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STATE OF INDIANA
LAKESIDE COUNTY
FILED FOR RECORD

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NOTARY PUBLIC

**AMENDED AND RESTATED MORTGAGE, SECURITY AGREEMENT,
FIXTURE FILING AND ASSIGNMENT OF RENTS AND LEASES**
(Commercial Real Estate)
(Total Principal Indebtedness not to exceed \$19,750,000.00)

THIS MORTGAGE, SECURITY AGREEMENT, FIXTURE FILING AND ASSIGNMENT OF RENTS AND LEASES (the "Mortgage"), is effective as of March 8, 2004, between **DYER HEALTH CARE PROPERTIES, L.L.C.**, an Indiana limited liability company, whose address is 2201 West Main Street, Evanston, Illinois 60202 ("Mortgagor"), and **KEYBANK NATIONAL ASSOCIATION**, a national banking association, successor in interest to Key Corporate Capital, Inc., whose mailing address is 127 Public Square, Cleveland, Ohio 44114 (the "Mortgagee").

WITNESSETH:

WHEREAS, the Mortgagee has this date made or committed to restructure and provide additional funds to refinance certain other debt to Mortgagor and certain other borrowers in the aggregate amount of Nineteen Million Seven Hundred Fifty Thousand Dollars (\$19,750,000.00) (collectively, the "Loans"), pursuant to and in accordance with a certain Fourth Amended and Restated Credit Facility and Security Agreement dated as of this date executed by and between Mortgagor, Mortgagee and certain other borrowers, as such are therein defined (as the same may hereafter be amended, modified, supplemented, extended, restated and/or replaced, in whole or in part, referred to as the "Agreement"). The Loans are evidenced by substitute and replacement term notes in the following principal amounts: Six Million Seven Hundred Fifty Thousand Dollars (\$6,750,000.00) ("Note 1"); Two Million Two Hundred Fifty Thousand Dollars (\$2,250,000.00) ("Note 2"); Nine Million Dollars (\$9,000,000.00) ("Note 3"); One Million Seven Hundred Fifty Thousand Dollars (\$1,750,000.00) ("Note 4"), delivered to the Mortgagee (as the same may hereafter be amended, modified, supplemented, extended, restated and/or replaced in whole or in part, referred to collectively, joint and severally as the "Notes"), the terms of the Agreement currently providing that the Notes shall be paid in full by March 25, 2009 or such earlier date as all amounts due in connection with said Loans might become due

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and payable under the Agreement, whether by demand, acceleration or otherwise. Reference to the Notes and the Agreement are hereby made to the same extent as if they are set forth in full herein. Wherever the term Loan Document is used herein, it shall mean the Agreement, the Notes and/or Security Instruments (as defined in the Agreement). Loan Documents shall also include, if applicable all costs, expenses, charges, fees, liquidated damages, penalties, liabilities and obligations directly or indirectly incurred by Mortgagee under the terms of any interest protection agreements; ISDA Master Agreements, schedule and confirmation of trade details; interest swap agreements; and/or interest hedging agreements now or hereafter signed by and between Mortgagee and Mortgagor, whether or not related to the Loans.

NOW, THEREFORE, to secure the Loans and the Notes and to secure the payment, performance and observance by the Mortgagor of all of the covenants and conditions in the Loan Documents and any extensions, amendments, supplements, restatements, modifications, replacements, or renewals thereof, and in this Mortgage, and in order to charge the properties, interests and rights hereinafter described with such payment, performance and observance, the Mortgagor does hereby execute and deliver this Mortgage, and hereby grants, bargains, sells, mortgages and warrants, encumbers, releases, conveys, assigns, transfers, hypothecates, pledges, sets over, and grants a security interest unto the Mortgagee, its successors and assigns forever, all of the estate, title and interest of the Mortgagor in and to the following:

1. The fee simple, leasehold and easement estates for the real property described in Exhibit "A" attached hereto;

2. All buildings, structures, improvements, privileges and appurtenances belonging thereto now existing or hereafter constructed thereon;

