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Chicago Title Insurance Company

**DEED OF TRUST, MORTGAGE AND
SECURITY AGREEMENT**

Dated as of December 1, 1993

from
Document is
~~Chicago Land Christian Village, Inc.~~
NOT OFFICIAL!
 This Document is the property of
 the Lake County Recorder!
 Mercantile National Bank of Indiana,
 as Trustee on the Series 1993 Bonds
 Secured Party
 and
 Logan County Bank,
 as Co-Trustee on the Series 1993 Bonds
 Secured Party

RECORDER'S OFFICE
 \$7,000,000
 CITY OF CROWN POINT, INDIANA
 Economic Development Revenue Bonds, Series 1993
 (Chicago Land Christian Village, Inc. Project)

Dec 1 1993
Crown Point, Ind
11:57 AM

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DEED OF TRUST, MORTGAGE AND SECURITY AGREEMENT

THIS DEED OF TRUST, MORTGAGE AND SECURITY AGREEMENT (the "Mortgage"), dated as of December 1, 1993, from Chicagoland Christian Village, Inc. (the "Company"); to Mercantile National Bank of Indiana, as Trustee and Logan County Bank, as Co-Trustee (collectively, the "Trustee"), under the Indenture as secured party.

WITNESSETH:

WHEREAS, the Company is nonprofit corporation incorporated in the State of Indiana; and

WHEREAS, the Company proposes to construct a retirement village on the real estate described in Schedule A hereto (the "Land") and operated as Chicagoland Christian Village, Inc., including the buildings, improvements, fixtures, furnishings, machinery and equipment and related support facilities described in Schedule B hereto (the Land and such buildings, improvements, fixtures, furnishings, machinery and equipment and related support facilities being collectively referred to herein as the "Project"); and

WHEREAS, the Issuer proposes to issue its Economic Development Revenue Bonds, Series 1993 (Chicagoland Christian Village, Inc. Project) in the aggregate principal amount of Seven Million and 00/100s Dollars (\$7,000,000) (the "Bonds"), pursuant to Indiana Code, Title 36, Article 7, Chapters 11.9 and 12 (the "the Act") and a Trust Indenture, dated as of the date hereof (the "Indenture"), among the Issuer, Mercantile National Bank of Indiana, as Trustee and Logan County Bank, as Co-Trustee (collectively, the "Trustee"), and to lend the proceeds of the Bonds to the Company for the purpose of financing or refinancing a portion of the costs of the Project (as defined in the Indenture); and

WHEREAS, the Issuer and the Company have entered into a Loan Agreement dated as of the date hereof (as amended and supplemented from time to time, the "Loan Agreement") to provide for the loan mentioned above and its uses and repayment and to provide for the payment of the Bonds; and

WHEREAS, the Company desires to make and enter into this Mortgage to secure the payment and the performance of its duties and obligations under the Loan Agreement and this Mortgage, and as an inducement to the purchase of the Bonds by all who shall at any time become holders thereof;

NOW, THEREFORE, THIS DEED OF TRUST, MORTGAGE AND SECURITY AGREEMENT WITNESSETH:

GRANTING CLAUSES

A. Deed of Trust.

That the Company, in consideration of the premises, the sum of One Dollar (\$1.00) paid to the Company by the Co-Trustee, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and to secure the payment of the Bonds and the payment and performance of the Company's duties and obligations under the Loan Agreement, the Bonds and this Mortgage, by these presents does hereby grant, bargain, sell, convey and confirm unto the Trustee, its successors and assigns, forever, with power of sale and pursuant to other provisions herein and in the Loan Agreement provided, all and singular, the real property described in paragraphs 1 and 2 below (said property being herein referred to as the "Mortgaged Real Property"), to wit:

1. All right, title, estate and interest of the Company in and to that tract or parcel of Land more particularly described in Schedule A hereto and made a part hereof with the tenements, hereditament, appurtenances, rights, privileges, easements, franchises, rights, appendages and immunities thereunder belonging or appertaining.

2. All right, title and interest of the Company in and to all buildings, structures, fixtures, improvements and other property constituting real property or real estate under the law of the State of Indiana now, or hereafter located; upon the Land, including the property constituting real property or real estate, or any part or parcel thereof, described in Schedules A and B hereto, including all extensions, additions, improvements, betterments, after-acquired property located on the Land, renewals, replacements and substitutions, or proceeds from a permitted sale of any of the foregoing, and all right, title and interest of the Company, now owned or hereafter acquired, in and to any and all strips and gores of land, in and to all real property upon which any such buildings or improvements may now or hereafter encroach, and in, to and under the real property within the streets, roads and alleys adjoining all such real property, and in and to all and singular the tenements, hereditament, privileges, easements, franchises, rights, appendages and appurtenances whatsoever belonging to or in any wise appertaining to all such real property and the reversion or reversions, remainder or remainders, rents, issues and profits thereof.

TO HAVE AND TO HOLD all and singular the Mortgaged Property with all rights and privileges hereby mortgaged, conveyed, pledged and assigned or agreed or intended so to be, to the Trustee and its successors and assigns forever;

IN TRUST NEVERTHELESS, upon the terms and subject to the conditions hereinafter set forth.

B. Security Agreement.

To further secure the payment of the Bonds and the payment and performance of the Company's duties and obligations under the Loan Agreement and this Mortgage, the Company does hereby pledge, assign and grant a security interest in the property described in paragraphs 1 through 5 below (the "Mortgaged Personal Property"), unto the Trustee and its successors and assigns forever, to wit:

1. All tangible personal property (including, without limitation, all fixtures, furnishings, machinery and equipment and related support facilities of any nature whatsoever) now or hereafter constituting a part of the Project including the property constituting personal property under the laws of the State of Indiana described in Schedule B hereto and located on the Land described in Schedule A.

2. All fixtures and tangible personal property (including, but not limited to, furnishings, machinery and equipment and related support facilities, building materials, building machinery and building equipment) located at the Project.

3. All right, title and interest of the Company in, to and under any contracts, purchase orders or agreements for the acquisition, rehabilitation or installation of the Mortgaged Property or any part thereof.

4. All leases of the Mortgaged Property (herein defined), or any part thereof, now or hereafter entered into or presently in existence and all right, title and interest of the Company thereunder, including cash and securities deposited under said leases.

