3937812

MODIFICATION OF MORTGAGE

THIS MODIFICATION OF MORTGAGE ("Modified Mortgage") is entered into as of the 10th day of January, 1991, by and between AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally but as Trustee under Trust Agreement dated December 18, 1990 and known as Trust No. 113162-05 ("Trustee"), THE HASSINGER COMPANIES, INC., an Illinois corporation, the sole beneficiary of Trustee ("Beneficiary") (Trustee and Beneficiary are collectively, the "Mortgagor") and LUTHERAN GENERAL HEALTH CARE SYSTEM, an Illinois not-for-profit corporation ("Mortgagee").

W I T N E S S E T H:

WHEREAS, pursuant to that certain Agreement of Purchase and Sale dated August 3, 1990 ("Purchase Agreement") by and between Beneficiary and Mortgagee, Beneficiary executed and delivered to Mortgagee that certain Purchase Money Note dated September 13, 1990, in the original principal amount of SIXTEEN MILLION DOLLARS ($16,000,000.00) ("Note"), which Note evidences a loan in the original principal amount of SIXTEEN MILLION DOLLARS ($16,000,000.00) ("Loan") and is secured by that certain Purchase Money Mortgage dated September 13, 1990, made by Beneficiary to Mortgagee, recorded with the Recorder of Deeds of Cook County, Illinois on September 14, 1990 as Document No. 90-449667 and filed with the Registrar of Titles on September 14, 1990 as Document No. LR 3911661 ("Mortgage") encumbering that certain property legally described on Exhibit A attached to the Mortgage ("Property"); and

WHEREAS, pursuant to that certain Settlement Agreement dated January 10, 1991 ("Settlement Agreement") by and among Beneficiary, Mortgagee and certain other parties, Beneficiary has conveyed the Property to Trustee and granted Mortgagee a collateral assignment of beneficial interest in Trustee; and

WHEREAS, pursuant to the Settlement Agreement, the parties have agreed to modify the Mortgage in the manner detailed below;

NOW, THEREFORE, for and in consideration of the sum of Ten Dollars ($10.00) and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Mortgagor and Mortgagee hereby agree as follows:

1. The Mortgage is hereby modified to add the following language:

> Mortgagor hereby waives any equitable or statutory right of redemption or reconveyance it may have under applicable law with respect to the Property.

2. The Mortgage is hereby further modified so that any reference in the Mortgage to the "Mortgage" shall mean and include this Modified Mortgage.

3. Mortgagor covenants and agrees that the representations, warranties, consents, waivers, covenants, terms and conditions of the Mortgage are incorporated herein by reference and affirmed and restated as of this date and shall, as hereby modified, in all respects remain in full force and effect, and nothing herein shall affect or impair the priority established by the Mortgage, as modified, or any rights and powers which the Mortgagee may have for the recovery of said indebtedness under the Mortgage, as modified.

Modifies Doc# 3911661 & Settlement Agreement between Hassinger & Lutheran General Attached

N910107/N900597 WMB E111324

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4. Except as hereby modified, all terms and provisions of the Mortgage shall remain in full force and effect, and this Modified Mortgage shall bind and inure to the benefit of the successors and assigns of the parties hereto.

5. This Modified Mortgage is executed by AMERICAN NATIONAL BANK AND TRUST *COMPANY OF CHICAGO, not personally* but as Trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee, and it is expressly understood and agreed by the Mortgagee herein and by every person now or hereafter claiming any right or security hereunder that nothing contained herein shall be construed as creating any liability on Mortgagor personally to pay the Note, or any interest that may accrue thereon, on any indebtedness accruing hereunder or to perform any covenants either express or implied herein contained, all such liability, if any, being expressly waived with respect to said Mortgagor; but nothing in the preceding portion of this Paragraph 5 shall limit Mortgagee's right of recovery on the Note and Modified Mortgage against and out of the Property hereby conveyed by enforcement of the provisions hereof and of said Note, nor in any way limit or affect the personal liability of any cosigner, endorser or guarantor of the Loan.

IN WITNESS WHEREOF, the undersigned have caused this Modified Mortgage to be executed as of the day, month and year first above written.

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally but as Trustee as aforesaid

ATTEST:

By: ____________________
Name: J. Michael Whelan
Title: ASSISTANT SECRETARY

By: ____________________
Name: E. JOHANSEN
Title: Second Vice President

THE HASSINGER COMPANIES, INC., an Illinois not-for-profit corporation

ATTEST:

By: ____________________
Name: William M. Laydin
Title: Secy

By: ____________________
Name: William M. Hassinger, Jr.
Title: President

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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, DEBRA L. WHITE, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that P. JOHANSEN Second Vice President of AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association, and J. Michael Whelan, ASSISTANT Secretary of said association, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Second Vice President and ASSISTANT Secretary, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said association as Trustee under that certain Trust Agreement dated December 18, 1990 and known as Trust No. 113162-05, not personally but as Trustee aforesaid.

JAN 10 1991

Given under my hand and Notarial Seal this ____ day of January, 1991.

Debra L. White
Notary Public

My Commission Expires: ____ 19

"OFFICIAL SEAL"
Debra L. White
Notary Public, State of Illinois
My Commission Expires 7/1/92

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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Theresa Olis, a Notary Public in and for said County, in the state aforesaid, DO HEREBY CERTIFY that Norman M. Hassinger Jr., ________ President of THE HASSINGER COMPANIES, INC., an Illinois corporation and William M Laytin, ______ Secretary of said corporation, who are personally known to be the same persons whose names are subscribed to the foregoing instrument as such ______ President and ______ Secretary, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said corporation.

Given under my hand and Notarial Seal this 10th day of January, 1991.

"OFFICIAL SEAL"
THERESA A. OLIS
Notary Public, State of Illinois
My Commission Expires 3/12/94

Theresa A. Olis
Notary Public

My Commission Expires: 3-12, 1994

This instrument was prepared by
and after recording should be
mailed to:

Sara L. Hays, Esq.
Coffield Ungaretti Harris & Slavin
3500 Three First National Plaza
Chicago, Illinois 60602

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1991 JAN 11 PM 3:51

CAROL MOSELEY BRAUN
REGISTRAR OF TITLES

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IN DUPLICATE

IDENTIFIED

CLARK

MARKED TO
SHOW CHANGES
— DENOTES ADDITION
∧ DENOTES DELETION

1-10-91

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SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (the "Agreement"), dated as of the ______ day of January, 1991, is made by and among NORMAN M. HASSINGER, JR. ("Hassinger"), THE HASSINGER COMPANIES, INC., an Illinois corporation ("Borrower"), and LUTHERAN GENERAL HEALTH CARE SYSTEM, an Illinois not-for-profit corporation ("Lender").

W I T N E S S E T H:

This Agreement is based upon the following Recitals:

A. Borrower is the owner of fee simple title in and to certain real property located within Cook County, Illinois commonly known as Lutheran General Hospital-Lincoln Park (the "Real Estate"), which real property is legally described on Exhibit A attached hereto, together with all improvements and personal property situated thereon (the Real Estate, improvements and personal property are collectively the "Property").

B. Lender has made a purchase money mortgage loan to Borrower (the "Mortgage Loan") which is evidenced by that certain Purchase Money Note dated September 13, 1990 made by Borrower and payable to the order of Lender in the principal amount of Sixteen Million Dollars ($16,000,000.00), as amended by that certain Letter Agreement dated November 15, 1990 (the Purchase Money Note, as amended by the Letter Agreement is referred to as the "Note"), and which Mortgage Loan is secured by that certain Purchase Money Mortgage encumbering the Real Estate dated ~~November 25, 1985~~ September 13, 1990 made by Borrower in favor of Lender and recorded in the Office of the Recorder of Deeds of Cook County, Illinois ("Recorder's Office") on September 14, 1990 as Document No. 90-449667 and filed with the Registrar of Titles on September 14, 1990 as Document No. LR 3911691, (the "Mortgage"), which Mortgage established a first lien and security interest in the Property.

C. Borrower and Hassinger have made that certain Interest Payment Guaranty and that certain Tax Payment Guaranty both dated September 13, 1990 (collectively, the "Guarantees") in favor of Lender in connection with the Mortgage Loan.

D. Pursuant to the terms of that certain Agreement of Purchase and Sale dated August 3, 1990 by and between Borrower and Lender (the "Purchase Agreement"), Borrower is obligated to pay Lender an amount referred to in said Purchase Agreement as the "Zoning Increment" upon the zoning of the Property, which

payment obligation is evidenced by that certain Non-negotiable Junior Promissory Note dated September 13, 1990 made by Borrower payable to Lender in a principal amount of up to Four Million Five Hundred Seventy-five Thousand Dollars ($4,575,000.00) (the "Junior Note"), and which payment obligation is secured by that certain Junior Mortgage encumbering the Real Estate dated September 13, 1990 made by Borrower in favor of Lender and recorded in the Recorder's Office on September 14, 1990 as Document No. 90-449668 and filed with the Registrar of Titles on September 14, 1990 as Document No. LR 3911662 (the "Junior Mortgage") (the Junior Note and Junior Mortgage are collectively the "Junior Financing Documents").

E. Borrower has not made the principal payment due and payable on November 30, 1990 pursuant to Paragraph R-1 of the Note and, therefore, is in default under said paragraph of the Note. Lender has accelerated the entire indebtedness due and payable under the Note and has the immediate right to pursue all of its rights and remedies under the Note and Mortgage but has agreed to forbear from exercising such rights and remedies during the negotiation of this Agreement.

F. As of December 13, 1990: (1) the principal balance outstanding and due and payable under and evidenced by the Note and Mortgage is Sixteen Million Dollars ($16,000,000.00); (2) accrued interest evidenced by the Note is Four Hundred Twenty Thousand Dollars ($420,000); (3) interest continues to accrue on the Mortgage Loan at the per diem rate of Four Thousand Six Hundred Two and 74/100 Dollars ($4,602.74); and (4) all of the foregoing amounts, together with all other costs, charges and fees, including, without limitation, attorneys' fees and expenses, which will be suffered and incurred by Lender in connection with the Mortgage Loan and Lender's enforcement of its rights and remedies under the Note and Mortgage are chargeable to Borrower under the Note and Mortgage and are, accordingly, additional indebtedness due and payable under, and are evidenced and secured by, the Note and Mortgage (all of the aforesaid amounts being hereinafter collectively referred to as the "Mortgage Debt").

G. Lender has fulfilled all of its obligations to Borrower to date under the terms of the Note, Mortgage and the Purchase Agreement including, without limitation, the post-closing title obligations set forth in Paragraph 5(b) of the Purchase Agreement and, as a result, Borrower no longer has any reconveyance rights in connection with the Property.

