



WHEREAS, with the consent of Platis first had and obtained, the third party assigned to Rasmussen, and Rasmussen accepted and assumed, the Third Party Assignment and the Third Party Note in exchange for a parcel of real estate then owned by Rasmussen, said exchange intended to qualify under Section 1031 of the Internal Revenue Code of 1986, as amended the ("Third Party Exchange"); and

WHEREAS, pursuant to the Agreement and in consideration of Platis's consent to the Third Party Exchange and in order to redocument the above-described transactions to assure privity of contract between Platis and Rasmussen, Platis, the third party and Rasmussen cancelled the Third Party Assignment, and, simultaneously therewith, Platis and Rasmussen entered into that certain Assignment of Contract for Conditional Sale of Real Estate commonly known as Bonfield Square Apartments (the "Original Assignment"), of even date herewith, a copy of which is attached hereto and made a part hereof as Exhibit C; and

WHEREAS, for and in consideration of the Original Assignment and pursuant to the Agreement and in consideration of Platis's consent to the Third Party Exchange and in order to redocument the above-described transactions to assure privity of contract between Platis and Rasmussen, Platis cancelled the Third Party Note and accepted from Rasmussen delivery of that certain promissory note of even date herewith (the "Note"), which Note evidences a certain Indebtedness (as that term is therein defined), being in the original principal sum of Six Hundred Eighty Thousand and No/100 (\$680,000.00), a copy of which is attached hereto and made a part hereof as Exhibit D; and

WHEREAS, Rasmussen has agreed to secure payment of said Note by executing and delivering to Platis this Collateral Assignment;

NOW, THEREFORE, in consideration of the Agreement and the Original Assignment, and as security for the Indebtedness evidenced by the Note, and in consideration of the mutual promises and undertakings contained herein, Rasmussen and Platis agree as follows:

1. Rasmussen hereby collaterally conveys, grants, transfers and assigns all right, title and interest in, to and under the Contract, the Real Estate, and the fixtures, personal property, leases, rents and security deposits related to the Real Estate to Platis, for the purpose of providing security for the payment and performance of the Note held by Platis.

2. Rasmussen will not hereafter assign, sell, transfer or grant a security interest in the Contract, the Real

Estate or the fixtures, personal property, leases, rents and/or security deposits related to the Real Estate to anyone other than Platis, without the prior written consent of Platis, which consent shall not be unreasonably withheld.

3. Rasmussen shall (i) promptly repair, restore or rebuild any buildings, improvements, fixtures and personal property now or hereafter on the Real Estate which may become damaged or destroyed; (ii) keep the Real Estate, fixtures and personal property in good condition and repair and without waste, (iii) complete within a reasonable time any building or buildings now or at any time in process of erection upon the Real Estate; (iv) comply with all requirements of law or municipal ordinances with respect to the Real Estate and the use thereof; and (v) without prior written consent of Platis being first had and obtained, make no material alterations in the Real Estate except as required by law or municipal ordinance.

4. Rasmussen will pay all taxes now or hereafter levied or assessed against the Real Estate and before the same become delinquent, and will promptly pay and discharge any and all liens now or hereafter chargeable against the Real Estate.

5. Rasmussen shall comply with and fully perform all obligations under the Contract, except as otherwise provided for in paragraph 2 of the Original Assignment. Rasmussen shall include Platis as an additional insured to all insurance policies which Rasmussen may obtain in connection with the Real Estate. Rasmussen shall forward to Platis any notice from Contract Seller or any other party in connection with the Contract or the Real Estate, including, without limitation, any notice of default. Rasmussen shall not change, amend, renew, extend or modify the Contract nor shall Rasmussen acquiesce in any change, amendment, renewal, extension or modification of the Contract without the express and prior written consent of Platis, which consent shall not be unreasonably withheld.

6. Five business days after notice to Rasmussen, Platis may, at his option, discharge taxes, liens or security interests or other encumbrances at any time levied or placed on the Real Estate provided, however, that Rasmussen does not discharge such taxes, liens or security interests or other encumbrances during the aforementioned five business day period. Any payment made, or any expense incurred by Platis pursuant to this paragraph shall become a part of the Indebtedness hereby secured and Rasmussen agrees to reimburse Platis on demand for the amount paid or incurred plus interest thereon at the rate then in effect under the Note.

7. It is expressly understood and agreed, anything herein contained to the contrary notwithstanding, that subject to the terms hereof Rasmussen shall be entitled to all of the benefits of Platis under the Contract and with respect to the Real Estate unless and until an "Event of Default," as defined herein shall occur. If an Event of Default shall occur, Platis shall be entitled, without further notice to Rasmussen, to exercise in the name of Rasmussen, or in his own name hereunder, all rights under the Contract and with respect to the Real Estate, with full power to do all acts which in his sole discretion Platis may deem necessary with respect to the Real Estate. Platis by his acceptance hereof shall not be deemed to have assumed or become liable for any of the obligations or liabilities of Rasmussen under the Contract, Agreement, Original Assignment or this Collateral Assignment (collectively, the "Security Documents"), whether provided for by the terms thereof, arising by operation of law or otherwise, Rasmussen hereby acknowledging that Rasmussen remains liable thereunder to the same extent as though this Collateral Assignment had not been made.