3. All easements, rights, rights of way, streets, ways, alleys, sewer lines, water lines and all estates, rights, titles, interests, privileges, hereditaments, access rights and appurtenances whatsoever in any way relating to or appertaining to any of the property described in Exhibit "A", or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by the Mortgagor, and the reversion or reversions, remainder and remainders, rents, issues, profits thereof, and all the estate, right, title, interest, property, possession, claim and demand whatsoever at law, as well as in equity, of the Mortgagor in and to the same;

(Hereinafter the properties contained in Paragraphs 1 through 3 shall collectively be referred to as the "**Mortgaged Premises**");

4. All furniture, fixtures, appliances, machinery, equipment and all personal property and any replacements and proceeds and substitutions thereof, owned by Mortgagor and now located thereon, attached to, or hereafter acquired or located thereon or attached thereto, and all lighting, heating, cooking, ventilating, air conditioning, incinerating, sprinkling and plumbing systems and all pipes, wires, attached fixtures and apparatus forming a part of or used in connection therewith, and all cooking appliances, cabinets, windows, doors and all wall to wall carpeting located thereon;

5. All judgments, awards of damages and settlements hereafter made resulting from condemnation proceedings or the taking of the Mortgaged Premises or any part thereof under the power of eminent domain, or for any damage (whether caused by such taking or otherwise) to the Mortgaged Premises or the improvements thereon or any part thereof, or to any rights appurtenant thereto, including any award for change of grade or streets;

6. All of the following collateral: (a) all of Mortgagor's right, title and/or interest in and to any and all Accounts Receivable whether now owned or hereafter acquired or received by such parties; (b) all of Mortgagor's right, title and/or interest in and to any and all Inventory, whether now owned or hereafter acquired by a Mortgagor; (c) all of Mortgagor's right, title and/or interest in and to any and all Equipment, whether now owned or hereafter acquired by a Mortgagor; (d) all of Mortgagor's right, title and/or interest in and to any and all Cash Security; (e) to the extent permitted by law, all of Mortgagor's right, title and/or interest in and to any and all General Intangibles and other personal property and rights, whether now owned or thereafter acquired by a Mortgagor, including but not limited to trademarks, trade or business names, service marks, logos, trade secrets, plans, blueprints, patents, software, programs, inventions, business or technical data, processes, mailing and customer lists, goodwill, copyrights, tax refunds, choses in action, certificates of need, licenses, operating licenses, permits and contract rights, which are used or useful in connection with the Dyer Collateral (as hereinafter defined), and all rights, applications, continuations, renewals, substitutions, improvements, modifications and extensions in any manner related to thereto, and all proceeds and products thereof, including but not limited to all license royalties, payments made under insurance policies, and proceeds of infringement suits and any other suits; (f) all of Mortgagors' right, title and/or interest in and to any and all Contract Rights, whether now owned or hereafter acquired by a Mortgagor; (g) to the extent permitted by law, all of the Proceeds, products, profits, and rents of the Mortgagor's Accounts Receivable, Inventory, Equipment, Cash Security and General Intangibles and all books and records, including computer software, used in connection with any of the above-described collateral, together with all replacements, proceeds and products relating thereto now owned or hereafter acquired by Mortgagor, in connection with the Mortgaged Premises and properties described in Exhibit "A" EXCEPT for the following types or items of property of Mortgagor, which items shall not be deemed to be Accounts Receivable as that term is used herein and in any of the Loan Documents, whether presently owned or existing, or hereafter acquired or arising that was pledged or may have been pledged by Mortgagor to Accounts Receivable Lender (as such term is defined in the Agreement) and in which the Mortgagee has no security interest, presently or in the future: (a) all accounts (including, without limitation, all health-care-insurance receivables, all third-party reimbursable or third party directly payable portions of healthcare accounts receivable owing (or in the case of receivables in respect of which the goods have been shipped, or the services rendered, to the customer or patient, and rights to payment thereon have accrued but the invoice has not been rendered, to be owing) to the Mortgagor, arising out of the rendition of medical, surgical, diagnostic or other professional medical services or nursing home services or the sale of medical products by the Mortgagor, including without limitation, all right to reimbursement under any agreements with and payments from either: (i) insurers, which include, without limitation, commercial insurance companies, nonprofit insurance companies (such as Blue Cross, Blue Shield entities), employers or unions which self-insure for employee or member health insurance, prepaid health care organizations, preferred provider organizations, health maintenance organizations and insurance companies