H. There is no offset, defense or counterclaim that Borrower could interpose in connection with the Mortgage Debt.

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I. Under the present zoning pertaining to the Property and in its present condition, the present fair market value of the Property is less than the Mortgage Debt.

J. Borrower has requested that, to avoid time-consuming, expensive and needless litigation, Lender accept a settlement, pursuant to which:

1. Borrower shall convey the Real Estate into a land trust ("Trust") with American National Bank and Trust Company of Chicago ("Trustee") in which Borrower will be the owner of 100% of the beneficial interest;

2. Borrower shall grant Lender a non-recourse collateral assignment of its beneficial interest in the Trust;

3. Concurrently with the execution of this Agreement, Borrower shall amend the Mortgage and Junior Mortgage to waive any equitable or statutory rights of redemption or reconveyance Borrower may have with respect to the Proepgerty;

4. Concurrently with the execution of this Agreement Borrower shall pay Lender the sum of Three Hundred Thirty-three Thousand and no/100 Dollars ($333,000.00) to be applied against the principal amount remaining unpaid under the Note;

5. Borrower and Hassinger shall personally guarantee certain of the principal payments due and payable under the Note in the aggregate amount of One Million and no/100 Dollars ($1,000,000.00), Three Hundred Thirty-Three Thousand and no/100 Dollars ($333,000.00) of which shall be paid concurrently with the execution of this Agreement, and the balance of Six Hundred Sixty-seven Thousand and no/100 Dollars ($667,000.00) shall be paid in accordance with Paragraph 3(a)(i) of this Agreement;

6. Lender shall agree to provide Borrower ~~an~~ the extended period of time described in Paragraph 3(a)(i) of this Agreement within which to make the principal payments due and payable under the Note and, in the event Borrower qualifies for an extension of the Maturity Date (as defined in the Note), Lender shall agree to waive any extension fees due and payable under the terms of the Note;

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7. Lender shall agree to reduce the interest rate under the Note from and after the date of this Agreement. Lender shall further agree to abate all interest under the Note in the event Lender and Borrower agree to file suit in order to obtain the zoning for the Property requested by Borrower;

8. Borrower and Hassinger shall agree to pay Lender any sums received by Borrower or Hassinger, as applicable, from any party, directly or indirectly, as a result of the sale, conveyance or transfer of any interest in Borrower's proposed development of the Property, other than a security interest, which sums shall be applied to the principal payments due and owing Lender under the terms of the Note; provided, however, the foregoing shall not be deemed to include any monies received by Borrower or Hassinger from third party loans;

9. Borrower and Lender shall amend the Purchase Agreement to provide for payment of the Zoning Increment in the amounts set forth in this Agreement;

10. Borrower shall agree to transfer title to the Property to Lender by deed in lieu of foreclosure pursuant to Section 15-1401 of the Illinois Mortgage Foreclosure Act, Ill. Rev. Stat. ch. 110, ¶15-1401, in the event Borrower fails to make any of the principal payments set forth herein or otherwise defaults under the terms of this Agreement; and

10. In the event of a transfer of the Property to Lender in lieu of foreclosure pursuant to the terms of this Agreement:

a. At Lender's request within a reasonable time after the Closing Date (hereinafter defined), Lender and Borrower shall cooperate to continue Borrower's efforts in connection with the zoning of the Property. Lender will pay all costs and expenses connected with said zoning efforts incurred from and after the Closing Date;

b. Lender shall terminate the Guarantees and the principal payment guarantee described in Recital J(5) above as of the Closing Date upon

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full satisfaction of all amounts so guaranteed and Borrower and Hassinger shall have no further liability thereunder from and after the Closing Date. In the event all of the obligations under the Guarantees and said principal payment guaranty have not been satisfied in full as of the Closing Date, Borrower and Hassinger shall agree not to be relieved of all such unsatisfied obligations then due and payable, which unsatisfied obligations shall bear interest at the rate of nine and one-half percent (9-1/2%) per annum from and after the Closing Date until the date said unsatisfied obligations are paid in full; and

c. In the event, after the Closing Date, Borrower or Hassinger challenge the transfer of the Property to Lender in lieu of foreclosure as contemplated by this Agreement, interest at the default rate (as provided in the Note and Mortgage) on the outstanding principal balance under the Note as of the Closing Date and any and all unsatisfied obligations of Borrower and Hassinger under the Tax Payment Guaranty shall be reinstated as if a termination had not occurred and shall continue to accrue from and after the Closing Date, which interest shall be included in the amounts personally guaranteed by Borrower and Hassinger under the Interest Payment Guaranty.

and Lender is willing to accept such settlement, but only upon the terms and conditions hereinafter set forth.

NOW THEREFORE, in consideration of the foregoing Recitals and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower and Lender hereby agree as follows:

1. PAYMENT TO LENDER.

Concurrently with the execution of this Agreement, Borrower shall pay Lender the sum of Three Hundred Thirty-three Thousand and no/100 Dollars ($333,000.00) in immediately available funds to be applied against the principal balance of the Note remaining unpaid as of the date of this Agreement, which payment shall be guaranteed by Borrower and Hassinger pursuant to the terms of the Principal Guaranty (hereinafter defined).

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2. CONVEYANCE

a. Conveyance into Trust. Concurrently with the execution of this Agreement, Borrower shall convey the Real Estate into the Trust. In connection and concurrently with said conveyance, Borrower shall grant Lender a non-recourse collateral assignment of beneficial interest in the Trust and execute and deliver any and all necessary instruments for said conveyance and assignment.

b. Amendment of Mortgage and Junior Mortgage. Borrower agrees to waive any equitable or statutory right of redemption or reconveyance it may have with respect to the Property and, concurrently with the execution of this Agreement, Borrower and Trustee shall execute a Modification of Mortgage and Modification of Junior Mortgage which shall immediately be filed of record with the Recorder of Deeds of Cook County, Illinois and the Registrar of Titles.

c. Agreement to Convey; Transfer Documents. In the event Borrower defaults in the payment to Lender of the Satisfaction Amount, as hereinafter set forth, or in any other manner fails to fulfill its obligations under the terms of this Agreement, after the expiration of any cure period hereunder or under the applicable loan document, Lender, in reliance upon the acknowledgments, agreements and representations set forth herein, but subject to fulfillment of the terms and conditions set forth herein, hereby covenants and agrees to accept through the Escrow (hereinafter defined), on the date and in the manner prescribed herein and in the eEscrow ~~instructions~~ Agreement (hereinafter defined), ~~establishing the Escrow,~~ in lieu of foreclosure and enforcement by Lender of Lender's rights and remedies under the Note and the Mortgage, the following documents and instruments (collectively the "Transfer Documents"), each of which shall be in form, scope and substance and shall contain terms and conditions reasonably satisfactory to Lender and each of which shall be deposited in the Escrow by Borrower concurrently with the execution of this Agreement: 3937812

(i) Deed. A trustee's deed, in triplicate (the "Deed"), from the Trustee to Lender, conveying fee simple title to the Real Estate, subject to, but only to, those exceptions to title set forth on Exhibit B attached hereto (the "Permitted Exceptions"), containing the appropriate exemption language for State, County and City transfer taxes, which Deed shall constitute an absolute, unconditional and irrevocable conveyance to Lender of fee simple absolute title to the Real Estate, subject to no right or equity of redemption or reconveyance;

(ii) Torrens Documentation. Receipts for the original Torrens Certificates for the Property heretofore filed with the Registrar of Titles. At such time as the Registrar of Titles releases the original Torrens Certificates for the Property, Borrower shall promptly substitute said Certificates for the receipts deposited hereby into the Escrow;

(iii) Bill of Sale. A special warranty Bill of Sale (the "Bill of Sale") duly executed and acknowledged by Borrower in favor of Lender conveying the personalty free and clear of all liens, claims and encumbrances created prior to the Closing Date;

(iv) Borrower's Release. An instrument ("Borrower's Release") executed by Borrower in favor of Lender, in form identical to that attached hereto as Exhibit C; and

(v) City, County and State Transfer Tax Declarations showing the conveyance of the Property contemplated hereunder to be exempt from the imposition of such transfer taxes.

c. Lender's Escrow Deposits. Concurrently with the execution of this Agreement, Lender shall deposit or cause to be deposited into the Escrow undated ALTA Statements (in duplicate).

d. Concurrent Deliveries to Lender. Concurrently with the execution of this Agreement, Borrower and Hassinger shall execute and deliver to Lender the following documents and instruments, each of which shall be in form, scope and substance and shall contain terms and conditions reasonably satisfactory to Lender:

(i) A commitment for a 1970 ALTA Form B Owner's Policy of Title Insurance (the "Title Policy") to be issued by First American Title Company of the Midwest ("Title Company") through Near North National Title Corporation ("Title Agent") in the amount of the Mortgage Debt, insuring fee simple title to the Real Estate in Lender, subject to, but only to, the Permitted Exceptions, including, (A) to the extent such endorsement is then being issued by the Title Company with the delivery of evidence satisfactory to the Title Company that Borrower is solvent and the the Mortgage Debt is in excess of the value of the Property or similar requirements without the obligation of Borrower to provide an indemnification or other security to the Title Company, an endorsement deleting any exclusion from coverage under the Title Policy relating to bankruptcy or other creditor's rights matters; (~~ii~~B) extended coverage over any general policy exceptions; (~~iii~~C) an endorsement insuring that Lender's fee interest and interest as mortgagee under the Mortgage and Junior Mortgage have not merged by the conveyance of title to the Property to Lender; (~~iv~~D) an endorsement providing coverage that such conveyance and assignment are not subject to any right of redemption or reconveyance of Trustee, Borrower, and any shareholder of Borrower or any other party claiming through Trustee or Borrower; and (~~v~~E) all endorsements to the owner's title insurance policy insuring Borrower with respect to the Property issued by the Title Company as Policy No. N900597. Charges incurred in the issuance of the above-described Title Policy and endorsements shall be borne solely by Borrower. It is expressly understood and acknowledged by Lender that the title commitment delivered pursuant to the terms of this Paragraph 2(d) shall not contain the endorsement described at (A) above but that said endorsement shall be obtained by Borrower in connection with its satisfaction of the Closing Condition listed at Paragraph 9(a)(i) of this Agreement, if and to the extent and in the form such endorsement is then being issued by the Title Company on the conditions set forth above. If the Title Company is not then issuing said endorsement, a so-called "creditors' rights" exception and/or exclusion in the Title Policy shall be a Permitted Exception hereunder;

(ii) Originals or, if unavailable, certified copies of the certificate of incorporation, articles of incorporation, by-laws, corporate resolutions, certificate of incumbency and certificate of good standing of Borrower, the land trust agreement of Trustee, all amendments thereto, and the letters of direction to Trustee from Borrower pertaining to the transactions herein contemplated;

(iii) An opinion of Borrower's counsel in the form of Exhibit F attached hereto and made a part hereof; and

(iv) Current financial statements for Hassinger.

f. Closing Date and Escrow. Concurrently with the execution and delivery of this Agreement, Borrower and Lender shall execute and deliver Escrow Instructions ("Escrow Agreement") establishing an escrow ("Escrow") with Near North

National Title Corporation ("Escrowee"). The delivery of the Transfer Documents and all instruments and funds constituting the "Closing Conditions" (defined in Section 9(a)) and the conveyance of the Property to Lender ("Closing") shall be made through the Escrow. Borrower and Lender hereby agree to concurrently deliver to the other party copies of any notices or certificates delivered to Escrowee pursuant to the terms of the Escrow Agreement. Upon Borrower's satisfaction in full of the Closing Conditions, the "Closing Date" shall be the earlier of (i) the fifth (5th) business day after the date the Closing Conditions have been satisfied, and (ii) the date on which the Deed haves been filed and recorded pursuant to the Escrow Agreement. In the event Borrower does not or cannot satisfy all of the Closing Conditions, the Closing Date shall be determined in accordance with Section 2(l) below.