8. The acceptance by Platis at any time and from time to time of part payment on the Indebtedness shall not be deemed to be a waiver of any default then existing. No waiver by Platis of any default shall be deemed to be a waiver of any other then existing or subsequent default, nor shall any such waiver by Platis be deemed to be a continuing waiver. No delay or omission by Platis in exercising any right, remedy or privilege or be construed as a waiver thereof or any acquiescence in the default giving rise thereto, nor shall any single or partial exercise of any such right, remedy or privilege preclude other or further exercise thereof, or the exercise of any other right, remedy or privilege of Platis hereunder.

9. All rights, remedies and privileges available to Platis hereunder shall be cumulative of and in addition to all other rights, remedies and privileges granted to Platis under the Security Documents or at law or in equity, and may be exercised from time to time, and as often as may be deemed expedient by Platis.

10. In case one or more of the following events ("Events of Default") shall occur, to-wit:

(a) Time being of the essence, if default shall be made in the payment of any installment of interest, or of principal and interest, hereunder or under the Note when the same or any part thereof shall become due and payable; or

(b) If default shall be made by Rasmussen under the Contract; or

(c) If default not involving the payment of monies due pursuant to the terms of this Collateral Assignment or due pursuant to the terms of the Security Documents shall occur in the due observance and performance of any covenant, condition or agreement contained therein; or

(d) If Rasmussen or either of them files a voluntary petition in bankruptcy or is adjudicated a bankrupt or insolvent, or files any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future federal bankruptcy law or any other present or future applicable federal, state or other law, or if Rasmussen or either of them seeks or consents to or acquiesces in the appointment of a trustee, receiver or liquidator of Rasmussen or either of them or of all or any substantial part of its assets or of the Real Estate or any interest of Rasmussen or any one of them therein, or if Rasmussen becomes unable to pay its obligations as they come due; or

(e) If Rasmussen or either of them dies or becomes incompetent; or

(f) If any representation made or information supplied by Rasmussen or by either of them proves to be untrue in any material respect and not made good within thirty (30) days after notice to Rasmussen; or

(g) If any default or "Event of Default" (as therein defined) shall occur pursuant to any provision of the Note or of any of the other Security Documents;

then, in any such events, and to the extent permitted by applicable law, Platis shall have immediate possession, delivery and assignment of the Contract, without notice, and without legal process, and shall thereafter be recognized as the Contract Purchaser or Buyer under the terms of the Contract, entitled to all the right, title and interest of Rasmussen as Grantee under the terms of the Original Assignment, including without limitation, possession of the Real Estate, the fixtures and personal property related to the Real Estate and the right to receive the proceeds from rentals,

laundry and other income generated by the Real Estate until such time that the Note is paid in full, and during any such time as the default shall remain in existence. To the extent Platis must proceed under the remedies provided by the Uniform Commercial Code, then Platis shall have full power and authority to exercise all or any one or more of the remedies and shall have all the rights of a secured party under the Uniform Commercial Code of Indiana (hereinafter called the "Code"). Rasmussen expressly waives any notice of sale or other disposition of the Collateral (as defined in the Code and as it relates hereto) and any right or remedy of Platis existing after the occurrence of an Event of Default hereunder, and to the extent any such notice is required and cannot be waived, Rasmussen agrees that if such notice is mailed, postage prepaid, to Rasmussen at least five (5) days before the time of the sale or disposition, such notice shall be deemed reasonable and shall fully satisfy any requirement for giving of said notice. Platis or Rasmussen may purchase at such sale. The Collateral is agreed to be of a type customarily sold on a recognized market, and sales for cash or on credit to a wholesaler, retailer or user of the Collateral, or at public or private auction, are all agreed to be commercially reasonable. Platis shall have the unqualified right, in connection with any such sale of the Collateral, to execute and deliver an assignment of the Collateral to the purchaser at any such sale, free of any right of redemption by Rasmussen.

11. Waiver of or acquiescence in any Event of Default by Rasmussen, or either of them, or failure of Platis to insist upon strict performance by Rasmussen or either of them of any terms, covenants and conditions in this Collateral Assignment or in the Security Documents, shall not constitute a waiver of any subsequent or other Event of Default or failure.

12. Any notice, communication or demand required or permitted under this Collateral Assignment shall be in writing. Any such notice, communication or demand shall be deemed to have been duly given or served if sent by registered or certified mail, return receipt requested, or by hand delivery, to the party to which it is directed, addressed as follows:

If to Rasmussen:

David Rasmussen and  
Maryann Rasmussen  
278 Mary Street  
Winnetka, Illinois 60093

With a copy to:

Stephen Sadin, Esq.  
32 West Washington  
Suite 500  
Chicago, Illinois 60602

If to Platis:

James M. Platis, M.D. and  
Penelope D. Platis  
Professional Arts Building  
210 East 86th Place  
Merrillville, Indiana 46410

With a copy to:

Noel Elfant, Esq.  
McDermott, Will & Emery  
111 West Monroe Street  
Chicago, Illinois 60603

A notice, demand or other communication shall be deemed received on the date of delivery if by hand, or the date of the registered or certified mail receipt if delivered or the date of attempted delivery if delivery is not accepted.