5. All revenues, rents, income, receipts and other money derived from or in connection with the Company's ownership and operation of the Project (exclusive of the amounts specified in the last sentence of this paragraph), including, without limiting the generality thereof, rents and revenues under any lease of the Project or any agreement for the operation or management of the Project, proceeds of insurance, condemnation awards and sales of property of the Project to the extent not applied in payment of costs of Project repairs, replacements or improvements, accounts receivable, inventories and other tangible and intangible property, including Medicare, Medicaid and Blue Cross payments to the Company, contract rights and other rights and assets now or hereafter owned, held or possessed by or on behalf of the Company in connection with the Project and gifts, grants, bequests, donations and contributions. Revenues pledged hereunder shall not include (a) gifts, grants, bequests, donations and contributions to the extent specifically restricted by the donor to a particular purpose inconsistent with their use for the payment of the Bonds or any portion thereof, (b) the proceeds of the Bonds or any other permitted borrowings, and (c) revenues, rents, income, receipts and other money derived from or in connection with the Company's ownership and operations of other nursing or skilled care facilities or retirement centers.

NOW, THEREFORE, the condition of this Mortgage is such that if the Company shall well and truly pay unto the Trustee the indebtedness evidenced by the Loan Agreement and shall perform, comply with and abide by each and every agreement, condition and covenant contained and set forth in the Loan Agreement, the Bonds and this Mortgage, then this Mortgage and the estate hereby created shall be reconveyed, without warranty, to the parties designated by the terms of said Mortgage and the security interest herein granted shall be cancelled and released and all evidences of indebtedness cancelled by the Trustee.

AND, the Company does hereby covenant and agree as follows:



ARTICLE I.

DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1. Definitions of Words and Terms. In addition to words and terms defined herein, the following words and terms as used in this Mortgage shall have the following meanings unless some other meaning is plainly indicated:

"Act" means Indiana Code, Title 36, Article 7, Chapters 11.9 and 12, as amended.

"Additional Bonds" means any additional parity Bonds issued pursuant to Section 2.10 of the Indenture.

"Authorized Company Representative" means the person or persons at the time designated to act on behalf of the Company by a written certificate furnished to the Issuer and the Trustee containing the specimen signature(s) of such person(s) and signed by appropriate officers of the Company. Such certificate or any subsequent or supplemental certificate so executed may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized Company Representative.

"Authorized Issuer Representative" means the person at the time designated to act on behalf of the Issuer by a written certificate furnished to the Company and the Trustee containing the specimen signature of such person and signed by the Mayor and certified by the Clerk-Treasurer of the Issuer. Such certificate or any subsequent or supplemental certificate so executed may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized Issuer Representative.

"Bond" or "Bonds" means the Economic Development Revenue Bonds, Series 1993 (Chicagoland Christian Village, Inc. Project) initially dated December 1, 1993, in the aggregate principal amount of Seven Million and 00/100 Dollars (\$7,000,000), to be issued by the Issuer pursuant to the Indenture.

"Bond Counsel" means the counsel or firm who rendered the opinion as to the tax-exempt status of interest on the Bonds initially issued pursuant to the Indenture or other firm of nationally recognized bond counsel experienced in matters relating to tax-exempt financing selected by the Company.

"Bond Fund" means the Bond Fund created pursuant to Section 5.02 of the Indenture.

"Bondholder" or "Registered Owner" or "Owner" means, as the context may require, the person in whose name a Bond is registered in the Bond Register.

"Code" means the Internal Revenue Code of 1986, as amended, and applicable regulations.

"Company" means Chicagoland Christian Village, Inc., a nonprofit corporation duly organized and existing under the laws of the State.

"Construction Fund" means the Construction Fund created in Section 5.06 of the Indenture.

"Co-Trustee" means Logan County Bank, an Illinois banking association with its principal office located in the City of Lincoln, Illinois, and its successors and any corporation or association resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee at the time serving as successor trustee under the Indenture.

"Counsel" means an attorney duly admitted to practice law before the highest court of any state, including legal counsel for either the Issuer or the Company.

"Default" means any event or condition which constitutes, or with the giving of any requisite notice or upon the passage of any requisite time period or upon the occurrence of both would constitute, an Event of Default.

"Event of Default" means any one or more of the following events:

(a) Failure by the Company to make timely payment of principal or premium, if any, or interest on, any Bond or any Loan Payment or Additional Payment (as defined in the Loan Agreement) when due.

(b) Failure by the Company to observe and perform any covenant, condition, or agreement on the part of the Company under the Loan Agreement, this Mortgage or the Indenture, other than as referred to in the preceding subparagraph (a), which failure shall continue after written notice of such default has been mailed to the Issuer and the Company by the Trustee specifying the failure and requiring that it be remedied during which time such default is neither cured by the Company nor waived in writing by the Trustee.

(c) Failure by the Company to satisfy any final judgment, decree or order against the Company which has not been stayed or appealed within thirty (30) days after entry thereof if, at the end of such thirty (30) day period, there shall be undischarged any final judgment or judgments against the Company for the payment of money which shall alone or in the aggregate exceed Ten Thousand and 00/100 Dollars (\$10,000.00).

(d) Abandonment of the Project by the Company. For the purposes of this subparagraph (d), the Project shall not be deemed abandoned so long as the Company (or, as permitted by the Loan Agreement, an assignee, lessee or purchaser) is operating the Project as an "economic development facility" within the meaning of the Act, or is, in good faith, seeking to arrange an economically reasonable operation of the Project as an "economic development facility."

(e) Any representation or warranty by the Company herein, in the Loan Agreement or in any certificate or other instrument delivered under or pursuant to the Loan Agreement; this Mortgage or the Indenture in connection with the financing or refinancing of the Project shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made, unless waived in writing by the Trustee or cured by the Company within thirty (30) days after the discovery thereof.

(f) The Indenture at any time shall prove not to be a valid, binding and enforceable agreement of the Issuer or shall not constitute a valid assignment of the rights of the Issuer under the Loan Agreement as described in Section 7.1 thereof purportedly assigned thereunder and effective to vest in the Trustee all such rights of the Issuer in, to and under the Loan Agreement, including the right to enforce the Loan Agreement, in accordance with its terms.