Time is of the essence of this Agreement. In the event that Borrower has not delivered the Transfer Documents into said Escrow ~~all of the documents, instruments and funds set forth in this Agreement to be executed and delivered by Borrower as a condition to Closing~~ on or before five (5) business days after the date of this Agreement, then, upon the expiration of such five (5) business day period or on any date thereafter by which said required deposits have not been made, Lender shall have the right and option, in its discretion, to declare this Agreement terminated and pursue its rights and remedies against Borrower set forth in the Note and Mortgage.

g. Transfer Documents Evidence Absolute Conveyance. The Transfer Documents are intended to be and are acknowledged by Borrower to effect an absolute conveyance and unconditional transfer of the Property and all rights, titles, interests, income, rents, royalties and profits in connection therewith as of the Closing Date, and are not given as security, PROVIDED THAT title to the Property shall remain subject to the Mortgage to the full extent of the Mortgage Debt. In the event that, contrary to the foregoing, it is, at any time hereafter, determined that Borrower has any equitable and/or statutory rights of redemption in the Property, then, for the consideration herein set forth, Trustee and Borrower hereby sell, transfer and convey to Lender and waive for themselves any and all equitable and statutory rights of redemption with respect to Property.

h. Effect of Conveyance on Mortgage. It is the intention of Borrower and Lender that the delivery, acceptance into Escrow and recording of the Transfer Documents shall not, in any way or manner whatsoever:

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(i) result in a merger of the interest of Lender, as mortgagee, pursuant to the Mortgage and the Junior Mortgage, and the interest of Lender or Lender's designee as fee holder of the Property;

(ii) be deemed a waiver by Lender of any claim of priority pursuant to the Mortgage and the Junior Mortgage over any other liens, mortgages, security interests or encumbrances of any kind or nature, now existing or hereafter placed upon the Property, or any part thereof;

(iii) affect or prejudice, in any way, the right of Lender to foreclose the Mortgage and the Junior Mortgage by judicial proceedings or otherwise or to proceed as provided in the Mortgage and Junior Mortgage;

and the Note, the Mortgage, the Junior Financing Documents and the lien imposed thereby shall, in all respects, survive the recording and filing of the Transfer Documents and, except only as the same may be otherwise expressly modified herein, Borrower hereby ratifies and confirms the Note, the Mortgage and the Junior Financing Documents in all respects, including the limitations on liability contained therein.

i. <u>Effect of Conveyance on the Guarantees</u>. On the Closing Date, the Guarantees shall be deemed terminated and Borrower and Hassinger shall have no further liability under said Guarantees from and after the Closing Date; provided, however, Borrower and Hassinger hereby acknowledge and agree they shall not be relieved of any unsatisfied obligations under the Guarantees arising or accruing prior to the Closing Date. Notwithstanding the foregoing, the Principal Guaranty shall not be terminated on the Closing Date and of Borrower and Hassinger hereby acknowledge and agree they shall not be relieved of any liability under the Principal Guaranty by any conveyance hereunder. <u>In addition to any unsatisfied amounts due and payable to Lender under the terms of the Tax Payment Guaranty as set forth in Paragraph 2(i) of this Agreement,</u> Ffrom and after the Closing Date until such time as Borrower and Hassinger satisfy in full all obligations under the <u>Interest Payment</u> Guarantyees and the Principal Guaranty, the total amount of any such unsatisfied obligations thereunder ~~from and after~~ <u>as of</u> the Closing Date, taking into account interest abatement as provided in Paragraph 4 of this Agreement, if applicable, shall accrue interest at the rate of nine and one-half percent (9-1/2%) per annum, which interest shall be included in the amounts guaranteed

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personally by Borrower and Hassinger under the Interest Payment Guarantyees ~~and the Principal Guaranty~~.

In the event, after the Closing Date, Borrower or Hassinger challenges the conveyance of the Property to Lender by deed in lieu of foreclosure contemplated by this Agreement, Borrower, Lender and Hassinger hereby acknowledge and agree that interest at the default rate (as provided in the Note and Mortgage) on the outstanding principal balance under the Note as of the Closing Date and any and all unsatisfied obligations of Borrower and Hassinger under the Tax Payment Guaranty shall be reinstated as if a termination had not occurred and shall continue to accrue from and after the Closing Date, which interest shall be included in the amounts personally guaranteed by Borrower and Hassinger under the Interest Payment Guaranty.

In the event Borrower satisfies the Closing Conditions but the conveyance of the Property to Lender contemplated hereunder does not occur within five (5) business days after the date of Borrower's full satisfaction of the Closing Conditions solely as a result of Lender's wrongful refusal to deliver to Escrowee the Closing Statement described in Paragraph 9(a)(iii) of this Agreement within said five (5) business day period, Lender agrees that Borrower and Hassinger shall have no further liability under the Interest Payment Guaranty after the date on which said five (5) business day period expires other than for amounts accrued through that date.

j. Real Estate Tax Prorations. At Closing, Borrower shall deposit with Escrowee its prorata share of all real estate taxes for the Property during Borrower's period of ownership not then due and payable, which amount shall be based upon the most recently ascertainable tax information for the Property, shall be broken down by calendar year on the Closing Statement deposited with Escrowee as one of the Closing Conditions hereunder, and may be ~~invested for~~ Borrower's account at Borrower's expense ~~in~~ accordance with the terms of the Escrow Agreement. Borrower's deposit of said funds with Escrowee on the Closing Date shall, subject to Borrower's obligation to pay Lender any deficiency in its prorata share of said real estate taxes as more fully set forth below, satisfy Borrower's and Hassinger's obligation under the Tax Payment Guaranty as of the Closing Date. Borrower and Lender shall reprorate said real estate taxes at such time as the actual bills are issued for each calendar year of real estate taxes not yet due and payable as of the Closing Date in order that actual real estate taxes for the periods before and after the Closing Date may be equitably

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prorated as of the Closing Date and paid between the parties when known.

Upon receipt of the actual tax bills for the Property, Lender shall deliver to Escrowee and Borrower a copy of said actual tax bills, together with a statement setting forth Lender's calculation of Borrower's reprorated share of the real estate taxes for the Property then due and payable. Lender shall concurrently deliver to Escrowee ~~with~~ a direction to immediately disburse to Lender an amount equal to the lesser of (i) those funds shown on the Closing Statement for Borrower's share of real estate taxes then due and payable, or (ii) the amount shown on Lender's statement as Borrower's reprorated share of said taxes. ~~actual real estate taxes for the Property then due and payable. Upon receipt of said actual tax bills, Lender shall also deliver a copy of same to Borrower together with Lender's calculation of Borrower's reprorated share of the actual real estate taxes.~~ In the event the funds deposited with Escrowee at Closing for the real estate taxes then due and payable are greater than Borrower's reprorated share of the actual taxes for the Property, Escrowee shall be directed to disburse to Borrower the difference between (i) and (ii) above. In the event the funds deposited with Escrowee at Closing for the real estate taxes then due and payable are insufficient to cover Borrower's reprorated share of the actual taxes for the Property, Borrower shall pay any deficiency to Lender in immediately available funds within ten (10) days of Lender's delivery to Borrower of the actual tax bills and calculation of the reprorated amount. All or any portion of Borrower's reprorated share of actual real estate taxes remaining unpaid upon the expiration of said ten (10) day period shall be included in the unsatisfied obligations guaranteed by Borrower and Hassinger pursuant to the Tax Payment Guaranty and shall accrue~~ing~~ interest at the rate of nine and one-half percent (9-1/2%) per annum after the expiration of said ten (10) day period, which interest shall be included in the amounts guaranteed personally by Borrower and Hassinger under the Interest Payment Guaranty~~set forth in Paragraph (i) of this Agreement~~.

k. Effect of Conveyance on Zoning. From and after the Closing Date, Borrower and Lender shall cooperate to continue Borrower's efforts to rezone the Property, all costs and expenses of such rezoning from and after the Closing Date to be borne by Lender. In connection with such zoning efforts, Lender shall be entitled to any and all studies, reports and other documentation relating to the Property owned by Borrower, including, without limitation, plans and specifications, engineering reports, and environmental

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testing reports, and may continue any lawsuits in Borrower's name. At Lender's request within a reasonable time after the Closing Date, Hassinger shall act on behalf of and for the benefit of Lender in the zoning process and, upon reasonable notice, shall attend and participate in any meetings, hearings or other appearances required in connection with such zoning.

1. Effect of Unsatisfied Closing Conditions; Foreclosure. If either (i) Borrower delivers to Lender written notice that it desires to convey the Property to Lender and has not satisfied the Closing Conditions, which notice shall identify the Closing Conditions(s) that Borrower has not satisfied, or (ii) Lender delivers to Borrower and Escrowee a certificate in the form of Exhibit E to the Escrow Agreement and Borrower, within ~~a reasonable time~~ ten (10) days thereafter, delivers written notice to Lender of its inability to satisfy the Closing Condition(s), which notice shall identify the Closing Condition(s) that Borrower has not satisfied, Lender shall, on or before the fifth (5th) business day following receipt of such notice from Borrower or on or after the tenth (10th) day after Lender's delivery of its certificate to Borrower in the event Borrower fails to deliver its notice hereunder, deliver written notice to Borrower in which Lender elects either to:

(A) waive all the unsatisfied Closing Condition(s), in which event said Closing Condition(s) shall be deemed satisfied and deleted from the Escrow Agreement and the Closing Date shall be the later of (i) the date on which Borrower has satisfied the remaining Closing Conditions and (ii) the date of said waiver, and Lender shall accept the Transfer Documents and the Property subject to any such Closing Conditions that it has waived; or

(B) to foreclose the lien of the Mortgage and/or Junior Mortgage, as applicable, in which event Lender shall promptly institute and prosecute with reasonable diligence a foreclosure action and the Closing Date shall be the date on which the decree of foreclosure is entered against Borrower.

In the event Borrower's notice to Lender delivered within the ten (10) day period set forth above indicates that Borrower has complied with all of the Closing Conditions except for the delivery to Escrowee of the Illinois Responsible Property Transfer Act disclosure form described in Paragraph 9(a)(vi) of this Agreement and that Borrower is diligently proceeding to finalize said form and deposit same with Escrowee, Lender hereby agrees to allow Borrower a reasonable period of time

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not to exceed ten (10) additional days after the expiration of the ten (10) day period in which to deliver said form to Escrowee.

Notwithstanding the foregoing, in the event Borrower is obligated hereunder to obtain an endorsement over the creditors' rights exception and/or exclusion in the Title Policy and is unable to satisfy the Closing Conditions solely as a result of Borrower's inability to obtain said endorsement as required by Paragraph 2(d)(i)(A) of this Agreement and Lender elects to foreclose the lien of the Mortgage and/or Junior Mortgage, if applicable, in accordance with the terms of this Paragraph 2(f), Lender shall promptly institute and prosecute with reasonable diligence the foreclosure action described above and Lender, Borrower and Hassinger hereby acknowledge and agree Borrower and Hassinger shall have no further liability under the Interest Payment Guaranty upon the earlier of (i) the date on which a decree of foreclosure is entered against Borrower or (ii) the date two hundred seventy (270) days after the date Lender files said foreclosure action against Borrower; provided, however, Borrower and Hassinger hereby acknowledge and agree they shall not be relieved of any unsatisfied obligations accrued under the Interest Payment Guaranty prior to said date.

3. SATISFACTION OPTION.

a. Requirements. Borrower shall pay Lender the following amounts (collectively, the "Satisfaction Amount") on or before the Maturity Date (hereinafter defined) unless otherwise specified below; provided, however, in the event the Maturity Date occurs prior to any date specified below, all payments to be made under this Paragraph 3 shall be accelerated to become due and payable on the Maturity Date.

(i) The sum of One Million and no/100 Dollars ($1,000,000.00), to be applied against the principal amount remaining unpaid under the Note, as follows:

(a) Three Hundred Thirty-three Thousand and no/100 Dollars ($333,000.00) concurrently with the execution of this Agreement;

(b) Three Hundred Thirty-three Thousand and no/100 Dollars ($333,000.00) on or before June 15, 1991; and

(c) Three Hundred Thirty-four Thousand and no/100 Dollars ($334,000.00) on or before

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December 1, 1991.

Paragraph R-1 of the Note is hereby modified to replace the principal payments required under said Paragraph R-1 with the the foregoing principal payments. Except for those payments, if any, due and payable to Lender pursuant to Paragraph 3(a)(iv) of this Agreement and the payments pursuant to this Paragraph 3(a)(i), Lender and Borrower acknowledge and agree that no additional payments are due and payable to Lender prior to the Maturity Date. Payments required under this Paragraph 3(a)(i) shall be personally guaranteed by Borrower and Hassinger, which Guaranty shall be in the form of Exhibit D attached to and made a part of this Agreement ("Principal Guaranty") and executed concurrently with the execution of this Agreement. Borrower, Hassinger and Lender acknowledge and agree that Borrower and Hassinger shall not be relieved of their obligation to pay and Lender shall be entitled to collect from Borrower and Hassinger any unpaid sums so guaranteed regardless of whether the Property is conveyed to Lender pursuant to the terms of this Agreement.

(ii) All interest due and payable under the Note, as of the Maturity Date, subject to any abatement pursuant to Paragraph 4 of this Agreement; provided, however from and after the date of this Agreement, the interest rate under the Note shall be reduced from ten and one-half percent (10½%) to nine and one-half percent (9½%).

(iii) The Zoning Increment due and payable on the Maturity Date shall be an amount equal to Six Hundred Twenty-five Thousand Dollars ($625,000.00) for each one tenth (1/10th) of floor to area ratio ("FAR") over 1.7 up to 2.2 obtained by Borrower in the zoning process. Paragraph 3(d) of the Purchase Agreement is hereby modified to reflect the reduction in the Zoning Increment set forth herein. Increments in the FAR smaller than 1/10 shall be determined in accordance with the formula set forth in said Paragraph 3(d) of the Purchase Agreement. Subject to the terms and provisions of Section 3(e) of the Purchase Agreement, in the event Final Approval (as defined in the Purchase Agreement) or the earlier issuance by the Title

Company of a 3.0 zoning endorsement (the "Zoning Endorsement") to Borrower's owner's title insurance policy (all as provided in Paragraph 3(c) of the Purchase Agreement) occurs before the Maturity Date, the Zoning Increment shall be due and payable on the Maturity Date pursuant to the terms of Paragraph 3(b) of this Agreement. In the event neither Final Approval nor the issuance by the Title Company of the Zoning Endorsement occurs before the Maturity Date, Borrower shall pay the Zoning Increment to Lender pursuant to the terms of the Junior Financing Documents.

(iv) In the event Borrower or Hassinger receives any payments from any third party, directly or indirectly, as a result of the sale, conveyance or transfer of any interest in Borrower's proposed development of the Property, other than a security interest, Borrower or Hassinger, as applicable, shall pay all such amounts so received to Lender within five (5) business days of such receipt; provided, however, the foreoing shall not be deemed to include any sums received by Borrower or Hassinger from third party loans. Any amounts paid to Borrower or Hassinger and turned over to Lender as provided herein shall be applied to reduce the outstanding principal balance of the Note~~.~~; provided, however, Borrower and Hassinger acknowledge and agree that said amounts shall not affect or reduce Borrower's obligation to pay Lender those principal payments set forth in Paragraph 3(a)(i) of this Agreement personally guaranteed by Borrower and Hassinger under the Principal Guaranty. In the event Lender has reason to believe Borrower or Hassinger has received any such third party payments and Borrower or Hassinger, as applicable, does not turn over such amounts to Lender as provided herein, Borrower or Hassinger, as applicable, shall have five (5) business days after written notice from Lender in which to provide Lender with any amounts so received or evidence reasonably satisfactory to Lender that no such payment was ever received by Borrower or Hassinger, as applicable, before the conveyance set forth in Paragraph 2 of this Agreement shall occur. Borrower shall be personally liable to Lender for any such payments received by Borrower and not paid to Lender in accordance with this Paragraph 3(a)(iv).

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Hassinger shall be personally liable to Lender for any such payment received by Hassinger and not paid to Lender in accordance with this Paragraph 3(a)(iv).

(v) Any and all amounts then due and payable by Borrower under the terms of the Note, the Mortgage and the Junior Financing Documents, remaining unpaid or any amounts paid by Lender pursuant to the terms of the Note, the Mortgage and the Junior Financing Documents, including, without limitation, the principal balance and accrued interest on the Note, taking into account any interest abatement provided in Paragraph 4 of this Agreement.

b. Maturity Date; Extension. Provided Borrower is not then in default of any covenant or agreement on Borrower's part to be kept or performed hereunder, including, without limitation, the deposit of documents into the Escrow and the principal payments to Lender set forth in Paragraph 3(a)(i) of this Agreement when due and payable, and provided neither Final Approval nor the issuance of the Zoning Endorsement has occurred, Borrower shall be entitled to extend the Maturity Date on the terms and conditions set forth in the Note; provided, however, Lender hereby waives any and all extension fees set forth in the Note. Subject to the terms and provisions of Paragraph 3(e) of the Purchase Agreement, iIn the event the Maturity Date is so extended and Final Approval or the issuance of the Zoning Endorsement occurs, the "Maturity Date" shall mean the earlier of (i) the Maturity Date, as so extended pursuant to the terms of the Note, or (ii) ninety (90) days after the date of Final Approval or the issuance of the Zoning Endorsement, whichever is earlier. In the event Final Approval or the issuance of the Zoning Endorsement occurs within the ninety (90) day period prior to the Maturity Date, as the same may be extended pursuant to the terms of the Note, the "Maturity Date" shall be extended to the date ninety (90) days after the date of Final Approval or the issuance of the Zoning Endorsement, whichever is earlier.

c. Payment. Upon payment in full of the Satisfaction Amount, Lender agrees that Borrower shall be entitled to retain its ownership interest in the Property and Lender shall cancel the Note and the Junior Note, if applicable, and prepare a release of the Mortgage and Junior Mortgage, if applicable, and further, Lender and Borrower shall acknowledge in writing the termination of this Agreement, shall terminate the Escrow and cause the Transfer

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Documents to be returned to Borrower. In the event Borrower does not make any or all of the payments constituting the Satisfaction Amount when due hereunder, Lender shall be under no obligation to release the Mortgage or the Junior Mortgage and the conveyance of the Property by the Transfer Documents shall occur in accordance with the terms of this Agreement.

4. ZONING; INTEREST ABATEMENT. In the event Borrower institutes a a lawsuit in connection with the zoning of the Property, interest accruing under the Note shall be abated beginning with the date such lawsuit is filed until the first to occur of (i) Final Approval, (ii) the date the Title Company issues the Zoning Endorsement, or (iii) the Maturity Date; provided, however, Borrower shall not institute a ~~zoning~~ lawsuit seeking a FAR lower than 2.0 without the prior written consent of Lender, which consent shall not be unreasonably withheld.

5. WAIVER OF SUBROGATION. Hassinger hereby forever expressly waives and agrees not to assert at any time any rights or remedies Hassinger has or may in the future have against Borrower by way of subrogation, indemnification, contribution or reimbursement in the event Hassinger is required to make any payment to Lender pursuant to the terms of the Guarantees and the Principal Payment Guaranty.

6. OPERATION OF THE PROPERTY. From and after the date hereof through the Closing Date, Borrower shall continue to operate and maintain the Property in the manner presently operated. Borrower covenants and agrees that, from and after the date of this Agreement, Borrower shall not, without the prior written consent of Lender, which consent shall not be unreasonably withheld, amend, modify, renew, extend, enter into or permit the execution of any lease, occupancy agreement, contract or agreement, written or oral, in connection with the Property or the sale, lease, management or operation thereof, which does not expressly provide for the termination of such instrument (a) upon not less than thirty (30) days' written notice to the other party, or (b) upon the conveyance of the Property to Lender.

7. SUBORDINATION TO PROJECT LOAN. Lender hereby acknowledges that Borrower is attempting to obtain construction financing with respect to the intended development of the Property. Lender has agreed that, in the event a prospective construction lender (the "Project Lender") requires, as a condition of making the construction loan (the "Project Loan"), that Lender agree to subordinate a portion of the Mortgage Loan and/or the Zoning Increment secured by the Junior Financing Documents to the Project Loan, Lender shall subordinate the payment of up to Seven Million Five Hundred Thousand Dollars ($7,500,000.00) (the "Subordinated Amount") of any and all

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present or future liabilities, obligations and indebtedness of Borrower under the Note, the Mortgage and the Junior Financing Documents, as applicable, to the lien of the mortgage securing the Project Loan provided that the following conditions are fulfilled to Lender's satisfaction:

a. Borrower and Lender shall have executed an amendment to the Note, the Mortgage, the Junior Financing Documents, if applicable, a subordination of the collateral assignment of beneficial interest, a consent to the execution by Borrower of the Project Loan documents, and such other documents or instruments as Lender may reasonably require, all of which shall be in form, scope and substance satisfactory to Lender (the "Amendment Documents"). The Amendment Documents shall provide, among other things, that the maturity date with respect to the payment of the Subordinated Amount shall be the first to occur of (i) two (2) years from the date of the execution thereof; or (ii) the date the development of the property as contemplated by the documents pertaining to the Project Loan, has been substantially completed (the "Subordinated Amount Maturity Date").

b. The subordination agreement evidencing the foregoing agreement shall be in form, scope and substance satisfactory to Lender;

c. Borrower shall have delivered to Lender an unconditional, unqualified and irrevocable letter of credit (the "Letter of Credit") in the face amount of the Subordinated Amount, which Letter of Credit shall satisfy the following requirements:

(i) be issued in favor of Lender;

(ii) be issued by the Project Lender or a bank or other financial institution acceptable to Lender; and

(iii) otherwise be in form, scope and substance satisfactory to Lender.

In the event the expiration date of the Letter of Credit, or any replacement thereof in accordance with the terms of this Paragraph, is earlier than the Closing Date, not less than thirty (30) days prior to the expiration date of the Letter of Credit, Borrower shall deliver to Lender a replacement Letter of Credit satisfying all of the foregoing requirements. Lender shall be entitled to present the Letter of Credit to the issuer for payment in any of the following

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events: (i) the occurrence of a default under the documents evidencing and securing the Project Loan and the failure of Borrower to cure such default within any applicable cure period; (ii) the failure of Borrower to deliver a replacement Letter of Credit not less than thirty (30) days prior to the expiration date of the previous Letter of Credit; (iii) Lender has not been repaid in full the Subordinated Amount plus all accrued and unpaid interest thereon on the Subordinated Amount Maturity Date or earlier acceleration of the Note; or (iv) a default shall occur under the Note, the Mortgage or this Settlement Agreement and Borrower shall fail to cure such default within any applicable cure period. The proceeds of the Letter of Credit shall be applied by Lender to reduce the then outstanding indebtedness of Borrower to Lender under the Note, the Mortgage and the Settlement Agreement, in such order of priority as Lender may determine.

8. REPRESENTATIONS AND WARRANTIES OF BORROWER.

As of the date of this Agreement, Borrower hereby expressly represents to Lender and its successors and assigns, upon which representations Lender has relied and will continue to rely, that:

a. The execution and delivery into the Escrow of the Deed and the other Transfer Documents is the voluntary act of Borrower free from any coercion, duress or undue influence, and such execution and delivery is made as a result of Borrower's request that this conveyance be made in lieu of foreclosure and enforcement by Lender of its other rights and remedies against Borrower under the Note and the Mortgage;

b. The Mortgage Debt presently due and payable under the Note and secured by Mortgage as set forth in Recital F. above is greater than the present fair market cash value of the Real Estate under its present zoning and in its present condition, and, therefore, the consideration to be received by Borrower hereunder is full, fair and adequate, and neither Borrower, any shareholder of Borrower, nor any other person or entity has any right or equity of redemption or reconveyance in the Real Estate or any part or interest therein;

c. Borrower is not currently insolvent, no petition in bankruptcy or other insolvency proceeding has been filed by or against Borrower, and no bankruptcy or other insolvency proceeding has been threatened against Borrower;

d. The execution and delivery into the Escrow of the Deed and the other Transfer Documents does not constitute a

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preference or a fraudulent conveyance against other creditors of Borrower;

e. There are no side agreements or understandings of any kind or nature by or among Borrower or Lender concerning the matters addressed in this Agreement or the other documents executed and delivered in connection herewith;

f. To the best of Borrower's knowledge, there are no liens, claims of lien, charges, encumbrances, or security interests pertaining to the Property, either senior or subordinate to the indebtedness evidenced by the Note and Security Documents, except for the Permitted Exceptions;

g. There are no condemnation or eminent domain proceedings or any other petitions, actions, suits, or proceedings of any kind pending or, to the best knowledge of Borrower threatened against or affecting the Property, before any court or any governmental, administrative, regulatory, adjudicatory or arbitration body or agency;

h. There are no outstanding income tax liens or any outstanding judgments or arbitration awards against the Real Estate;

i. Borrower has not received notice from any city, village, county or other governmental authority of any violation with respect to the Real Estate, including, but not limited to, violation of any zoning, parking, building, conservation, environment, fire or health codes or similar statutes that have not heretofore been corrected, waived or rescinded;

j. Borrower has not entered into any leases in connection with the Property or any part thereof;

k. Borrower has not entered into any contracts or agreements, written or oral, affecting the Property or any part thereof which are not terminable upon not more than thirty (30) days' notice or upon the conveyance of the Property to Lender;

l. The financial information reflected on the statements that Hassinger submitted to Lender in connection with the execution of this Agreement is in all material respects true and correct. Said financial statements, and any other financial statements heretofore or hereafter submitted to Lender, do or shall accurately present the financial condition of Hassinger as of the dates thereof, and do or shall reflect all known liabilities of Hassinger

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whether contingent or other, as of such dates. Since the dates of said financial statements, there have been no material changes in the assets, liabilities, financial condition, business or properties of Hassinger;

m. Lender has fulfilled all of its obligations to Borrower to be performed up to the date of this Agreement under the terms of the Note, Mortgage and the Purchase Agreement including, without limitation, the post-closing title obligations set forth in Paragraph 5(b) of the Purchase Agreement and, as a result, Borrower no longer has any reconveyance rights in connection with the Property.

n. There is no offset, defense or counterclaim that Borrower could interpose in connection with the Mortgage Debt.

o. Borrower is the sole owner of fee title to the Property and after the conveyance to Trustee as set forth in Paragraph 2(a) of this Agreement, Borrower will own one hundred percent (100%) of the beneficial interest and power of direction in, to and under Trustee, free and clear of all liens, claims, encumbrances, security interests or restrictions except for the Mortgage and the Junior Financing Documents;

p. Borrower is an Illinois corporation, validly incorporated and existing under the law of the state of its formation, and is in good standing under the laws of the State of Illinois;

q. Borrower has full power and authority to enter into and to perform the obligations of Borrower under this Agreement and execute any documents contemplated by this Agreement to be executed and delivered by Borrower and to authorize and direct Trustee to execute any documents contemplated by this Agreement to be executed and delivered by Trustee once the Real Estate is conveyed into the Trust;

r. To the best of Borrower's knowledge, all information contained herein concerning the Real Estate or Borrower or as set forth in the exhibits attached hereto and all books, records, statements of account, documents and information submitted hereunder for Lender's review and approval are true, complete and correct;

s. Borrower has not obtained any permits or other authorization in connection with Borrower's use or occupancy of the Property;

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t. Except as may have been disclosed by Borrower to Lender under separate writing on or before the date of this Agreement, to the best of Borrower's knowledge, Borrower is complying in all respects with all federal, state and local statutes, laws, ordinances, orders, rules, regulations and moratoria relating to its use or occupancy of the Real Estate, including but not limited to, the Clean Air Act, as amended; the Clean Water Act; the Water Quality Act of 1987; the Marine Protection, Research and Sanctuaries Act; the National Environmental Policy Act; the Occupational Safety and Health Act; the Federal Water Pollution Control Act, as amended; the Safe Drinking Water Act, as amended; the Resource Conversation and Recovery Act, as amended by the Hazardous and Solid Waste Amendments of 1984 ("RCRA"); the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act, the Emergency Planning and Community Right-To-Know Act and the Radon Gas and Indoor Air Quality Research Act ("CERCLA"); the Federal Insecticide Fungicide and Rodenticide Act ("FIFRA"); the Toxic Substances Control Act ("TSCA"); and the Atomic Energy Act; all as may be amended with implementing regulations and guidelines, and any so-called "superfund" or "super lien" law, and all state, regional, county, municipal and other local laws, regulations and ordinances insofar as they are equivalent or similar to the federal laws recited above or purport to regulate Hazardous Materials (as defined below). Borrower has not received notice alleging non-compliance with any of such statutes, laws, ordinances, orders, rules, regulations or moratoria;

u. Any Hazardous Materials which have been treated, stored, or disposed of on the Real Estate during the period of Borrower's ownership of the Property have, to the best of Borrower's knowledge, been treated, stored or disposed of in accordance with all applicable laws. "Hazardous Materials" shall mean any hazardous substance, pollutant or contaminant regulated under CERCLA; oil and petroleum products and natural gas, natural gas liquids, liquified natural gas, any synthetic gas usable for fuel; pesticides regulated under FIFRA; asbestos, PCBs and other substances regulated under TSCA; source material, special nuclear material and by-product materials regulated under the Atomic Energy Act; and industrial process and pollution control wastes whether or not hazardous within the meaning of RCRA;

v. There are no contracts for deed, land contracts or other executory agreements for the sale or transfer of any part or all of the Property.

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w. Borrower is not, and Trustee will not be, a "Foreign Person" as such term is defined in Section 1445(f) of the Internal Revenue Code and the regulations formulated thereunder (the "Code"), as amended, or any successor thereto.

x. Borrower has no employees with respect to the Property and there are no persons employed at the Property that are considered employees of the "Property." All persons employed at the Property are employees of a manager or managers of the Property having contracts with Borrower and whose rights to employment at the Property will cease upon termination of any contract with such manager.

The foregoing representations are true and correct as of this date, shall be deemed to have been relied on by Lender, notwithstanding any inspection or investigation made by Lender or made on its behalf, and shall not merge with the delivery and recording of the Deed and other documents and instruments to be executed and delivered hereunder, but shall survive the Closing.

9. <u>CONDITIONS TO CLOSING; COVENANTS RESPECTING CLOSING</u>.

a. <u>Closing Conditions</u>. Lender shall not be obligated to close the transaction contemplated hereby or to execute and deliver any document or instrument required of it hereunder, unless and until each and every one of the following conditions has been satisfied in full (collectively, the "Closing Conditions"):

(i) The Title Company is prepared to issue the Title Policy upon the recording and filing of the Deed, <u>subject to the delivery by Lender of any documents required by the Title Company to issue the Title Policy</u>;

(ii) The Title Company is prepared to issue date-down endorsements to its existing loan policies insuring Lender with respect to the Property covering the Closing Date and insuring the Mortgage as a first priority lien on the Property subject only to the Permitted Exceptions and insuring the Junior Mortgage as a valid lien on the Property subordinate only to the Mortgage and subject only to the Permitted Exceptions, both date down endorsements to include affirmative insurance that Lender's fee interest and interest as mortgagee have not merged by the conveyance of title to the Property (the "Date Down Endorsements"). Charges incurred in the issuance of the above-described Date Down Endorsements shall be borne solely by Borrower;

(iii) Borrower and Lender shall have executed and delivered into the Escrow duplicate counterparts of a mutually satisfactory closing statement in substantially the form of Exhibit E attached to and made a part of this Agreement;

(iv) Borrower shall have delivered into the Escrow a certificate of non-foreign status for Trustee and Borrower, pursuant to Section 1445(f) of the Internal Revenue Code;

(v) Borrower shall have delivered into the Escrow UCC, Tax and Judgment Lien Searches with the Illinois Secretary of State for Borrower and Trustee reflecting no security interests other than in favor of Lender, no tax liens and no judgments affecting the personalty comprising a portion of the Property;

(vi) Borrower shall have delivered into the Escrow a disclosure form pursuant to the terms of the Illinois Responsible Property Transfer Act;

(vii) Borrower shall have delivered into the Escrow an indemnification of Lender for liability under Chapter 120, Section 9-902(d) of the Illinois Revised Statutes (the "Bulk Sales Act"). <u>Lender agrees to reasonably cooperate with Borrower in requesting, and</u> Borrower agrees to deliver to Lender no later than thirty (30) days after the Closing Date, a letter from the Illinois Department of Revenue releasing Lender of any tax liabilities under the Bulk Sales Act pursuant to Borrower's conveyance of the Property to Lender;

(viii) Borrower shall have delivered into the Escrow a certified Rent Roll for the Property; and

(ix) Borrower shall have delivered into the Escrow immediately available funds in the total amount of the security deposits and tax prorations set forth on the Closing Statement listed at Paragraph 9(a)(iii) above.

<u>Lender and Borrower expressly acknowledge and agree that, once Borrower has satisfied any Closing Condition, Borrower shall have no further responsibility with respect to that Closing Condition if it ceases to be satisfied solely because of any action or inaction of Lender in the performance or satisfaction by Lender of any covenant or condition necessary to procure the delivery, recordation and/or filing of the Transfer Documents or any other documents or instruments to be delivered by Lender pursuant to this Agreement.</u>

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b. Covenants Respecting Closing. Upon compliance with the Closing Conditions contained herein, the parties covenant and agree as follows:

(i) The Escrowee shall be authorized and directed to deliver to Lender and/or record with the Recorder's Office and file with the Registrar of Titles on behalf of Borrower, the Transfer Documents and to deliver the Title Policy and Date Down Endorsement to Lender;

(ii) Lender shall deliver to Borrower signed counterpart versions of any Transfer Documents required to be accepted by Lender;

(iii) ~~Concurrently with the Closing and the delivery of the Transfer Documents to Lender,~~ On the Closing Date, Trustee and Borrower shall deliver possession and enjoyment of the Property to Lender, and Lender shall thereupon have title to and the immediate right to manage, operate, use, possess, sell and/or transfer the same, or any part thereof, for its account, to the total exclusion of Trustee and Borrower; and

(iv) Borrower shall pay any and all Escrow and closing fees and charges, costs of recording the Transfer Documents, and the premium for the Title Policy and all endorsements thereto and the Date Down Endorsements. Lender and Borrower shall each pay their respective attorneys' fees in connection with the preparation and execution of this Agreement and the Closing.

10. RELEASE.

a. As of the date of this Agreement, Borrower, for itself and its affiliated companies and their respective officers, directors and employees (collectively "Borrower's Affiliates") hereby releases Lender and its parent, sister and affiliated companies and their respective officers, directors and employees (collectively, "Lender's Affiliates") from any and all claims arising in connection with the negotiation, execution and delivery of this Agreement and the conveyances contemplated hereunder, the Note, Mortgage, Junior Financing Documents, the Guarantees and the Principal Guaranty that Borrower or Borrower's Affiliates may have against Lender or Lender's Affiliates and any actions by them in connection therewith, including, without limitation, any claims for fraud, misrepresentation or lender liability. Borrower, for itself and Borrower's Affiliates, further agrees not to assert any claim against ~~release~~ Lender and

Lender's Affiliates from any and all future claims regarding that this the enforceability of this Agreement and the conveyances contemplated hereunder are unenforceablethey may have with respect to or relating to the Property against Lender or Lender's Affiliates.

b. As of the date of this Agreement, Lender, for itself and Lender's Affiliates, hereby release Borrower and Borrower's Affiliates from any and all existing claims that Lender or Lender's Affiliates may have to date with respect to or relating to the Property against Borrower or Borrower's Affiliates and any actions taken by them in connection therewith.; provided, however, subject to the provisions of Paragraph 18(k) of this Agreement, this release shall have no effect on any accrued liabilities of Borrower or Hassinger under the terms of the Note, Mortgage, Junior Financing Documents and the Guarantees.

11. INDEMNITIES

a. Indemnities by Borrower and Hassinger.

(i) Liabilities of the Parties Respecting the Property. Borrower hereby covenants and agrees to defend, indemnify and hold Lender harmless from and against:

(a) any and all liabilities or obligations, of every kind and nature, with respect to Property, incurred or accrued during Borrower's period of ownership prior to and including the Closing Date whether arising from acts or omissions of Trustee or Borrower, their respective agents or employees, or otherwise including, but not limited to, all liabilities and obligations for which Trustee and/or Borrower would have been or will be liable had Trustee and Borrower not transferred title to the Property to Lender pursuant hereto;

(b) any and all liabilities and obligations, including, but not limited to, any federal, state, county or city taxes or tax liens and assessments (other than real estate taxes and special assessments) which have attached or may, at any time, attach to the Property as a result of any act or omission of Trustee or Borrower, up to and including the Closing Date; and

(c) any and all liabilities and obligations arising from the failure of Borrower to perform Borrower's covenants and agreements contained herein or from the breach of any representation by Borrower contained herein.

(ii) Indemnity Respecting Employees. Borrower shall pay, be responsible for and defend, indemnify and hold Lender harmless from and against any and all salaries, fees, compensation, costs, expenses, charges of any type, and all liabilities and obligations of every kind and nature, whether due now, accrued or hereafter arising, in connection with any of the obligations incurred or contracted for by Trustee or Borrower relative to or concerning Property. Anything contained in this Agreement to the contrary notwithstanding, no employee of Trustee or Borrower shall be now or hereafter deemed an employee of Lender.

(iii) Disclaimers. Lender shall have no obligation and disclaims all liability for any act or neglect by Trustee, and Borrower prior to and including the Closing Date with respect to the Property and Trustee and Borrower shall have no obligation and disclaim all liability for any act or neglect by Lender hereafter with respect to the Property. It is understood that Lender:

(a) is not purchasing or continuing the business of Trustee and Borrower at the Property, is not a successor to any such business, and will have no liability for the debts, acts or omissions of Trustee or Borrower, their respective employees or agents; and

(b) will only be liable for its own debts, acts or omissions which take place from and after the Closing Date.

b. Indemnities by Lender. Lender hereby covenants and agrees to defend, indemnify and hold Trustee and Borrower harmless from and against:

(i) any and all liabilities or obligations, of every kind and nature, with respect to Property, incurred or accrued after the Closing and delivery of possession thereof to Lender whether arising from acts or omissions of Lender, its respective agents or employees, or otherwise;

(ii) any and all liabilities and obligations, includ-

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ing, but not limited to, any federal, state, county or city taxes or tax liens and assessments (other than real estate taxes, except to the extent Borrower has paid Lender all or any portion of its share of the real estate taxes, and special assessments) which have attached or may, at any time, attach to the Property as a result of any act or omission of Lender after the Closing Date; and

(iii) any and all liabilities and obligations arising from the failure of Lender to perform Lender's covenants and agreements contained herein.

12. NO MERGER.

Borrower and Lender acknowledge and agree it is the intention of Borrower and Lender that:

a. The interest of Lender in the Property, as evidenced by the conveyances and transfers provided for herein, shall not merge with the interest of Lender in Property pursuant to the Note, the Mortgage and the Junior Financing Documents; and

b. The interest of Lender *in the Property shall not* merge, but shall be and remain at all times separate and distinct, notwithstanding any union of said interest in Lender now or at any time subsequent by purchase, termination *or otherwise, and that the* lien of Lender on the Property established by the Note, the Mortgage and the Junior Financing Documents shall be and shall remain at all times a valid and continuous lien upon Property until and unless such lien is released of record by Lender.

13. ADDITIONAL COVENANTS.

a. No Interference with Future Foreclosure. Borrower hereby covenants and agrees *that it will not interfere with* or oppose Lender in, and hereby consent to, any:

(i) foreclosure proceedings, by court action or other*wise, or any other proceedings* instituted by Lender subsequent to Closing in connection with realizing upon the security granted pursuant to the Mortgage and the Junior Mortgage; and

(ii) action to quiet title which may be instituted by Lender subsequent to Closing to perfect its right, title and interest in Property.

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Borrower waives the right to a hearing in connection with any such foreclosure proceeding or other suit or proceedings, and further waive the right to require sale of Property in any such suit to be made in parcels. If Trustee or Borrower contests Lender's right to proceed in any suit, in addition to Trustee and Borrower being liable to Lender for all damages which Lender may suffer as a result thereof, Borrower acknowledges and agrees that it shall be liable to Lender for all reasonable attorneys' fees and court costs incurred by Lender in such suit.

b. Costs of Enforcement. Borrower shall pay any and all costs and expenses incurred by Lender in enforcing its rights and remedies against Trustee, Borrower and Hassinger under this Agreement, including reasonable attorneys' fees incurred by Lender in connection therewith, PROVIDED THAT Lender is successful therein, or in defending itself from any action or litigation with respect to any liabilities or obligations for which Lender is to be indemnified and held harmless by Trustee and Borrower under this Agreement.

c. Tax Identification Numbers. Lender is required, under Section 6050J of the Code, to submit to the Internal Revenue Service Borrower's taxpayer identification number in connection with the acquisition of the Property by Lender. Borrower represents that its taxpayer identification number is 36-3594166. Borrower agrees to provide Lender with the tax identification number of Trustee concurrently with the conveyance of the Property into the Trust.

14. ABSOLUTE CONVEYANCE.

Borrower acknowledges and agrees that the conveyance and transfer of the Property to Lender in accordance with the terms of this Agreement is an absolute conveyance and transfer of all of its right, title and interest therein, in fact as well as form, and is not and shall not now intended as a mortgage, trust conveyance, deed of trust, or security instrument of any kind; that the consideration for such conveyance and transfer is exactly as recited herein and that, as of Closing, Trustee and Borrower shall have no further interest (including rights of possession, repurchase, cure or redemption, except only as may be otherwise expressly set forth herein) or claim in and to Property or to the proceeds and profits, if any, which may be derived therefrom, during the period of ownership of or upon subsequent resale or conveyance by Lender, of any kind whatsoever.

15. SURVIVAL.

The acknowledgments, agreements, covenants, representa-

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tions, warranties and indemnifications contained in this Agreement, the Transfer Documents and the instruments comprising the Closing Conditions shall survive the Closing and shall not merge with the delivery and recording of the Deed, the other Transfer Documents and the instruments comprising the Closing Conditions.

16. NOTICES.

Any and all notices required or permitted to be given hereunder shall be in writing and shall be effective upon (a) delivery (or refusal of acceptance) if made by personal delivery or overnight courier services, or (b) two (2) days after deposit in the U.S. Mails, if made by certified or registered mail, return receipt requested. Notices shall be addressed as follows (unless either party shall provide written notice to the other party of a change of address):

If to Borrower:

The Hassinger Companies, Inc.
300 Park Boulevard
Suite 515
Itasca, Illinois 60143
Attention: Mr. Norman M. Hassinger, Jr. and
William M. Laytin, Esq.

with a copy to:

Katten Muchin & Zavis
525 West Monroe Street
Chicago, Illinois 60606
Attention: Arthur E. Pape, Esq. and
David M. Lesser, Esq.

If to Lender:

Lutheran General Health Care System
1775 Dempster Street
Park Ridge, Illinois 60068
Attention: Michael S. McCarthy, Esq.
Senior Vice President
General Counsel

with a copy to:

Coffield Ungaretti Harris & Slavin
3500 Three First National Plaza
Chicago, Illinois 60602
Attention: Richard A. Ungaretti, Esq.

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17. INTERVENING BANKRUPTCY.

In the event, subsequent to the date hereof and prior to the Closing, Borrower shall (a) file with any bankruptcy court of competent jurisdiction or be the subject of any petition under Title 11 of the U.S. Code, as amended ("Bankruptcy Code"), (b) be the subject of any relief issued under the Bankruptcy Code, (c) file or be the subject of any petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal or state act or law relating to bankruptcy, insolvency or other relief for debtors, (d) have sought or consented to or acquiesced in the appointment of any trustee, receiver, conservator or liquidator, or (e) be the subject of any order, judgment or decree entered by any court of competent jurisdiction approving a petition filed against Borrower for any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal or state act or law relating to bankruptcy, insolvency or relief of debtors, then, subject to court approval, Lender shall (y) in the case any of the foregoing are instituted by Borrower, immediately upon institution of same, or (z) in the case any of the foregoing are instituted by creditor(s) of the Borrower and are not dismissed or released within the ninety (90) day period after the same are instituted, immediately after the expiration of such ninety (90) day period, be entitled, and Borrower hereby consents, to relief from any automatic stay imposed by Section 362 of the Bankruptcy Code, or otherwise, on or against the exercise by Lender of its rights and remedies otherwise available under the Mortgage, the Junior Mortgage and as otherwise provided by law, and Borrower hereby irrevocably waives its right to object to such relief. In such event, Borrower further covenants and agrees with Lender that Borrower shall not contest the exercise of Lender's remedies under the Mortgage and Junior Mortgage, including, without limitation, foreclosure of the Mortgage and Junior Mortgage.

18. MISCELLANEOUS

a. Recitals Incorporated Herein. The Recitals set forth at the beginning of this Agreement are expressly incorporated into the terms of this Agreement herein.

b. No Assumption. Anything contained in this Agreement notwithstanding, by accepting the Transfer Documents, Lender does not, and does not intend to, assume any obligations of Trustee or Borrower in connection with the Property or otherwise, or any other obligation or liability other than as provided herein. Lender is not and shall not be deemed to

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be the business successor of Trustee or Borrower and is not continuing the business of Trustee or Borrower. Trustee and Borrower shall not be liable for any debts, contracts, obligations or liabilities assumed by or entered into by Lender from and after the Closing Date.

c. Applicable Law. This Agreement is made in the State of Illinois and shall be construed in accordance with the laws thereof. If any provision hereof is in conflict with any statute or rule of law of the State of Illinois or is otherwise unenforceable, such provision shall be deemed null and void only to the extent of such conflict or unenforceability, and shall be deemed separate from and shall invalidate any other provision of this Agreement.

d. Execution in Counterparts. It is understood and agreed that this Agreement may be executed in several counterparts, each of which shall, for all purposes, be deemed an original and all of such counterparts, taken together, shall constitute one and the same agreement, even though Borrower and Lender may not have executed the same counterpart of this Agreement.

e. Amendments. This Agreement may not be amended or modified except in writing executed by Borrower and Lender.

f. Borrower's Review of Agreement. Borrower acknowledges that it has thoroughly read and reviewed the terms and provisions of this Agreement and the exhibits attached hereto and is familiar with the terms hereof; that the terms and provisions contained herein have been thoroughly read by Borrower and are clearly understood and fully and unconditionally consented to by it; Borrower has had the full benefit and advice of counsel of its own selection or the opportunity to obtain the benefit and advice of counsel of its own selection, in regard to understanding the terms, meaning and effect of this Agreement; that Borrower's execution of the Transfer Documents is done freely, voluntarily, with full knowledge, and without duress, and that in executing this Agreement, Borrower has relied on no other representations, either written or oral, express or implied, made to it by any other party hereto; and the consideration received by it hereunder has been actual and adequate.

g. No Separate Agreements. Lender and Borrower each acknowledge that there are no other agreements or representations, either oral or written, express or implied, that are not embodied in this Agreement, the Transfer Documents and all exhibits attached hereto and thereto, and

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that the aforementioned documents represent a complete integration of all prior and contemporaneous agreements and understandings of Lender and Borrower, and that all such prior agreements, understandings, and documents, except for the Note, the Mortgage and the Junior Financing Documents, are hereby superseded by this Agreement.

h. Binding on Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of Borrower and Lender, their respective successors, assigns, grantees and legal representatives, and no other party shall be a Borrower hereunder.

i. Agreement not an Equitable Mortgage. Borrower and Lender acknowledge, covenant and agree that neither this Agreement nor any document or instrument executed or delivered in connection herewith, including, without limitation, the Escrow or the delivery of the Deed into Escrow, shall render this Agreement or the Deed a mortgage, equitable or otherwise, it being further acknowledged and agreed that the intent and effect of this Agreement is to effectuate on absolute conveyance of the Property to Lender on the Closing Date, all as described in Paragraph 10 hereof.

j. Conflicts. In the event of any conflict between the terms of this Agreement and the terms of the Purchase Agreement, the Note, the Mortgage, the Junior Financing Documents and the Guarantees, the Purchase Agreement, the Note, the Mortgage, the Junior Financing Documents and the Guarantees shall be deemed amended by the terms of this Agreement. As a result, the terms "Purchase Agreement," "Note," "Mortgage," "Junior Financing Documents" and "Guarantees" as used herein shall mean those documents as amended by this Agreement, unless the context otherwise requires.

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k. Limited Non-Recourse. Notwithstanding anything in this Agreement seemingly to the contrary, Borrower does not, by executing or performing this Agreement, waive or otherwise deprive itself of the benefits of any provisions of the Note, Mortgage, Collateral Assignment of Beneficial Interest or Junior Financing Documents which limit Borrower's liability thereunder.

IN WITNESS WHEREOF, the parties have executed and delivered this Settlement Agreement as of the day and year first above written.

BORROWER:

THE HASSINGER COMPANIES, INC., an Illinois corporation

ATTEST:

By: ____________________
Name: ____________________
Title: ____________________

By: ____________________
Name: ____________________
Title: ____________________

HASSINGER:

____
Norman M. Hassinger, Jr.*

LENDER:

LUTHERAN GENERAL HEALTH CARE SYSTEM, an Illinois not-for-profit corporation

ATTEST:

By: ____________________
Name ____________________
Title: ____________________

By: ____________________
Name: ____________________
Title: ____________________

*Norman M. Hassinger, Jr., joins in the execution of this Agreement for the limited purpose of personally guaranteeing his personal payment obligations set forth in Paragraphs 2(i), 2(j), 2(l) and 3(a)(iv) of this Agreement, agreeing to the terms of Paragraphs 2(i), 2(j) and 2(l) of this Agreement and consenting to the extensions and modifications of the Note, Mortgage and Guarantees contemplated hereunder.

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LIST OF EXHIBITS

EXHIBIT E

Form of Closing Statement

SELLER: THE HASSINGER COMPANIES, INC., an Illinois corporation

PURCHASER: LUTHERAN GENERAL HEALTH CARE SYSTEM, an Illinois not-for-profit corporation

PROPERTY: Lutheran General Hospital - Lincoln Park
Chicago, Illinois

CLOSING DATE: ____________________, 199__

	Credit Purchaser
Security Deposits[1]	$____________
Real Estate Taxes for 199__ through ____________, 199__ (Prorated based on 100% of the most recently ascertainable tax bill)[2]	____________
Real Estate Taxes for 199__ through ____________, 199__ (Prorated based on 100% of the most recently ascertainable tax bill)[2]	____________
TOTAL DUE PURCHASER	$____________

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[1] If any, as disclosed by certified rent roll deposited with Escrowee.

[2] To be deposited with Escrowee and invested and disbursed pursuant to the Escrow Agreement.

The undersigned hereby jointly agree as follows:

1.	Principal Amount Outstanding as of the date of the Settlement Agreement	$15,667,000.00
2.	Accrued Interest as of the Date of the Settlement Agreement	$________
3.	Interest Accrual from the Date of the Settlement Agreement through ________, 199__ at $4,077.71 per diem	$________
4	Principal Payment made on ________	$________
5.	Interest Accrual from ________ through ________ at $________ per diem	$________

[ANY ADDITIONAL PRINCIPAL PAYMENTS AND CORRESPONDINGLY REVISED INTEREST ACCRUALS SHALL ALSO BE REFLECTED]

Total Obligations of Seller $________

Guaranteed and Unsatisfied
Obligations as of the Closing Date

1.	Interest Payment Guaranty[3]	$________
2.	Principal Payment Guaranty[4]	$________
	Total	$________

LUTHERAN GENERAL HEALTH CARE SYSTEM, an Illinois not-for-profit corporation

By: ________
Its: ________

THE HASSINGER COMPANIES, INC., an Illinois corporation

By: ________
Its: ________

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[3] Sum of Interest Amounts Listed at 2, 3, 5, etc. above

[4] Difference between $667,000 and principal payments listed at 4, etc. above

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EXHIBIT "A"

PARCEL 1:

LOT "A" OF BLOCK 30 IN CANAL TRUSTEE'S SUBDIVISION OF THE NORTH 1/2 AND THE NORTH 1/2 OF THE SOUTH EAST 1/4 AND THE EAST 1/2 OF THE SOUTH WEST 1/4 OF SECTION 33, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, AS SHOWN BY THE PLAT RECORDED IN THE RECORDER'S OFFICE OF COOK COUNTY, ILLINOIS, IN BOOK 20 OF PLATS AT PAGE 6, AS DOCUMENT NUMBER 616674, IN COOK COUNTY, ILLINOIS, INCLUDING IN SAID LOT "A" THE NORTHEASTERLY HALF OF THE PRIVATE ALLEY SHOWN ON SAID PLAT OF LOT "A" ALONG A SOUTHERLY LINE OF SAID LOT "A" AND THE NORTHEASTERLY AND SOUTHWESTERLY PRIVATE ALLEY ALONG A NORTHWESTERLY LINE OF SAID LOT "A".

PARCEL 2:

LOTS 1 AND 2 IN THE RESUBDIVISION OF LOTS 5, 6, 7 AND 8 IN LOEB'S SUBDIVISION OF THE EAST HALF OF THE WEST HALF OF LOT 1 AND THE WEST HALF OF LOT 2 OF BLOCK 30 OF CANAL TRUSTEE'S SUBDIVISION AFORESAID IN SECTION 33, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

LOT 4 (EXCEPT THE SOUTH 6 INCHES THEREOF) IN THE SUBDIVISION OF BLOCK 30 IN CANAL TRUSTEE'S SUBDIVISION AFORESAID IN SECTION 33, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 4:

THAT PORTION OF LOTS 3, 4, 5 AND 6 IN JOHN HORN'S SUBDIVISION OF LOT 5 IN THE SUBDIVISION OF BLOCK 30 IN CANAL TRUSTEE'S SUBDIVISION AFORESAID IN SECTION 33, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTH EAST CORNER OF LOT 4 AFORESAID; THENCE WEST 115 1/2 FEET ON THE NORTH LINE OF SAID LOT 4; THENCE SOUTH TO A POINT ON THE SOUTH LINE OF LOT 3, 115 1/2 FEET WEST OF THE SOUTH EAST CORNER OF LOT 6 AFORESAID; THENCE EAST TO THE SOUTH EAST CORNER OF LOT 6, AND THENCE NORTH TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 5:

LOTS 1 AND 2 IN OWNER'S DIVISION OF PART OF ORIGINAL LOT 4 AND PARTS OF LOTS 1 TO 6 IN JOHN HORN'S SUBDIVISION OF LOT 5 IN BLOCK 30 OF CANAL TRUSTEE'S SUBDIVISION AFORESAID IN PART OF SECTION 33, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

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PARCEL 6:

LOTS 1, 2, 3, 4, 5, 6, 7 AND 8 IN GEHRKE'S SUBDIVISION OF LOT 6 IN THE SUBDIVISION OF BLOCK 30 IN CANAL TRUSTEE'S SUBDIVISION AFORESAID IN SECTION 33, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 7:

THE EAST 24 FEET OF THAT PART OF LOT 1 IN BLOCK 30 IN CANAL TRUSTEE'S SUBDIVISION IN SECTION 33, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT A POINT 19.8 FEET NORTH OF THE SOUTH LINE AND 150 FEET EAST OF THE WEST LINE OF SAID LOT 1; THENCE NORTH 19.8 FEET TO THE NORTH LINE OF SAID LOT; THENCE WEST TO THE NORTH WEST CORNER THEREOF; THENCE SOUTHEASTERLY TO THE SOUTH WEST CORNER THEREOF; THENCE EAST TO A POINT IN THE SOUTH LINE OF SAID LOT WHICH IS 19.8 FEET SOUTH OF THE POINT IN THE SOUTH LINE OF SAID LOT WHICH IS 19.8 FEET SOUTH OF THE POINT OF BEGINNING THENCE NORTH TO A POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 8:

LOT 4 IN LOEB'S SUBDIVISION OF THE EAST HALF OF THE WEST HALF OF LOT 1 AND THE WEST HALF OF LOT 2 IN BLOCK 30 IN CANAL TRUSTEE'S SUBDIVISION AFORESAID IN SECTION 33, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, EXCEPTING THAT PART OF SAID LOT 4 DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTH WEST CORNER OF SAID LOT 4 THENCE SOUTHEASTERLY TO A POINT IN THE WESTERLY LINE OF SAID LOT WHICH IS 9.0 FEET SOUTH OF THE NORTH LINE OF SAID LOT (SUCH MEASUREMENT BEING PERPENDICULAR TO SAID NORTH LINE); THENCE EAST ALONG A LINE DRAWN PARALLEL WITH THE NORTH LINE OF SAID LOT, A DISTANCE OF 12.0 FEET; THENCE NORTH ALONG A LINE DRAWN PARALLEL WITH THE EAST LINE OF SAID LOT TO SAID NORTH LINE OF SAID LOT; THENCE WEST ALONG THE NORTH LINE OF SAID LOT TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

PARCEL 9:

LOTS 9, 10 AND 11 (EXCEPT THE WESTERLY 1.0 FOOT OF SAID LOTS) IN GEHRKE'S SUBDIVISION OF LOT 6 IN THE SUBDIVISION OF BLOCK 30 IN CANAL TRUSTEE'S SUBDIVISION AFORESAID IN SECTION 33, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 10:

LOTS 3, 4, 5 AND THAT PART OF LOT 6, LYING NORTHWESTERLY OF A LINE DRAWN FROM THE SOUTH WEST CORNER OF SAID LOT 6, AT RIGHT ANGLES TO LINCOLN AVENUE (EXCEPTING THE SOUTH WESTERLY 1 FOOT THEREOF) ALL IN LOEB'S RESUBDIVISION OF LOTS 5, 6, 7 AND 8 IN LOEB'S SUBDIVISION OF THE EAST HALF OF THE WEST HALF OF LOT 1 AND THE WEST HALF OF LOT 2 IN BLOCK 30 IN CANAL TRUSTEE'S SUBDIVISION AFORESAID IN SECTION 33, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, ALSO ALL OF THE 6.65 FOOT PRIVATE ALLEY LYING NORTH EASTERLY OF AND ADJOINING SAID LOT 5 AND SAID PORTION OF LOT 6, ALL IN COOK COUNTY, ILLINOIS.

PARCEL 11:

ALL OF THE 12 FOOT PUBLIC ALLEY (VACATED BY ORDINANCE RECORDED OCTOBER 1, 1980 AS DOCUMENT NUMBER 25606247) SHOWN ON THE PLAT OF CONRAD GEHRKE'S SUBDIVISION OF LOT 6 IN THE SUBDIVISION OF BLOCK 30 IN THE CANAL TRUSTEE'S SUBDIVISION AFORESAID IN SECTION 33, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, WHICH ALLEY IS WESTERLY OF AND ADJOINING THE WESTERLY LINES OF LOTS 1, 5 AND 6, NORTH WEST OF AND ADJOINING THE NORTH WESTERLY LINE OF LOT 8, EAST AND SOUTH EAST OF THE EASTERLY AND SOUTH EASTERLY LINE OF LOTS 3, 4 AND 7 IN GEHRKE'S SUBDIVISION AFORESAID, IN COOK COUNTY, ILLINOIS.

PARCEL 12:

LOTS 3 TO 22, INCLUSIVE (EXCEPT THE NORTHEASTERLY 1.0 FOOT OF LOTS 3 TO 19 INCLUSIVE, ALSO EXCEPTING THAT PART OF LOTS 3, 4, 5 AND 6 LYING WEST OF THE WEST LINE, EXTENDED NORTH, OF LOT 3 IN JOHN COSTELLO'S SUBDIVISION OF LOTS 23 TO 26 IN J. WADDINGTON'S SUBDIVISION, HEREINAFTER DESCRIBED) ALL IN J. WADDINGTON'S SUBDIVISION OF THE EAST 3 ACRES OF BLOCK 29 IN CANAL TRUSTEE'S SUBDIVISION AFORESAID IN SECTION 33, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS. 3337812

PARCEL 13:

LOT 3 IN JOHN COSTELLO'S SUBDIVISION OF LOTS 23 TO 26, INCLUSIVE, IN J. WADDINGTON'S SUBDIVISION OF THE EAST 3 ACRES OF BLOCK 29 IN CANAL TRUSTEE'S SUBDIVISION, AFORESAID, IN SECTION 33, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 14:

THAT PART OF LOTS 24 AND 25 (EXCEPT THE NORTHEASTERLY 1.0 FOOT OF SAID LOTS, ALSO EXCEPT THAT PART OF SAID LOTS LYING WEST OF THE WEST LINE, EXTENDED NORTH, OF LOT 3 IN JOHN COSTELLO'S SUBDIVISION, AFORESAID) IN CARLSON AND WOLTZ SUBDIVISION OF THE WEST 2 ACRES OF BLOCK 29, ALSO OF LOTS 1 AND 2 IN J. WADDINGTON'S SUBDIVISION OF THE EAST 3 ACRES OF BLOCK 29 IN CANAL TRUSTEE'S SUBDIVISION, AFORESAID, IN SECTION 33, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 15:

ALL THAT PART OF THE 30 FOOT ALLEY (VACATED BY ORDINANCE RECORDED NOVEMBER 1, 1971 AS DOCUMENT NUMBER 21694318) WESTERLY AND SOUTHWESTERLY OF AND ADJOINING LOTS 6 TO 14, INCLUSIVE, IN J. WADDINGTON'S SUBDIVISION, AFORESAID, LYING EASTERLY AND SOUTHEASTERLY OF THE WEST LINE, EXTENDED NORTH, OF LOT 3 IN JOHN COSTELLO'S SUBDIVISION OF LOTS 23 TO 26 IN J. WADDINGTON'S SUBDIVISION, AFORESAID, AND LYING NORTH OF THE SOUTH LINE OF LOTS 14 AND 20, EXTENDED EAST AND WEST IN SAID J. WADDINGTON'S SUBDIVISION, IN COOK COUNTY, ILLINOIS.

PROPERTY ADDRESS: 2035 NORTH LINCOLN AVENUE
CHICAGO, ILLINOIS

P.I.N. 14-33-132-039; 14-33-132-037; 14-33-132-035;
14-33-132-036; 14-33-132-012; 14-33-132-011;
14-33-132-027; 14-33-132-010; 14-33-131-046;
14-33-131-043; 14-33-132-032; 14-33-132-034;
14-33-132-029; 14-33-132-038; 14-33-131-049;
14-33-131-014; 14-33-131-047.

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