issuing health, personal injury, worker's compensation or other types of insurance, but does not include any individual guarantors; or (ii) governmental entities, which include, without limitation, the United States of America, any state, any political subdivision of a state and any agency or instrumentality of the United States of America or any state or political subdivision thereof and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government (collectively, the "Government Entities", and together with the entities listed under (i) above, the "Obligors"); as applicable, who are responsible for the payment of all or any portion of any receivables, together with all accounts and general intangibles related thereto, all rights, remedies, guaranties, security interests and liens in respect of the foregoing, all books, records and other property evidencing or related to the foregoing, and all proceeds of any of the foregoing (the "Receivables"), and other obligations for the payment of money arising out of the Mortgagor's sale of merchandise or rendition of services in the ordinary course of business, whether now existing or hereafter arising, including all rights to reimbursement under any agreements with any payments from Obligors and patients, and all proceeds of any of the foregoing; (b) The lockboxes located at American National Bank and Trust Company of Chicago which receive checks with respect to Receivables payable by Governmental Entities (the "Provider Lockbox"). Mortgagee agrees that the Provider Lockbox may be substituted for such other lockboxes that may be designated or required by the Accounts Receivable Lender or its successor without the consent of Mortgagee; and (c) The demand deposit account # 18234585 and all sub-accounts maintained at American National Bank and Trust Company of Chicago and associated with the Provider Lockbox. Mortgagee agrees that the foregoing demand deposit account may be substituted for such other demand deposit accounts that may be designated or required by the Accounts Receivable Lender or its successor without the consent of Mortgagee. Notwithstanding anything to the contrary contained herein, Accounts Receivable shall include all of Mortgagor's right, title and/or interest in and to any and all (i) inventory, whether now owned or hereafter acquired by the Mortgagor, (ii) real property hazard insurance proceeds and (iii) any and all licenses and/or licensing rights required in order for Mortgagor to render medical, surgical, diagnostic or other professional medical services or nursing home services or to sell medical products. All capitalized terms in this paragraph shall have the meanings set forth in the Agreement.

(Hereinafter the items set forth in Paragraphs 4, 5, and 6 shall collectively be referred to as the "Collateral".)

The Mortgaged Premises and the Collateral are referenced hereinafter as the "Dyer Collateral".

TO HAVE AND TO HOLD the Dyer Collateral, and all other properties hereinabove granted to the Mortgagee, its successors and assigns, to its own proper use and benefit forever, subject however to the terms and conditions herein.

PROVIDED, HOWEVER, that these presents are upon the condition that, if the Mortgagor shall pay or cause to be paid to the Mortgagee the principal, interest and other charges associated with Note #3, this Mortgage and the other Loan Documents, at the times and in the manner stipulated therein and herein, all without any deduction or credit for taxes or other similar charges paid by the Mortgagor, and shall keep, perform and observe all the covenants and

promises in Note #3 and in this Mortgage expressed and the other Loan Documents to be kept, performed and observed, then the Dyer Collateral hereby granted, bargained, sold, remised, conveyed, assigned, transferred, mortgaged, hypothecated, pledged, delivered, set over, warranted and confirmed for the Dyer Collateral, shall cease, determine and be void but shall otherwise remain in full force and effect.

AND, the Mortgagor covenants and agrees with the Mortgagee that:

ARTICLE I PARTICULAR COVENANTS OF THE MORTGAGOR

1.1 Performance of Notes and Mortgage and the other Loan Documents. The Mortgagor will perform, observe and comply with all provisions of the Notes and this Mortgage and the other Loan Documents secured hereby and will duly and timely pay, without relief from any valuation or appraisal law, to the Mortgagee the sums of money expressed in the Notes with interest thereon and all other sums required to be paid by the Mortgagor pursuant to the provisions of the Notes and this Mortgage and the other Loan Documents, all without any deductions or credit for taxes or other similar charges paid by the Mortgagor.

1.2 Warranties and Representations. Mortgagor hereby covenants with and represents and warrants to Mortgagee that Mortgagor is indefeasibly seized of the Mortgaged Premises in fee simple; that the Mortgagor has full power and lawful right to convey the same as aforesaid; that it shall be lawful for said Mortgagee at all times peaceably and quietly to enter upon, hold, occupy and enjoy the Mortgaged Premises and every part thereof; that said Mortgagor will make such further assurances to perfect the fee simple title to the Mortgaged Premises and Mortgagee, as may be reasonably required; that the Mortgaged Premises is not subject to any liens in favor of any private or governmental entity; and that Mortgagor does hereby fully warrant the title to the Mortgaged Premises and every part thereof and will defend the same against the lawful claims of all persons whomsoever, except for those matters set forth on Exhibit "B" attached hereto and incorporated by reference herein ("Permitted Exceptions"); and that Mortgagor is an Indiana limited liability company organized and existing and in good standing under the laws of the State of Indiana and that the exact legal name of Mortgagor is as set forth in the first paragraph of this Mortgage.

1.3 Real Estate Taxes, Assessments and Personal Property Taxes.

(a) At any time after a default hereunder, or under the Notes or any other Loan Documents, Mortgagor shall upon demand pay to Mortgagee on the day monthly installments of interest or monthly installments of principal and interest are payable under the Notes, until the Loan Documents are paid in full, a sum (herein "**Funds**") equal to one-twelfth of the yearly real estate taxes and assessments which may attain priority over this Mortgage, all as reasonably estimated initially and from time to time by Mortgagee on the basis of assessments and bills and reasonable estimates thereof.

The Funds shall be held by Mortgagee and Mortgagee shall apply the Funds to pay said taxes and assessments as and when they shall be due and payable. No interest shall be paid on the Funds. The Funds are pledged as additional security for the sums secured by this

Mortgage. If the amount of the Funds held by Mortgagee shall not be sufficient to pay taxes and assessments as they fall due, Mortgagor shall pay to Mortgagee any amount necessary to make up the deficiency within fifteen (15) days from the date notice is mailed by Mortgagee to Mortgagor requesting payment thereof. Upon payment in full of the Notes and all of the other Loan Documents, all Funds then held by Mortgagee shall be returned to Mortgagor. Mortgagee shall have no duty to maintain the Funds in a separate account and may commingle the Funds with its other monies.

(b) Except as provided in (a) above, Mortgagor shall pay when due according to law (and before the imposition of any penalties or interest), all taxes, assessments and other charges which are now due or may hereafter be imposed, levied, or assessed against the Dyer Collateral. Mortgagor will send to the Mortgagee receipts for the payment of all such taxes, assessments and other charges within five (5) days of Mortgagor's payment of the same. Upon the failure of the Mortgagor to promptly pay such taxes, assessments and other charges, Mortgagee shall have the option to pay and discharge same without notice to Mortgagor. Any sums so expended by Mortgagee shall at once become an indebtedness of the Mortgagor and shall be due and payable by Mortgagor with interest as provided in the Notes after default, which sums shall thereupon become secured by this Mortgage.

1.4 Other Taxes, Liens and Utility Charges.

(a) The Mortgagor will pay promptly, when and as due, all charges for utilities, whether public or private, and will promptly exhibit to the Mortgagee, upon reasonable request, receipts for the payment of all taxes, assessments, water and sewer charges, dues, fines and impositions of every nature whatsoever imposed, levied or assessed or to be imposed, levied or assessed upon or against the Dyer Collateral, or any part thereof, or upon the interest of the Mortgagor in the Mortgaged Premises (other than any of the same for which provision has been made in Paragraph 1.3 of this Article D), as well as all income taxes, assessments and other governmental charges lawfully levied and imposed by the United States of America or any State, county, municipality or other taxing authority upon the Mortgagor in respect of the Dyer Collateral or any part thereof, or any charge which, if unpaid, would become a lien or charge upon the Dyer Collateral prior to or equal to the lien of the Mortgage for any amounts secured hereby or which would have priority or equality with the Mortgage in distribution of the proceeds of any foreclosure sale of the Dyer Collateral or any part thereof.

1.5 Prohibition Against Liens. The Mortgagor will not suffer any mechanic's, laborer's, statutory or other liens, which mechanic's, laborer's, statutory or other liens shall remain unsatisfied and in effect for a period of thirty (30) consecutive days without a stay of execution or which shall not be paid or bonded off within such (30) consecutive days, or any mortgage or other lien which might or could be prior to, equal to, or subordinate to the lien of this Mortgage to be created or to remain outstanding upon any of the Mortgaged Premises.

1.6 Insurance. The Mortgagor will, at its expense, keep the Dyer Collateral owned by it, adequately insured at all times against such risks as are customarily insured against by entities engaged in similar businesses. Without limiting the foregoing, the Mortgagor will (a) keep the Dyer Collateral fully insured against fire, theft and extended coverage risks (all hazards included within the term "all risks coverage"), and if the Mortgaged Premises are determined to

be in a flood plain or flood prone area, flood insurance, in an amount sufficient to prevent the Mortgagor or Mortgagee from becoming a co-insurer of any partial loss under applicable insurance policies and in any event not less than one hundred percent (100%) of the full replacement value (actual replacement value without deduction for physical depreciation, but exclusive of the cost of excavation, footings, foundation and underground utilities) thereof; provided, however, in no event less than the then outstanding principal amount of the Notes; (b) maintain all such workers' compensation or similar insurance as may be required by law; (c) maintain business interruption insurance coverage equal to or greater than six (6) months of income from the Dyer Collateral; and (d) maintain general public liability insurance in respect of the Dyer Collateral against claims for personal and bodily injury, death or property damage occurring, in or about the Dyer Collateral and liability insurance covering the operations of the Mortgagor conducted on or about the Dyer Collateral in an amount as is reasonably acceptable to Mortgagee. All policies of insurance shall be placed with insurance companies with a Best's Insurance Reports policy holder's rating of "A" and a financial size category of class X and shall have attached thereto the standard form of Mortgagee clause, without contribution, in favor of the Mortgagee and be delivered to and be held by said Mortgagee, which policy shall provide that no cancellation, modification, termination or lapse thereof shall be effective until at least thirty (30) days after receipt by the Mortgagee of written notice thereof. This Mortgage shall operate as an assignment to the Mortgagee of said policies, whether delivered or not. Mortgagor shall provide evidence of fully paid insurance policies at least fifteen (15) days prior to the expiration date of any insurance policy(ies). Upon the failure of the Mortgagor to provide the aforesaid insurance, the Mortgagee shall have the option (but not the duty) to procure and maintain such insurance or a mortgagee interest policy without notice to the Mortgagor. Any sums so expended by the Mortgagee shall at once become indebtedness owing from the Mortgagor to the Mortgagee and shall immediately become due and payable by the Mortgagor with interest thereon at the Default Rate of Interest provided for in the Agreement, to the extent legally enforceable. If the Mortgagee acquires title to the Mortgaged Premises by foreclosure proceedings or otherwise, any unearned premiums on any hazard insurance covering the Mortgaged Premises are hereby assigned to and shall belong to the Mortgagee. If at any time during the term of this Mortgage, any insurance policies shall be cancelled and returned premiums available, these returned premiums shall be retained by the Mortgagee to the extent required to reimburse the Mortgagee for any sums advanced by the Mortgagee to purchase insurance required by this Section and the balance may be used by Mortgagee to satisfy any other defaults by Mortgagor hereunder. Any rights of the Mortgagee to any insurance proceeds shall in no way be affected or impaired by reason of the fact that the Mortgagee may have instituted foreclosure proceedings hereunder. Upon default hereunder and demand by Mortgagee, Mortgagor shall pay to Mortgagee an amount each month equal to one-twelfth (1/12) of the annual premium due for all such insurance. Such payment shall be added to the Funds (as provided in Paragraph 1.3 hereof) and be applied to pay such insurance premiums when they shall become due and payable.

1.7 Distribution of Insurance Proceeds.

(a) **Total Loss.** In the event of any total loss (fifty percent (50%) or more), of the full replacement value of the then Dyer Collateral not previously released from this Mortgage, Mortgagor shall give immediate written notice to the Mortgagee, and the Mortgagee

may, but is not obligated to, make proof of loss if not made promptly by Mortgagor. Any proceeds received from any policy of insurance ("Insurance Proceeds") in the event of a total loss (the "Loss") shall be due and payable to Mortgagee. In the event Mortgagor elects to restore the Dyer Collateral, Mortgagor must satisfy Mortgagee that it is prudent to reconstruct the Dyer Collateral and that (a) Mortgagor's business interruption insurance provides sufficient proceeds during any reconstruction period such that the Debt Service Covenants (set forth in Section 5.30 of the Agreement) can be met; or (b) the Debt Service Covenants cannot be met during the reconstruction period but Obligors or Guarantors of the Loans and Notes are willing to escrow funds such that the Debt Service Covenants can be met and no Default exists under the Loans and Notes. During any restoration period, Mortgagee shall retain the Insurance Proceeds and shall distribute them to Borrower (or its contractor) as the Dyer Collateral is rebuilt. In the event Mortgagor elects to restore the Dyer Collateral but the Insurance Proceeds are insufficient to rebuild the Dyer Collateral to the good condition it was in prior to the Loss, Obligors and Guarantors shall deposit into escrow held by Mortgagee sufficient funds to complete the restoration of the Dyer Collateral. In the event Mortgagor has elected to reconstruct the Dyer Collateral following a Loss, the reconstruction shall comply with Section 1.7(b) below. Each insurance carrier is hereby authorized and directed to make payment for such loss to the Mortgagor and Mortgagee jointly. Mortgagee's right to payment of insurance proceeds shall exist whether or not any such loss results in any impairment to the security of the Mortgagee.

(b) **Partial Loss.** In the event of any partial loss under any of said policies of insurance covering the Dyer Collateral where such loss is less than fifty percent (50%) of the full replacement value of the then Dyer Collateral not previously released from this Mortgage, Mortgagor shall give immediate written notice to the Mortgagee, and the Mortgagee may, but is not obligated to, make proof of loss if not made promptly by Mortgagor. Any proceeds received from any policy of insurance shall be paid to Mortgagee and applied against the outstanding balance of principal, interest and other charges due under Note 1, the other Loan Documents and this Mortgage, provided, however, if (i) Mortgagor desires to restore the Dyer Collateral to its prior good condition, (ii) Mortgagor is not in default hereunder or under any other Loan Document, (iii) the loan to value ratio of the Dyer Collateral as restored will not be more than 80% (as may be determined by independent appraisal satisfactory to Mortgagee completed at Mortgagor's expense), and (iv) any funds in excess of insurance proceeds necessary to complete the restoration work in accordance with plans and specifications and budgets as approved by the Mortgagee shall have been deposited by Mortgagor with Mortgagee or the Mortgagor demonstrates that it has the additional funds required to adequately complete restoration as determined in Mortgagee's sole discretion, then the insurance proceeds shall be held by Mortgagee for restoration of the Dyer Collateral. Mortgagee shall disburse so much of the proceeds to the Mortgagor as restoration progresses, equal to the cost of said restoration, and subject to reasonable conditions, including the right of Mortgagee to withhold up to ten percent (10%) of said amount until completion, and the expiration of the period within which mechanic's and materialmen's liens may be filed or until the receipt of satisfactory evidence that no liens exist. Should the insurance proceeds be less than the sum required to complete said restoration, Mortgagor shall deposit the difference with the Mortgagee, and its failure to do so shall constitute default hereunder. Upon payment of such sum to the Mortgagee, the same shall be held by Mortgagee in a mutually acceptable interest-bearing account until disbursement. Should said proceeds, including the interest payable thereon, exceed the cost of completing said

restoration, any balance remaining shall be repaid to the Mortgagor. Mortgagor shall pay to the Mortgagee any reasonable expenses incurred by Mortgagee in making such disbursements (including, without limitation, survey and title insurance costs) and reasonable building inspections. Mortgagor agrees to execute such further assignments of such proceeds and rights of action as Mortgagee may require.

(c) **Applicable to Partial and Total Loss.** In the event of either a partial or total loss, as described above, all proceeds and rights of action are hereby assigned to Mortgagee. At its option, in its own name, Mortgagee shall be entitled to commence, appear in and prosecute any action or proceedings or to make any compromise or settlement in connection with any such loss. The payment to the Mortgagee of such insurance proceeds shall not cure or waive any default or notice of default hereunder. Notwithstanding such total or partial loss, all payments under the Notes and the other Loan Documents shall be made without reduction, modification or interruption and all applicable terms and conditions of this Mortgage shall be applicable to Mortgagor without modification or interruption.

1.8 Good Condition and Repair. The Mortgagor shall keep the Dyer Collateral in good condition and repair and shall comply with all laws, ordinances, and regulations of all public authorities relating to the Dyer Collateral, comply with all easements, declarations, covenants and any other private agreements imposing duties or obligations on owners or occupants of the Mortgaged Premises, and shall not suffer any waste to be committed thereon nor remove or demolish any building. Mortgagor shall permit Mortgagee to enter upon the Mortgaged Premises and inspect the Dyer Collateral at all reasonable hours and without prior notice. Mortgagor shall comply with the provisions of any lease if this Mortgage is on a leasehold. Mortgagor shall not cause or permit any improvements to be materially altered or changed without the prior written consent of Mortgagee to the proposed action, as well as Mortgagee's prior written consent to the plans and specifications relating thereto. Mortgagor shall not consent to any subdivision of the Mortgaged Premises or any zoning change or variance affecting the Mortgaged Premises without the prior written consent of Mortgagee.

1.9 Condemnation. In the event any of the Mortgaged Premises or the Collateral, or any part thereof, shall be damaged or taken by reason of any public improvement or condemnation proceedings, Mortgagor agrees that such proceeds or awards shall be payable to the Mortgagee to be applied against the outstanding balance of principal, interest and other charges due under the Notes, the other Loan Documents and this Mortgage. Should said proceeds exceed the balance due on the Notes and the other Loan Documents, any such excess shall be repaid to the Mortgagor. All such proceeds and rights of action are hereby assigned to Mortgagee, and Mortgagee shall be entitled, along with the Mortgagor, to commence, appear in and prosecute any action or proceedings or to make any compromise or settlement in connection with any such taking or damage. Mortgagor agrees to execute such further assignments or any such proceeds and rights of action as Mortgagee may require.

1.10 No Acquisition or Disposition of Personal Property. Mortgagor will not make, suffer or permit, without the prior written consent of the Mortgagee, any sale, purchase, conditional sale, transfer, lease or agreement under which title is reserved in the vendor, of any

fixtures, apparatus, machinery, equipment, crops, livestock, farm products, or personal property comprising the Collateral, except as specifically permitted in the Agreement.

1.11 Protection of Dyer Collateral. Mortgagor will from time to time execute and deliver (and hereby authorizes Mortgagee pursuant to the Indiana Uniform Commercial Code as presently or hereafter in effect with or without such execution by Mortgagor, to itself file) all such supplements and amendments hereto (including Financing Statements and Continuation Statements) and other instruments, and will take such other action, as Mortgagee reasonably requests and reasonably deems necessary or advisable to (a) grant to Mortgagee all of the Dyer Collateral, as security; (b) maintain or preserve the lien of the Mortgage or carry out more effectively the purposes hereof; and (c) preserve and defend title to the Dyer Collateral and the rights of Mortgagee therein against the claims of all persons and parties.

1.12 Affirmative Covenants of the Mortgagor. The Mortgagor covenants and agrees that during the term of this Mortgage, and until all of the principal amount and interest due on the Notes, the other Loan Documents and all other amounts due hereunder shall have been duly paid in full, and except as specifically hereinafter provided to the contrary, it will, unless the Mortgagee shall otherwise consent in writing:

(a) **Leases.** Timely perform and observe all terms, covenants, conditions and agreements contained in any lease or leases now or hereafter affecting the Mortgaged Premises or any portion thereof which are required to be observed and performed by Mortgagor.

(b) **Expenses.** Pay or reimburse Mortgagee, upon demand therefor, for all reasonable attorneys' fees, and all other costs and expenses incurred by Mortgagee in any suit, action, legal proceeding or dispute of any kind in which Mortgagee is made a party or appears as a party plaintiff or defendant, affecting the indebtedness secured hereby, this Mortgage or the interest created herein, or the Mortgaged Premises, including, but not limited to any action to protect the security hereof; and any such amount paid by Mortgagee shall be added to the indebtedness secured by the lien of the Mortgage and shall, to the extent permitted by law, accrue interest at the Default Rate of Interest as set forth in the Agreement.