13. If there shall occur an Event of Default under this Collateral Assignment, Platis may perform same for Rasmussen's account and any monies expended, including reasonable attorneys' fees, in so doing shall be chargeable with interest at the default rate set forth in the Note to Rasmussen and added to the Indebtedness secured hereby.

14. The obligations of Rasmussen hereunder, if more than one person or entity has executed this Collateral Assignment, are the joint and several obligations of each such person or entity.

15. If any term of this Collateral Assignment, or the application thereof to any person or circumstances, shall to any extent, be invalid or unenforceable, the remainder of this Collateral Assignment, or the application of such term to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term of this Collateral Assignment shall be valid and enforceable to the fullest extent permitted by law.

16. The terms "Rasmussen" and "Platis" shall be construed to include and be binding upon the successors and assigns thereof. The gender and number used in this Collateral Assignment are used as a reference term only and shall apply with the same effect whether the parties are of the masculine or feminine gender, corporate or other form, and the singular shall likewise include the plural.

17. If Rasmussen shall pay to Platis, or its assigns, the Indebtedness evidenced by the Note, and shall perform and comply with each and every provision of this Collateral Assignment and of the Security Documents, this Collateral Assignment shall be null and void, otherwise the same shall remain in full force and effect.

18. This Collateral Assignment may not be changed, amended, renewed, extended, modified or terminated nor shall any waiver of any provision hereof be effective, except by an instrument in writing and signed by the parties hereto.

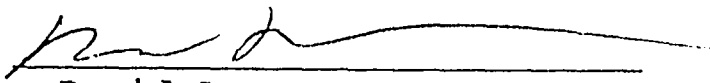
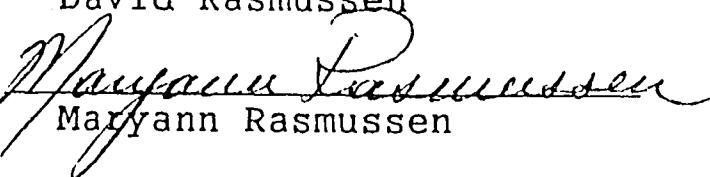
19. This instrument shall be controlled by and construed in accordance with the laws of the State of Indiana.

20. If prior to payment in full of the Indebtedness evidenced by the Note (as "Indebtedness" is defined therein), title to the Real Estate is conveyed to Rasmussen, Platis shall release this Collateral Assignment and, simultaneously therewith, in order to secure the Note, Rasmussen shall execute and deliver to Platis a mortgage which shall be a first priority lien on the Real Estate. Upon the payment in full or other satisfaction of the Indebtedness, Platis shall execute a release of either this Collateral Assignment or the mortgage, as may be the case.

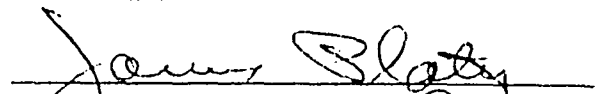
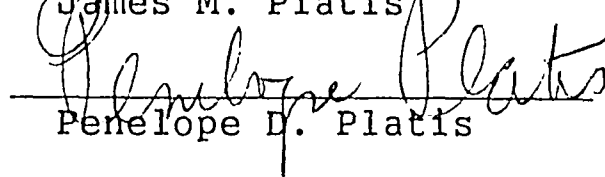
21. This Collateral Assignment shall be recorded without exhibits in the Office of the Recorder of Lake County, Indiana.

IN WITNESS WHEREOF, Rasmussen and Platis have set their hands as of the day and year first above written.

RASMUSSEN:

  
\_\_\_\_\_  
David Rasmussen  
  
\_\_\_\_\_  
Maryann Rasmussen

PLATIS:

  
\_\_\_\_\_  
James M. Platis  
  
\_\_\_\_\_  
Penelope D. Platis

This document was prepared by: Noel Elfant, McDermott, Will & Emery, 111 West Monroe Steet, Chicago, Illinois 60603.



STATE OF IL )  
COUNTY OF COOK ) SS.

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that DAVID RASMUSSEN and MARYANN RASMUSSEN, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of the right of homestead.

Given under my hand and official seal, this 24th day of August, 1988.

Patricia Flowers  
Notary Public

My Commission Expires:



STATE OF IL )  
COUNTY OF COOK ) SS.

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that JAMES M. PLATIS and PENELOPE D. PLATIS, his wife, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of the right of homestead.

Given under my hand and official seal, this 24th day of August, 1988.

Patricia Flowers  
Notary Public

My Commission Expires:

