Mortgagee's possession, operation and management thereof, and to receive all rents, issues, deposits, profits, and avails therefrom; and

(vi) apply the net income, after allowing a reasonable fee for the collection thereof and for the management of the Mortgaged Premises, to the payment of taxes, premiums and other charges applicable to the Mortgaged Premises, or in reduction of the Indebtedness Hereby Secured in such order and manner as Mortgagee shall select with the remainder to Mortgagor.

Nothing herein contained shall be construed as constituting Mortgagee a mortgagee in possession in the absence of the actual taking of possession of the Mortgaged Premises. The right to enter and take possession of the Mortgaged Premises and use any personal property therein, to manage, operate, conserve and improve the same, and to collect the rents, issues and profits thereof, shall be in addition to all other rights or remedies of Mortgagee hereunder or afforded by law, and may be exercised concurrently therewith or independently thereof. The expenses (including any reasonable receivers' fees, reasonable counsel fees, costs and agents' compensation) incurred pursuant to the powers herein contained shall be secured hereby which expenses Mortgagor promises to pay upon demand together with interest at the rate applicable to the

Note at the time such expenses are incurred. Mortgagee shall not be liable to account to Mortgagor for any action taken pursuant hereto other than to account for any rents actually received by Mortgagee. Without taking possession of the Mortgaged Premises, Mortgagee may, in the event the Mortgaged Premises become vacant or are abandoned, take such steps as it deems reasonably necessary to protect and secure the Mortgaged Premises (including hiring watchmen therefor) and all costs incurred in so doing shall constitute so much additional Indebtedness Hereby Secured payable upon demand with interest thereon at the Default Interest Rate.

23. Compliance with Illinois Mortgage Foreclosure Law.

(a) In the event that any provision in this Mortgage shall be inconsistent with any provision of the Act, the provisions of the Act shall take precedence over the provisions of this Mortgage, but shall not invalidate or render unenforceable any other provision of this Mortgage that can be construed in a manner consistent with the Act.

(b) If any provision of this Mortgage shall grant to Mortgagee any rights or remedies upon default of the Mortgagor which are more limited than the rights that would otherwise be vested in Mortgagee under the Act in the absence of such provision, Mortgagee shall be vested with the rights granted in the Act to the full extent permitted by law.

(c) Without limiting the generality of the foregoing, all expenses incurred by Mortgagee to the extent reimbursable under Sections 5/15-1510 and 5/15-1512 of the Act, whether incurred before or after any decree or judgment of foreclosure, and whether enumerated in this Mortgage, shall be added to the indebtedness secured by this Mortgage or by the judgment of foreclosure.

24. Waiver of Right to Redeem - Waiver of Appraisalment, Valuation, Etc. To the extent permitted by law, Mortgagor shall not and will not apply for or avail itself of any appraisalment, valuation, stay, extension or exemption laws, or any so-called "Moratorium Laws," now existing or hereafter enacted in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but hereby waives the benefit of such laws. Mortgagor for itself and all who may claim through or under it waives any and all right to have the property and estates comprising the Mortgaged Premises marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Mortgaged Premises sold as an entirety. In the event of any sale made under or by virtue of this instrument, the whole of the Mortgaged Premises may be sold in one parcel as an entirety or in separate lots or parcels at the same or different times, all as the Mortgagee may determine. Mortgagee shall have the right to become the purchaser at any sale made under or by virtue of this

instrument and Mortgagee so purchasing at any such sale shall have the right to be credited upon the amount of the bid made therefor by Mortgagee with the amount payable to Mortgagee out of the net proceeds of such sale. In the event of any such sale, the Note and the other Indebtedness Hereby Secured, if not previously due, shall be and become immediately due and payable without demand or notice of any kind. Mortgagor acknowledges that, upon acquisition of the Mortgaged Premises, the Mortgaged Premises will not constitute agricultural real estate, as defined in Section 5/15-1201 of the Act, or residential real estate, as defined in Section 5/15-1219 of the Act. To the fullest extent permitted by law, Mortgagor, pursuant to Section 5/15-1601(b) of the Act, hereby voluntarily and knowingly waives any and all rights of redemption on behalf of Mortgagor, and each and every person acquiring any interest in, or title to the Mortgaged Premises described herein subsequent to the date of this Mortgage, and on behalf of all other persons to the extent permitted by applicable law.

25. Costs and Expenses of Foreclosure. In any suit to foreclose the lien hereof there shall be allowed and included as additional indebtedness in the decree for sale all reasonable expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographic charges, publication costs and costs (which may be estimated as to items to be expended after the entry of the decree) of procuring all such abstracts of title, title searches and examination, guarantee policies and similar data and assurances with respect to title as Mortgagee may deem to be reasonably necessary either to prosecute any foreclosure action or to evidence to the bidder at any sale pursuant thereto the true condition of the title to or the value of the Mortgaged Premises, and all of which expenditures shall become so much additional Indebtedness Hereby Secured which Mortgagor agrees to pay and all of such shall be immediately due and payable with interest thereon from the date of expenditure until paid at the Default Interest Rate.

26. Insurance After Foreclosure. Wherever provision is made in the Mortgage or the Loan Agreement for insurance policies to bear mortgage clauses or other loss payable clauses or endorsements in favor of Mortgagee, or to confer authority upon Mortgagee to settle or participate in the settlement of losses under policies of insurance or to hold and disburse or otherwise control use of insurance proceeds, from and after the entry of judgment of foreclosure, all such rights and powers of the Mortgagee shall continue in the Mortgagee as judgment creditor or mortgagee until confirmation of sale. Upon confirmation of sale, Mortgagee shall be empowered to assign all policies of insurance to the purchaser at the sale.

27. Indemnity. To the fullest extent permitted by law, Mortgagor shall indemnify, save and keep Mortgagee harmless from

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any damage, claims or causes of action brought by third parties arising out of or related to the Mortgaged Premises prior to any possession thereof by Mortgagee or otherwise arising out of or related to Mortgagor's operations and management or other activities of or in connection with the Mortgaged Premises. Mortgagor hereby acknowledges that Mortgagee shall not be deemed to have assumed any responsibility or liability in respect to the Mortgaged Premises on account of any inspections thereof by Mortgagee or Mortgagee's receipt or review of information and materials furnished by Mortgagor.

28. Additional Assurances. Mortgagor shall execute and deliver or cause to be executed and delivered to Mortgagee now, and at any time or times hereafter, all documents, instruments, letters of direction, notices, authorizations, reports, acceptances, receipts, consents, waivers, affidavits and certificates as Mortgagee may reasonably request, in form satisfactory to Mortgagee, to perfect and maintain perfected the liens granted by Mortgagor to Mortgagee upon the Mortgaged Premises or other collateral securing the obligation of the Mortgagor pursuant to the terms of this Mortgage and the Loan Documents or in order to consummate fully all of the transactions contemplated hereunder; and in connection therewith, in the event Mortgagor fails to execute and deliver to Mortgagee any such document within thirty (30) days of a written request to do so, Mortgagor hereby irrevocably makes, constitutes and appoints Mortgagee and any of its officers, employees or agents, as its true and lawful attorney with power to sign the name of Mortgagor to any such document, instrument, letter of direction, notice, report, acceptance, receipt, consent, waiver, affidavit or certificate if Mortgagor has not complied with Mortgagee's request to execute such document within seven (7) days from date of written request.

29. Modification to Documents. Mortgagor shall not, without the prior written consent of Mortgagee, amend or modify the operating agreement of Mortgagor in any material way.

30. Mortgagee Party to Suits. If Mortgagee shall be made a party to or shall intervene in any action or proceeding affecting the Mortgaged Premises or the title thereto or the interest of Mortgagee under this Mortgage (including probate and bankruptcy proceedings), or if Mortgagee employs an attorney to collect any or all of the Indebtedness Hereby Secured or to enforce any of the terms hereof or realize hereupon or to protect the lien hereof, or if Mortgagee shall incur any costs or expenses in preparation for the commencement of any foreclosure proceeding or for the defense of any threatened suit or proceeding which might affect the Mortgaged Premises or the security hereof, whether or not any such foreclosure or other suit or proceeding shall be actually commenced, then in any such case, Mortgagor agrees to pay to Mortgagee, within five (5) days of demand, all reasonable costs, charges, expenses and attorneys' fees incurred by Mortgagee in any

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such case, and the same shall constitute so much additional Indebtedness Hereby Secured payable upon demand with interest at the Default Interest Rate.

31. Information Concerning Mortgagor. So long as the obligations of Mortgagor remain unpaid, Mortgagor will promptly supply Mortgagee with such information concerning its affairs and property as Mortgagee may reasonably request from time to time hereafter; promptly notify Mortgagee of any condition or event which constitutes a breach or Event of Default of any term, condition, warranty, representation or provision of this Mortgage or any of the Loan Documents and of any material adverse change in the financial condition of Mortgagor or Guarantors.

32. Protective Advances. All reasonable advances, disbursements and expenditures 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 Act (collectively "Protective Advances"), shall have the benefit of all applicable provisions of the Act, including those provisions of the Act herein below 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 Mortgaged Premises; (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 Mortgaged Premises 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 valid senior mortgages or any other prior liens;

(d) reasonable attorneys' fees and other costs incurred: (i) in connection with the foreclosure of this Mortgage as referred to in Section 5/1504 (d)(2) and 5/15-1510 of the Act; (ii) in connection with any action, suit or proceeding brought by or against the Mortgagee for the enforcement of this Mortgage or

arising from the interest of the 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 reasonable 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; and

(h) expenses incurred and expenditures made by Mortgagee for any one or more of the following: (a) 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 mortgaged real estate imposed by Subsection (c) (1) of Section 5/15-1704 of the Act; (b) repair or restoration of damage or destruction in excess of available insurance proceeds or condemnation awards; (c) payments required or deemed by Mortgagee to be for the benefit of the Mortgaged Premises 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 mortgaged real estate; (d) shared or common expense assessments payable to any association or corporation in which the owner of the mortgaged real estate is a member in any way affecting the mortgaged real estate; (e) pursuant to any lease or other agreement for occupancy of the mortgaged real estate.

All Protective Advances shall be so much additional Indebtedness Hereby Secured, and shall become immediately due and payable without notice and with interest thereon from the date of the advance until paid at the Default Interest Rate.

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) (10) 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:

(i) determination of the amount of Indebtedness Hereby Secured at any time;

(ii) the indebtedness found due and owing to the 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;

(iii) determination of amounts deductible from sale proceeds pursuant to Section 5/15-1512 of the Act;

(iv) application of income in the hands of any receiver or Mortgagee in possession; and

(v) 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.

33. Application of Proceeds. The proceeds of any foreclosure sale of the Mortgaged Premises or of any sale of property pursuant to the Uniform Commercial Code shall be distributed in the following order of priority: First, on account of all costs and expenses incident to the foreclosure or other proceedings including all such items as are expressly mentioned in this Mortgage; Second, to all other items which under the terms hereof constitute Indebtedness Hereby Secured in addition to that evidenced by the Note with interest thereon as herein provided; Third, to all interest on the Note; Fourth, to all principal on the Note with any overplus to whomsoever shall be lawfully entitled to same.

34. Mortgagee's Remedies Cumulative - No Waiver. No remedy or right of Mortgagee shall be exclusive but shall be cumulative and in addition to every other remedy or right now or hereafter existing at law or in equity or by statute or provided for in the Loan Agreement. No delay in the exercise or omission to exercise any remedy or right accruing on any default shall impair any such remedy or right or be construed to be a waiver of any such default or acquiescence therein, nor shall it affect any subsequent default of the same or different nature. Every such remedy or right may be exercised concurrently or independently, and when and as often as may be deemed expedient by Mortgagee.

35. Modifications Not To Affect Lien. Mortgagee, without notice to anyone, and without regard to the consideration, if any, paid therefor, or the presence of other liens on the Mortgaged Premises, may in its discretion release any part of the Mortgaged Premises or any person liable for any of the Indebtedness Hereby Secured, may extend the time of payment of any of the Indebtedness Hereby Secured and may grant waivers or other indulgences with respect hereto and thereto, without in any way affecting or impairing the liability of any party liable upon any of the Indebtedness Hereby Secured or the priority of the lien of this

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Mortgage upon all of the Mortgaged Premises not expressly released, and may agree with Mortgagor to modifications to the terms and conditions contained herein or otherwise applicable to any of the Indebtedness Hereby Secured (including modifications in the rates of interest applicable thereto).

36. Notices. All notices or other communications required or permitted hereunder shall be (a) in writing and shall be deemed to be given when either (i) delivered in person, (ii) when received if deposited in a regularly maintained receptacle of the United States mail as registered or certified mail, postage prepaid, if sent by private courier service or if sent by facsimile transmission, or (iii) on the day on which the party to whom such notice is addressed refuses delivery by mail or by private courier service and (b) addressed as follows:

-To Mortgagee: Pacific Global Bank
2323 South Wentworth Avenue
Chicago, Illinois 60616
Attn: Betty Chow, President
Facsimile No.: (312) 225-2299

With copy to: Miller, Shakman, Hamilton,
Kurtzon & Schlifke
208 South LaSalle Street
Suite 1100
Chicago, Illinois 60604
Attn: Bernard A. Schlifke
Facsimile No.: (312) 263-3270

To Mortgagor: Crystal IL 98, L.L.C.
3015 South Wentworth Avenue
Chicago, Illinois 60616
Attention: Jack Chong
Facsimile No.: _____

With copy to: Kirkland & Ellis
200 East Randolph Drive
Chicago, Illinois 60601
Attn: Brian E. Cameron
Facsimile No.: (312) 861-2200

or to each such party at such other addresses as such party may designate in a written notice to the other parties.

37. Partial Invalidity. All rights, powers and remedies provided herein are intended to be limited to the extent necessary so that they will not render this Mortgage invalid, unenforceable or not entitled to be recorded, registered or filed under any applicable law. If any term of this Mortgage shall be held to be invalid or unenforceable, the validity and enforceability of the other terms of this Mortgage shall in no way be affected thereby.

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38. Successors and Assigns. Whenever any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party; and all the covenants, promises and agreements in this Mortgage contained by or on behalf of Mortgagor, or by or on behalf of Mortgagee, shall bind and inure to the benefit of the respective successors and assigns of such parties, whether so expressed or not.

39. Headings. The headings in this instrument are for convenience of reference only and shall not limit or otherwise affect the meaning of any provision hereof.

40. Changes, Etc. This instrument and the provisions hereof may be changed, waived, discharged or terminated only by an instrument in writing signed by Mortgagor and Mortgagee.

41. Governing Law. This Mortgage shall be governed by and construed under the laws of the State of Illinois.

42. Future Advances. Mortgagee shall have the right, but not the obligation, to advance additional funds in excess of \$1,000,000.00 to Mortgagor; and any sum or sums which may be so loaned or advanced by Mortgagee to Mortgagor within ten (10) years from the date hereof, together with interest thereon at the rate agreed upon at the time of such loan or advance, shall be equally secured with and have the same priority as the original indebtedness and be subject to all the terms and provisions of this Mortgage. Subject to the preceding sentence, this Mortgage is further made to secure payment of all other amounts, with interest thereon, becoming due and payable to Mortgagee under the terms of the Note, this Mortgage, or any other instruments securing the Note; provided, however, that the Indebtedness Hereby Secured shall in no event exceed \$2,000,000.00.

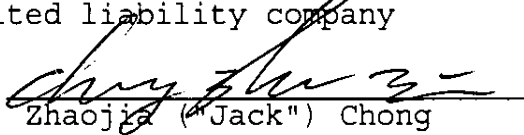
43. Waiver of Jury Trial. MORTGAGOR HEREBY KNOWINGLY, EXPRESSLY AND UNCONDITIONALLY WAIVES, IN CONNECTION WITH ANY SUIT, ACTION OR PROCEEDING RELATING TO THIS MORTGAGE, OR ANY OTHER DOCUMENT EVIDENCING OR SECURING THE NOTE, ANY AND EVERY RIGHT IT MAY HAVE TO (I) INJUNCTIVE RELIEF; (II) A TRIAL BY JURY; (III) INTERPOSE ANY COUNTERCLAIM UNLESS MORTGAGOR WOULD OTHERWISE BE BARRED FROM BRINGING SUCH CLAIM; AND (IV) SEEK TO HAVE THE SAME CONSOLIDATED WITH ANY OTHER OR SEPARATE SUIT, ACTION OR PROCEEDING UNLESS MORTGAGOR WOULD OTHERWISE BE BARRED FROM BRINGING SUCH CLAIM.

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IN WITNESS WHEREOF, the undersigned has caused these presents to be signed as of the day and year first above written.

CRYSTAL IL 98, L.L.C., an Illinois limited liability company

By: 
Zhaojia ("Jack") Chong

Its: Member

By: CRYSTAL WINDOW & DOOR SYSTEMS, LTD.,
a New York corporation

Its: Member

By: 
Thomas Chen

Its: President

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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I HEREBY CERTIFY that on this 15TH day of MARCH, 1999, before me personally appeared Zhoajia ("Jack") Chong and Thomas Chen, members of CRYSTAL IL 98, L.L.C., an Illinois limited liability company, to me known to be the same persons who signed the foregoing instrument as their free act and deed as such members for the use and purpose therein mentioned, and that the said instrument is the act and deed of such limited liability company.

WITNESS my signature and official seal at _____ in the County of COOK and State of ILLINOIS, the day and year aforesaid.

(NOTARY SEAL)



(Notary Public)



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EXHIBIT "A"

LEGAL DESCRIPTION

LOT 3 IN BLOCK 2 IN SUBDIVISION OF LOTS 31 AND 32 IN ASSESSOR'S DIVISION OF THE NORTH WEST 1/4 AND THE WEST 1/2 OF THE NORTH EAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED AUGUST 14, 1980 AS DOCUMENT 284741, BOOK 15 OF PLATS, PAGE 33 IN COOK COUNTY, ILLINOIS.

Permanent Index Number:

17-32-115-004

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Address of Property:

1300 West 35th Street
Chicago, Illinois 60609

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EXHIBIT "B"

PERMITTED EXCEPTIONS

All liens and encumbrances shown in Schedule "B" of that certain lender's title insurance policy issued March 18, 1999 by Near North National Title Corporation to Pacific Global Bank as file no. N9800044.

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