(g) The Company shall (1) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of the Company, or of all or a substantial part of the assets of the Company, (2) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (3) make a general assignment for the benefit of creditors, (4) have an order for relief entered against it under applicable federal bankruptcy law, or (5) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an agreement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against the Company in any bankruptcy, reorganization or insolvency proceeding.

(h) An order, judgment or decree shall be entered without the application, approval or consent of the Company, by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator of the Company of all or a substantial part of the assets of the Company, and such order, judgment or decree shall continue unstayed and in effect for any period of thirty (30) consecutive days.

(i) An Event of Default as defined in Section 9.01 of the Indenture or as defined in Section 9.1 of the Loan Agreement.

"Fiscal Year" means any period of twelve (12) consecutive months adopted by the Company as its fiscal year for financial reporting purposes and initially means the period beginning on July 1 of each year and ending on June 30 of such year.

"Indenture" means the Trust Indenture, dated as of the date hereof, between the Issuer and the Trustee, relating to the Bonds, as from time to time amended and supplemented by Supplemental Indentures.

"Issuer" means the City of Crown Point, Indiana.

"Land" means the real estate described in Schedule A hereto and any other real estate added thereto, together with all buildings, improvements, fixtures and other property situated

thereon at the time of delivery of the Loan Agreement, the Indenture and this Mortgage, or at any time thereafter, constituting real property or real estate under the laws of the State.

"Loan Agreement" means the Loan Agreement, dated as of the date hereof, between the Company and the Issuer, as from time to time amended and supplemented by Supplemental Loan Agreements.

"Machinery and Equipment" means the fixtures, furnishings, machinery and equipment and related support facilities described in Schedule B hereto or purchased in whole or in part with the proceeds of any Series 1993 Bonds or any Net Proceeds described in Section 6.2 of the Loan Agreement and any fixtures, furnishings, machinery and equipment and related support facilities substituted for Machinery and Equipment removed and disposed of pursuant to Section 2.2 of this Mortgage.

"Mortgage" means this Deed of Trust, Mortgage and Security Agreement, from the Company to the Trustee as their interests appear, dated as of the date hereof, as from time to time amended and supplemented by Supplemental Mortgages.

"Mortgaged Personal Property" shall have the meaning set forth in the Granting Clauses hereof.

"Mortgaged Property" means the Mortgaged Real Property and the Mortgaged Personal Property.

"Mortgaged Real Property" shall have the meaning set forth in the Granting Clauses hereof.

"Permitted Encumbrances" means, with regard to the Mortgaged Property and the Project:

- (a) this Mortgage and any financing statements relating thereto;
- (b) liens for taxes and special assessments which are not then delinquent, or if then delinquent are being contested in accordance with Section 5.8 of the Loan Agreement;
- (c) utility, access and other easements and rights-of-way, restrictions and exceptions which will not interfere with or impair the effective operation of the Project (or, if it is not being operated, the operation for which it was designed or last modified);
- (d) any mechanic's, laborer's, materialman's, supplier's or vendor's lien or rights in respect thereof if payment is not yet due under the contract in question or if such lien is being contested in accordance with Section 5.5 of the Loan Agreement;

(e) such minor defects and irregularities of title as normally exist with respect to properties similar in character to the Land and which the Company certifies do not materially adversely affect the value of the Project or impair the use of the property affected thereby for the purpose for which it was acquired or is held by the Company; and

(f) zoning laws and similar restrictions which are not violated by the Project.

"Project" means the Project referred to in the recitals of this Indenture, the Loan Agreement and the Mortgage, any additions, expansions, remodeling or modifications paid for in whole or in part with the proceeds of Additional Bonds and any additions, modifications, improvements, replacements, repairs, reconstruction, renovation, restoration or substitutions thereof, therefor or thereto made pursuant to Sections 5.5, 5.6 or 5.7 of the Loan Agreement or pursuant to Section 2.2 of the Mortgage.

"Regulations" means the Income Tax Regulations (26 CFR Part 1), promulgated under, pursuant to or in respect of the Code.

"Series 1993 Bonds" means the Bonds in the aggregate principal amount of Seven Million and 00/100 Dollars (\$7,000,000).

"State" means the State of Indiana.

"Subordinated Debt" means any indebtedness that is evidenced by instruments, or issued under an indenture or other document, containing provisions providing that such indebtedness is subordinated to the obligations of the Company under the Loan Agreement and this Mortgage and that no payment with respect to such indebtedness (whether principal, interest, premium, or of any other nature) shall be made at any time unless all other Loan Payments on the Loan Agreement that are then due and payable, and all other payments required to be made by the Company under the Mortgage or the Loan Agreement that are then due and payable, have been paid in full.

"Supplemental Indenture" means any supplement or amendment to the Indenture entered into pursuant to Article XI of the Indenture.

"Supplemental Loan Agreement" means any supplement or amendment to the Loan Agreement entered into pursuant to Article XII of the Indenture.

"Supplemental Mortgage" means any amendment or supplement to this Mortgage from the Company to the Trustee entered into pursuant to Article XII of the Indenture.

"Trustee" means Mercantile National Bank of Indiana, Hammond, Indiana, its successors and assigns and collectively shall mean Mercantile National Bank of Indiana and the Co-Trustee acting in their respective capacities hereunder and for purposes of Article III hereof Trustee shall

mean Mercantile National Bank of Indiana acting under the direction of Logan County Bank, Lincoln, Illinois.

Section 1.2. Rules of Construction. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the words importing the singular number shall include the plural and vice versa; and words importing person shall include firms, partnerships, associations and corporations, including public bodies, as well as natural persons.

The words "herein", "hereby", "hereunder", "hereof", "hereto", "hereinbefore", "hereinafter" and other equivalent words refer to this Mortgage and not solely to the particular article, section, paragraph or subparagraph hereof in which such word is used:

Reference herein to a particular article or a particular section shall be construed to be a reference to the specified article or section hereof unless the context or use clearly indicates another or different meaning or intent.

Whenever an item or items are listed after the word "including", such listing is not intended to be a listing that excludes items not listed.

The table of contents, captions, and headings in this Mortgage are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Mortgage.

This Mortgage shall not be construed or interpreted to require the Issuer to take any action or perform any function unless: (i) the Issuer is unequivocally and unambiguously required to take such action or perform such function; or (ii) such action or performance is something that could not be taken or performed by the Trustee, the Company or some other person or entity.

Section 1.3. Date of Mortgage. The dating of this Mortgage as of December 1, 1993, is intended as and for the convenient identification of this Mortgage and is not intended to indicate that this Mortgage was executed and delivered on said date, this Mortgage having been executed on the dates of the acknowledgments attached hereto and delivered on the date of the original issuance and delivery of the Series 1993 Bonds.

(End of Article I)

ARTICLE II.

GENERAL PROVISIONS

Section 2.1. General Covenants. The Company will perform, comply with and abide by each and every one of the agreements, conditions and covenants contained and set forth in the Loan Agreement and this Mortgage and in every other document evidencing, securing or otherwise relating to the debt hereby secured, including the Bonds and the Indenture all of which are hereby incorporated by reference.

Section 2.2. Removal, Disposition and Substitution of Machinery and Equipment. Subject to the terms and provisions of the Loan Agreement, the Company shall have the right, provided a Default does not exist, to remove from the Project and sell or otherwise dispose of any part of the Machinery and Equipment which is no longer used by the Company, or, in the opinion of Company, is no longer useful to the Company in its operations conducted on or in the Project (whether by reason of changed nursing care operations, changed techniques, obsolescence, depreciation or otherwise); provided that the Company must comply with the following provisions if, after such removal the aggregate fair market value of the Machinery and Equipment previously removed and disposed of plus the Machinery and Equipment to be removed and disposed of equals or exceeds an aggregate of Ten Thousand and 00/100 Dollars (\$10,000.00):

(a) Prior to any such removal, the Company shall deliver to the Trustee a certificate signed by the Authorized Company Representative (i) containing a complete description, including the make, model and serial numbers, if any, of any part of the Machinery and Equipment which it proposes to remove from the Project, (ii) stating the reason for such removal, (iii) stating that disposition of the Machinery and Equipment is to be made by the Company after such removal and the names of the party, or parties to whom such disposition is to be made and the consideration to be received by the Company therefor, if any, and (iv) setting forth the fair market value of such Machinery and Equipment; provided that the fair market value of such Machinery and Equipment shall not be more than the consideration to be received by the Company upon the disposition thereof.

(b) Prior to any such removal, the Company shall pay to the Trustee an amount which, together with the fair market value of any items replacing such Machinery and Equipment in accordance with subparagraph (c) below, is at least equal to the fair market value of such Machinery and Equipment as set forth in said certificate to the Trustee, for the pro rata benefit of all Owners of the Bonds.

(c) Unless the amount deposited with the Trustee pursuant to subparagraph (b) above in connection with such removal is at least equal to the fair market value of such Machinery and Equipment, at the time of such removal the Company shall replace any such Machinery and Equipment so removed with items of the same or different kind but with a utility to the Company equal to or greater than the utility of the Machinery and Equipment so removed and

having a fair market value which, together with any amount so deposited with the Trustee pursuant to subparagraph (b) above in connection with such removal, is at least equal to the fair market value of the Machinery and Equipment so removed, and the items so acquired by the Company to replace such Machinery and Equipment shall be a part of the Machinery and Equipment and of the Project. Within thirty (30) days after any such replacement by the Company, the Company shall deliver to the Trustee a certificate signed by the Authorized Company Representative setting forth a complete description of the Machinery and Equipment which the Company has acquired to replace the Machinery and Equipment so removed by the Company, including make, model and serial numbers, if any, and the cost thereof, and stating that the Machinery and Equipment described in said certificate has a utility to the Company equal to or greater than the utility of the Machinery and Equipment so removed and has a fair market value which, together with any amount so deposited with the Trustee pursuant to subparagraph (b) above in connection with such removal, is at least equal to the fair market value of the Machinery and Equipment so removed, is fully paid for, free from all liens other than Permitted Encumbrances, and has been installed in the Project.

In all cases, the Company shall pay all the costs and expenses of any such removal and shall immediately repair at its expense all damage to the Project caused thereby. The Company's rights under this Section to remove Machinery and Equipment from the Project is intended only to permit the Company to maintain an efficient operation by the removal of Machinery and Equipment which is no longer suitable to the Company's use of the Project for any of the reasons set forth in this Section, and such right is not to be construed to permit a removal under any other circumstances and specifically is not to be construed to permit the Company to make a wholesale removal of the Machinery and Equipment.

Any Machinery and Equipment removed from the Project by the Company pursuant to this Section shall be released from the lien and security interest created by this Mortgage and may be sold or otherwise disposed of by the Company as herein provided. The Trustee will, upon the request of the Company, execute, acknowledge and deliver all Supplemental Mortgages and all appropriate financing statements, releases and other security instruments as may reasonably be required to evidence the removal and replacement of any Machinery and Equipment pursuant to this Mortgage.

Section 2.3. Release of Certain Land. Subject to the terms and provisions of the Loan Agreement, at any time during which a Default does not exist, the Company shall have the right to have the Trustee release from this Mortgage a part or parts of the real property constituting the Land upon receipt by the Trustee of the documents required by the Loan Agreement.

(End of Article II)

ARTICLE III.

REMEDIES UPON HAPPENING OF EVENT OF DEFAULT

Section 3.1. Remedies Exercisable by the Trustee. If an Event of Default exists, the Trustee may take any one or more of the following actions for the pro rata benefit of all Owners of the Bonds:

(a) Take any one or more of the remedial steps set forth in Section 9.2 of the Loan Agreement.

(b) Without notice or demand institute suit or take any other action at law or in equity to enforce the rights of the Trustee to the extent permitted by the law, including, to the extent so permitted, the enforcement of the payment of all obligations secured hereby by action of law or in equity or by both, concurrently or otherwise, and one action or suit shall not abate or be a bar to or waiver of the Trustee's right to institute or maintain the other, provided the Trustee shall have only one full payment and satisfaction of said obligations. The extension of this right and option of the Trustee shall in no way be construed as limiting or in any other way affecting power of sale under Section 3.2 of this Mortgage. In the event of foreclosure, the Company shall be solely and fully liable for any deficiency.

(c) Personally or by its agents or attorneys, enter into and upon all or any part of the Mortgaged Property, and each and every part thereof, and exclude the Company, its agents and servants wholly therefrom and, having and holding the same, use, occupy and control the Mortgaged Property, either personally or by its superintendents, managers, agents, servants, attorneys or receivers; and upon every such entry, the Trustee at the expense of the Mortgaged Property or the Company may from time to time, either by purchase, repairs or construction; maintain and restore the Mortgaged Property, make all necessary or proper repairs, renewals and replacements and such useful alterations, additions, betterments and improvements thereto and thereon as to it may seem advisable, manage and operate the Mortgaged Property and exercise all rights and powers of the Company with respect thereto either in the name of the Company or otherwise as it shall deem best, collect and receive all earnings, revenues, rents, issue, profits and income of the Mortgaged Property and every part thereof, and after deducting the expenses of conducting the business thereof and all maintenance, repairs, renewals, replacements, alterations, betterments and improvements and amounts necessary to pay for taxes, assessments, insurance and prior or other proper charges upon the Mortgaged Property, or any part thereof, as well as just and reasonable compensation for the services of the Trustee and for all attorneys, counsel, agents, clerks, servants and other employees properly engaged and employed by it, the Trustee shall apply the money arising as aforesaid as set forth in Section 3.6 of this Mortgage.

(d) Direct the Trustee to sell the Mortgaged Property or any part thereof in accordance with the power of sale under Section 3.2 of this Mortgage.

(e) Exercise any of the rights and remedies of a secured party under the Indiana Uniform Commercial Code or other applicable law and require the Company to assemble any collateral covered hereby and make it available to the Trustee at a place to be designated by the Trustee which is reasonably convenient to both parties.

(f) Apply at any time to a court having jurisdiction thereof for the appointment of a receiver of all and singular the Project and of all rents, income, profits, issue and revenues thereof, from whatever source derived; and the Company hereby consents to the appointment by the court of such receiver forthwith with the usual powers and duties of receivers in like cases; and said appointment shall be a matter of strict right to the Trustee without reference to the adequacy or inadequacy of the value of the Project, or to the solvency or insolvency of the Company or any party defendant to such suit. The Company hereby specifically waives, to the extent permitted by law, the right to object to the appointment of a receiver as aforesaid and hereby expressly consents that such appointment shall be made as an admitted equity and as a matter of absolute right to the Trustee.

The Trustee shall have the right from time to time to take action to recover any portion of the obligations secured hereby, as the same become due, without regard to whether or not all obligations secured hereby shall be due, and without prejudice to the right of the Trustee thereafter to bring an action of foreclosure, or any other action, or commence foreclosure proceedings under the power of sale under Section 3.2 of this Mortgage for a Default or Defaults existing at the time such earlier action was commenced.

Section 3.2. Power Of Sale: Purchase by Trustee. If an Event of Default exists, then this Mortgage shall remain in force, and the Trustee may proceed to sell the Mortgaged Real Property and any and every part thereof and, if so directed by the Trustee, the Mortgaged Personal Property and any and every part thereof, at public sale, to the highest bidder, at the customary place in the County of Lake, Indiana, for cash, first giving the public notice required by law of the time, terms and place of sale, and of the property to be sold, by advertisement in some newspaper of general circulation printed and published in the County of Lake, Indiana, and upon such sale shall execute and deliver a deed of conveyance and bill of sale of the property sold to the purchaser or purchasers thereof, and any statement or recital of fact in such deed in relation to the non-payment of money hereby secured to be paid; existence of the indebtedness so secured; notice of advertisement, sale, receipt of money, and the happening of any of the aforesaid events whereby the successor trustee became successor as herein provided, shall be prima facie evidence of the truth of such statement or recital. The proceeds of such sale shall be applied as provided for in Section 3.6 of this Mortgage.

Upon any sale pursuant to this Section, the Trustee may bid for and purchase the property being sold, upon compliance with the terms of sale. In case of any sale made pursuant to this Section, the Trustee shall be entitled for the purposes of making settlement or payment for the property purchased to use and apply the Loan Agreement, by crediting thereon the sum applicable thereto out of the net proceeds of such sale in accordance with Section 3.6 of this

Mortgage, and thereupon the Trustee shall be credited, on account of such purchase price payable by it, with said sum.

Section 3.3. No Remedy Exclusive. No remedy conferred upon or reserved to the Trustee herein or in any other document or instrument evidencing, securing or otherwise relating to the obligations hereby secured is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every remedy given to the Trustee or now or hereafter existing at law or in equity or by statute. No delay or omission of the Trustee to exercise any right or power accruing upon any Default, shall impair any such right or power, or shall be construed to be a waiver of any such Default or any acquiescence therein; and every power and remedy given by this Mortgage or the Loan Agreement to the Trustee may be exercised from time to time as often as may be deemed expedient by the Trustee. Nothing in this Mortgage or in the Loan Agreement or any other document or instrument evidencing, securing or otherwise relating to the debt hereby secured shall affect the obligation of the Company to pay the Loan payments.

Section 3.4. Advances by Trustee. Subject to Section 5.12 of the Loan Agreement, the Trustee may, at its option, and without waiving its right to exercise any remedies under this Mortgage, pay either before or after delinquency any or all of those certain obligations required by the terms hereof and by the terms of the Loan Agreement to be paid by the Company for the protection of the Mortgaged Property or for the collection of the indebtedness hereby secured. All sums so advanced by the Trustee shall bear interest from the date of their advance at a rate which is one percent (1%) above the highest rate of interest borne by the Bonds, and be part of the original indebtedness secured hereby and shall be secured by this Mortgage.

Section 3.5. Payment of Costs, Charges, Etc. The Company agrees to pay all and singular the reasonable costs, charges and expenses, including attorneys' fees and abstract costs, with interest thereon at the prime rate of interest as announced from time to time by the Trustee, reasonably incurred or paid at any time by the Trustee because of the failure of the Company to perform, comply with and abide by each and every one of the agreements, conditions, and covenants of the Loan Agreement, this Mortgage or any other document evidencing, securing or otherwise relating to the debt hereby secured.

Section 3.6. Application of Proceeds. If at any time any of the assets subject to the lien of this Mortgage are to be utilized to make payments upon the obligations secured by this Mortgage, all moneys held or collected pursuant to this Mortgage by the Trustee shall be paid over to the Trustee and shall be applied as follows to the extent such moneys may be applied for such purposes:

FIRST: To the payment of all expenses (including attorneys' fees) and disbursements associated with the collection of such moneys incurred by or on behalf of the Trustee with interest thereon at a rate which is one percent (1%) above the highest rate of interest borne by the Bonds.

SECOND: To the payment of all advances by the Trustee with interest thereon as provided in Section 3.4 of this Mortgage.

THIRD: Pro rata to the payment of the Bonds in the following manner:

- (a) If the entire principal of the Bonds shall not have been declared due and payable, first to all installments of interest on the Bonds then due and payable and then to all installments of principal then due and payable;
- (b) If the entire principal of the Bonds shall have become due or shall have been declared due and payable, to the payment of the principal of and interest then due on the Bonds without preference or priority of interest over principal or of principal over interest;
- (c) If the entire principal of the Bonds shall have been declared due and payable and if such declaration shall have been rescinded and annulled then, subject to (b) above in the event the entire principal of the Bonds shall later become due or be declared due and payable, in accordance with (a) above;

Any moneys remaining after such application shall be disbursed as provided in the Indenture.

Section 3.7. No Waiver. Any failure by the Trustee to insist upon the strict performance by the Company of any of the terms and provisions hereof shall not be deemed to be a waiver of any of the terms and provisions hereof, and the Trustee, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the Company of any and all of the terms and provisions of this Mortgage to be performed by the Company; and the Trustee may resort for the payment of the indebtedness secured by this Mortgage to any other security therefor held by the Trustee in such order and manner as the Trustee may elect.

Section 3.8. Waiver of Extension, Appraisement and Stay Laws. To the extent permitted by law, the Company will not insist upon, or plead, or in any manner whatever claim or take any benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants and terms of performance of this Mortgage; nor claim, take or insist upon any benefit or advantage of any law now or hereafter in force providing for the valuation or appraisement of the Mortgaged Property, or any part thereof, prior to any sale or sales thereof which may be pursuant to any provision herein contained, or pursuant to the decree, judgment or order of any court of competent jurisdiction; nor after any such sale or sales, claim or exercise any right under any statute heretofore or hereafter enacted by the United States of America or by any state or territory, or otherwise to redeem the property so sold or any part thereof; and the Company hereby expressly waives all benefits or advantages of any such law or laws and covenants not to hinder, delay or impede the

execution of any power herein granted or delegated to the Trustee, but to suffer and permit the execution of every power as though no such law or laws had been made or enacted.

(End of Article III)



ARTICLE IV.

MISCELLANEOUS

Section 4.1. Additional Bonds. So long as no Default exists and so long as there are no encumbrances against the Mortgaged Property the lien of which would be prior to any instrument of security securing Additional Bonds, other than Permitted Encumbrances which are not required by this Mortgage or the Loan Agreement to be subordinate to this Mortgage, the Company may, with the consent of the Issuer, subject to the terms and conditions set forth in Section 2.10 of the Indenture, issue and deliver one or more Additional Bonds. These terms and conditions include a requirement that such instruments of security as the Issuer deems necessary or appropriate to secure a deed of trust lien upon the Mortgaged Real Property and a security interest in the Mortgaged Personal Property to secure the Additional Bonds be executed, delivered, filed and recorded. In accordance with paragraph (a) of Section 2.10 of the Indenture, the liens created by instruments of security securing the Additional Bonds may be placed on a parity with the liens created by this Mortgage.

Section 4.2. Covenants of the Trustee; Substitutions. The Trustee covenants faithfully to perform the trust herein created. The Company may, from time to time, substitute another trustee in place of the then current Trustee. Upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all the title, estate, rights, powers and trusts conferred upon the Trustee. Such appointment shall be made by written instrument executed by the Trustee which shall be recorded with the Recorder of Lake County, Indiana, and shall be conclusive proof of the proper appointment of the successor Trustee.

Section 4.3. Lease to Company. The Trustee hereby leases and lets the Mortgaged Property to the Company until a sale be had under Section 3.2 of this Mortgage, upon the following terms and conditions, to wit:

The Company, and every and all persons claiming or possessing the Mortgaged Property, and any part thereof, by, through or under it shall or will pay rent therefor during said term at the rate of one cent per month, payable monthly upon demand and shall and will surrender peaceable possession of the Mortgaged Property, and any and every part thereof, sold under Section 3.2 of this Mortgage to the Trustee, its successors, assignees, or the purchasers thereof under such sale, within ten days after making of such sale without notice or demand therefor.

Section 4.4. Attornment by Tenant. In the event the Mortgaged Property or any part thereof is occupied by a tenant under a lease from the Company, and in the event of any exercise of the power of sale hereunder, such tenant shall agree to attorn to and to execute an agreement by this Mortgage or the Loan Agreement to be subordinate to this Mortgage. The Company hereby warrants and will defend fee simple title to any of the Mortgaged Real Property and title to any of the Mortgaged Personal Property against lawful claims of all persons.

Section 4.5. Warranty of Title. The Company warrants that the Company is lawfully seized of a marketable fee simple title in and to the Land and has good right to grant and convey the same and warrants that the lien of this Mortgage shall be a first, prior and superior lien and encumbrance on the Mortgaged Property subject only to Permitted Encumbrances, that the security interest of this Mortgage is a first and prior security interest on the Mortgaged Property subject only to the Permitted Encumbrances and the Company hereby warrants and will defend fee simple title thereto against lawful claims of all persons. The Company will not, now or in the future, mortgage, pledge or encumber, or grant a security interest in or place any lien or encumbrance (or permit same to exist) on the Mortgaged Property, or any part thereof, except for Permitted Encumbrances, without the written consent of the Trustee.

Section 4.6. Covenants Run with the Land. All of the grants, covenants, terms, provisions and conditions herein shall run with the Land and shall apply to, bind and inure to the benefit of the successors and assigns of the Company and the Trustee.

Section 4.7. Obligations Effective upon Issuance, Sale and Delivery of Bonds. The several obligations of the Company hereunder shall arise absolutely and unconditionally, when the Bonds shall have been issued, sold and delivered and the proceeds thereof paid to and received by the Trustee.

Section 4.8. Amendments. Prior to the payment in full of the Bonds or provision for such payment in accordance with Article VIII of the Indenture, this Mortgage may not be amended or supplemented except as set forth in Article XII of the Indenture.

Section 4.9. Severability. The invalidity or unenforceability of any one or more phrases, sentences, clauses or sections in this Mortgage shall not affect the validity or enforceability of the remaining portions of this Mortgage or any part thereof.

Section 4.10. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered by hand delivery or on the third day following the day on which the same have been mailed by registered or certified mail, with postage prepaid, addressed as follows:

If to the Company: Chicagoland Christian Village, Inc.
c/o Christian Homes, Inc.
200 North Postville Drive
Lincoln, Illinois 62656
Attention: President

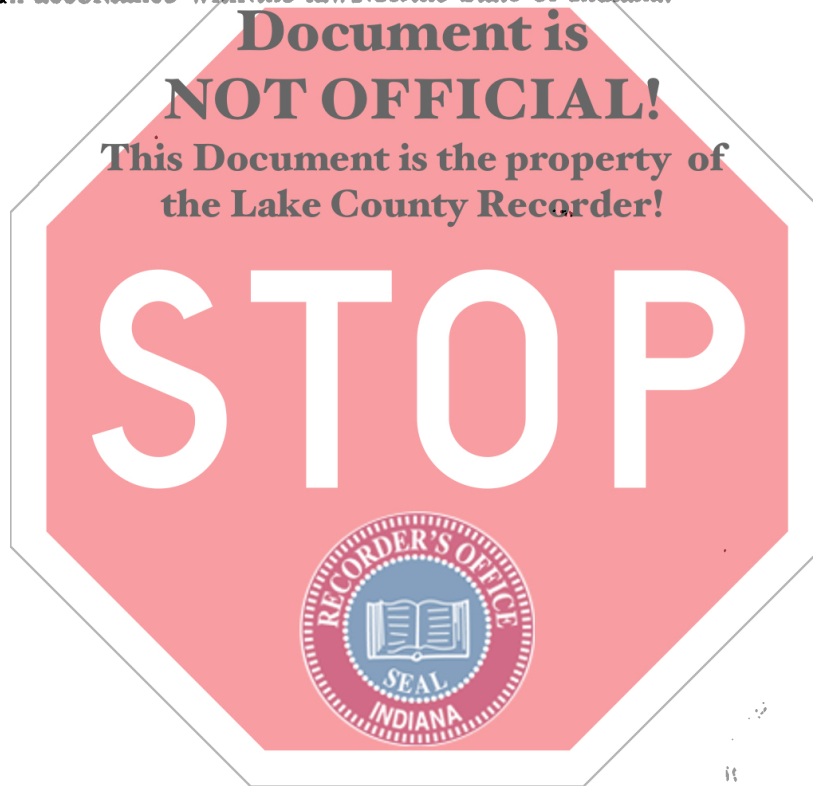
If to the Trustee: Mercantile National Bank of Indiana
5243 Hohman Avenue
Hammond, Indiana 46325
Attention: Corporate Trust Department

If to the Co-Trustee: Logan County Bank
303 Pulaski Street
Lincoln, Illinois 62656
Attention: Corporate Trust Department

The Company and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 4:11. Loan Agreement. Each and every term and provision of the Loan Agreement is incorporated into this Mortgage by this reference thereto as though fully set forth in this Section 4:11.

Section 4:12. Indiana Law Governs. The Mortgage shall be governed by and construed and interpreted in accordance with the laws of the State of Indiana.



Chicagoland Christian Village, Inc.

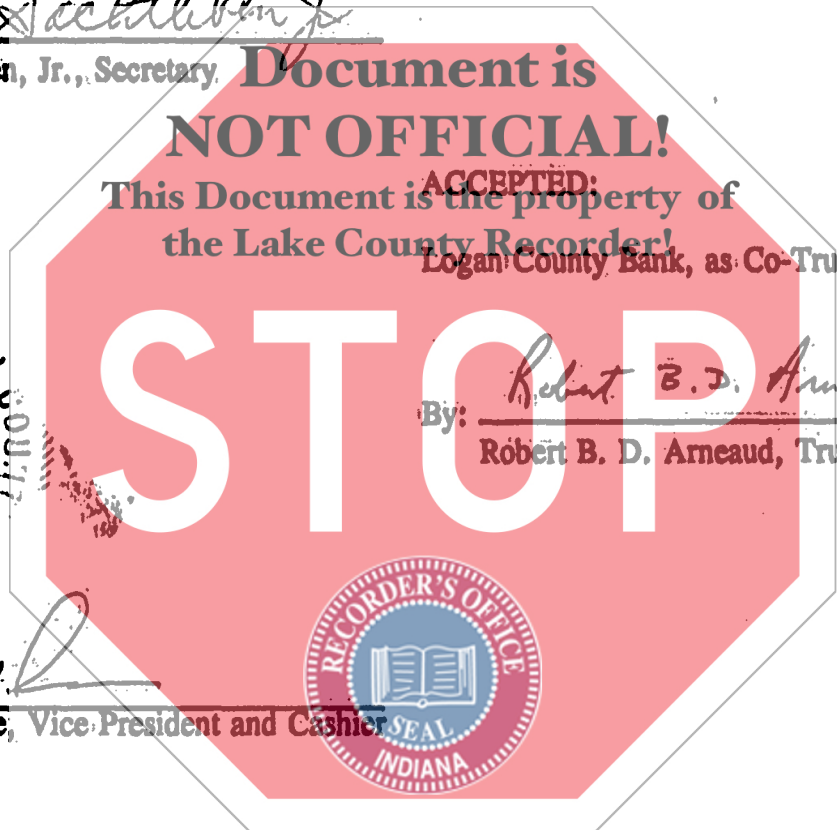
By: George D. Gahr
George D. Gahr, President

(SEAL)
CHICAGO
INC. CHICAGO
ATTORNEY
JOHN SACHTLEBEN, JR.
SECRETARY

John Sachtleben, Jr.
John Sachtleben, Jr., Secretary

Document is
NOT OFFICIAL!

ACCEPTED:
This Document is the property of
the Lake County Recorder!
Logan County Bank, as Co-Trustee



By: Robert B. D. Arneaud
Robert B. D. Arneaud, Trust Officer

(SEAL)
LOGAN COUNTY
SHERIFF
DONALD G. LEE
VICE PRESIDENT AND CASHIER

Attest:
Donald G. Lee
Donald G. Lee, Vice President and Cashier

ACCEPTED:

Mercantile National Bank of Indiana, as Trustee

By: *Gary M. Wilbert*
Gary M. Wilbert, Senior Vice President
and Executive Trust Officer



(SEAL)

Attest:

Alicia Tassarò
Alicia Tassarò, Assistant Vice President

**Document is
NOT OFFICIAL!**

**This Document is the property of
the Lake County Recorder!**

STOP



STATE OF INDIANA)
) ss.
COUNTY OF LAKE)

On November 24, 1993, before me, the undersigned, a Notary Public, in and for said State, appeared Gary M. Wilbert and Alicia Tassaró to me personally known, who, being before me duly sworn, did say they are the officers of Mercantile National Bank of Indiana, a duly organized and existing under the laws of the State of Indiana, and that the seal affixed to the foregoing instrument is the official seal of said Bank and said instrument was signed and sealed on behalf of said Bank by authority of its Board of Directors, and said officers acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said Bank.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.



By: Gwendalin M. Miller
Printed Name: Gwendalin M. Miller
Notary Public in and for said State
Commissioned in Lake County

My Commission expires: 9/30/94



STATE OF ILLINOIS)
) ss.
COUNTY OF LOGAN)

On November 24, 1993, before me, the undersigned, a Notary Public in and for said State, personally appeared George D. Gahr and John Sachtleben, Jr. to me personally known, who, being before me duly sworn, did say they are the officers of Chicagoland Christian Village, Inc., a non-profit corporation, duly organized and existing under the laws of the State of Indiana; and that the seal affixed to the foregoing instrument is the official seal of said Chicagoland Christian Village, Inc. and said instrument was signed and sealed on behalf of said Chicagoland Christian Village, Inc. by authority of its Board of Directors, and said officers acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said Chicagoland Christian Village, Inc..

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official notarial seal the day and year last above written.

Document is NOT OFFICIAL!
This Document is the property of the Lake County Recorder!

OFFICIAL SEAL
MARCELLA TESH
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 9-24-94

By: Marcella Tesh
Printed Name: Marcella Tesh
Notary Public in and for said State
Commissioned in Logan County

My Commission expires: 9/24/94



STATE OF ILLINOIS)
) ss.
COUNTY OF LOGAN)

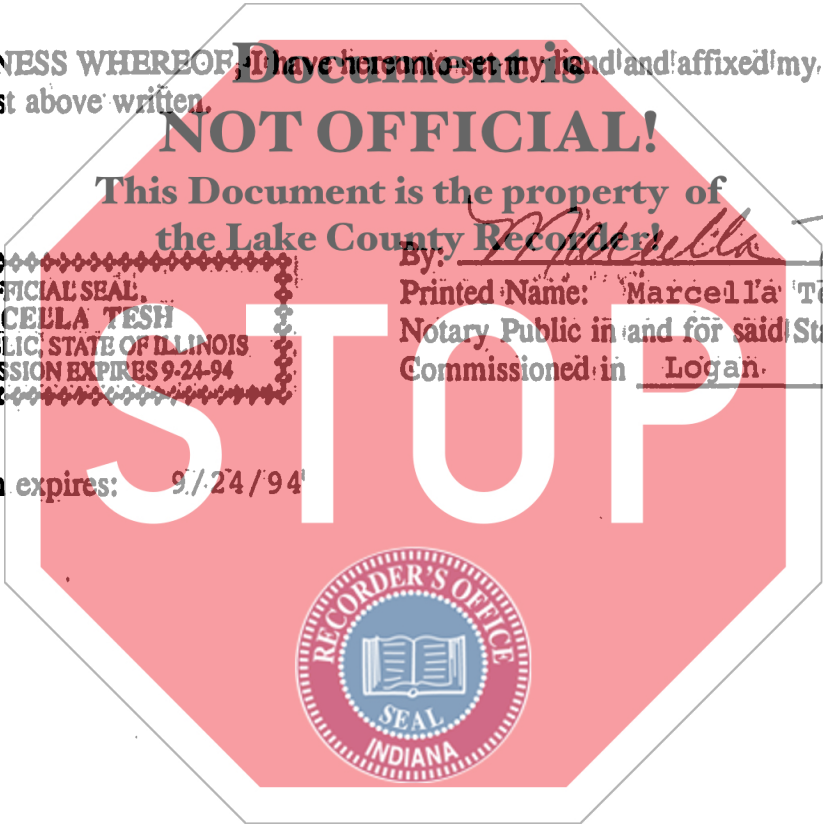
On November 24, 1993, 1993, before me, the undersigned, a Notary Public, in and for said State, appeared Robert B. D. Arneaud and Donald G. Lee to me personally known, who, being before me duly sworn, did say they are the officers of Logan County Bank, a duly organized and existing under the laws of the State of Illinois, and that the seal affixed to the foregoing instrument is the official seal of said Bank and said instrument was signed and sealed on behalf of said Bank by authority of its Board of Directors, and said officers acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said Bank.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.



By: Marcella Tesh
Printed Name: Marcella Tesh
Notary Public in and for said State
Commissioned in Logan County

My Commission expires: 9/24/94



This instrument prepared by:

Michael J. Melliere, Esquire
Ice, Miller, Donadio & Ryan
1 American Square
Box 82001
Indianapolis, IN 46282

SCHEDULE A

All of the following described real estate:

The West half of the Northwest quarter of Section 17, Township 34 North, Range 7 West of the second principal meridian, in Lake County, Indiana excepting therefrom the South 495 feet and the north 40 feet.

Subjects to all easements and rights-of-way of record.

All of the afore-described property being situated in the County of Lake and State of Indiana.



SCHEDULE B

All fixtures, furnishings, machinery and equipment and related support facilities situated on the Land described in Schedule A hereto at the time of delivery of the Loan Agreement, the Indenture and this Mortgage securing in whole or in part the lien of the Series 1993 Bonds.



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