(c) **Books, Records, Accounts and Annual Reports.** Keep and maintain proper and adequate books, records and accounts reflecting all items of income and expense, including all supporting facts, contracts and agreements, relating to the operation of the Dyer Collateral. Mortgagee shall have the right from time to time, at all times during normal business hours, to examine all such records, books and accounts on the Mortgaged Premises, or at such other place or with such other person or entity maintaining such books, records and accounts and to make copies or abstracts thereof as Mortgagee shall desire. With respect to the Dyer Collateral, Mortgagor will, upon Mortgagee's request, from time to time furnish to Mortgagee operating statements, contracts and agreements, and reports in form and content reasonably requested by Mortgagee. Mortgagor shall furnish Mortgagee with such other financial information concerning it as Mortgagee may reasonably request.

Mortgagor shall furnish Mortgagee without demand, and within one hundred twenty (120) days following the end of each fiscal year complete financial statements reflecting

all details of the operations of the Dyer Collateral, including, but not limited to, a profit and loss statement, balance sheet and reconciliation of surplus, and, shall furnish and/or cause to be furnished such additional financial statements, reports and/or information as required under the Agreement and any other Loan Document. All such statements shall be in form satisfactory to Mortgagee, and shall be prepared on a basis consistent with prior years.

(d) **Additional Indebtedness.** Mortgagor agrees to pay or reimburse Mortgagee, upon demand therefor, for any and all losses, damages, costs, expenses, fees, duties, taxes (except Federal Income Taxes owed by Mortgagee as a result of its income), penalties, assessments of other charges (hereinafter referred to as “**Liabilities**”) at any time suffered by, imposed upon, assessed or levied against the Mortgaged Premises or Mortgagee by any governmental authority or agency relating to, arising from or in connection with the execution and delivery of the Notes and the recording of this Mortgage, including, but not limited to, liabilities arising from any applicable law or statute relating to the making of the Loans, the perfection of the Security Documents or the enforcement thereof. Any such liability so incurred or paid by Mortgagee shall constitute an additional indebtedness secured by this Mortgage. Mortgagor shall pay the cost of recording any release or partial release(s) of this Mortgage, plus a \$50.00 processing fee for each such release or partial release.

(e) **Transfer and Encumbrance.** Other than as expressly permitted in the Agreement, Mortgagor shall not make, create or suffer to be made or created, any sale, transfer, conveyance, lease or assignment of the Mortgaged Premises or Collateral, or any interest therein. Any change whatsoever in the legal or beneficial ownership of any Mortgagor which changes the identity of the person or persons or entity having direct or indirect controlling interest in any such Mortgagor shall not be made, created or suffered.

1.13 Environmental Representation. Mortgagor hereby covenants and represents that, to the best of Mortgagor’s knowledge, (a) the Mortgaged Premises presently complies with, in all material respects, all applicable federal, state or local environmental, health and safety statutes and regulations with which non-compliance would have material adverse affect on the Mortgaged Premises; (b) the Mortgaged Premises is not subject to any judicial or administrative proceeding alleging the violation of any federal, state or local environmental, health or safety statute or regulation, which violation would have a material adverse affect on the Mortgaged Premises; (c) the Mortgaged Premises is not the subject of a federal or state investigation regarding the need for any remedial action to respond to a release of any hazardous or toxic wastes, substance or constituent, or other substance into the environment which remedial action would have a material adverse affect on the Mortgaged Premises; (d) Mortgagor has not filed any notice under any federal or state law indicating past or present treatment, storage or disposal of a hazardous waste, or reporting a spill or release of a hazardous or toxic waste, substance or constituent, or other substance into the environment; (e) hazardous waste or substance has not been disposed of by placing it in or on the ground of the Mortgaged Premises; and (f) there are no underground storage tanks or surface impoundments on the Mortgaged Premises.

1.14 Notice of Environmental Accident. Promptly after learning of the occurrence of any of the following, Mortgagor shall give Mortgagee oral and written notice thereof, describing the same and the steps being taken by the Mortgagor with respect thereto: (a) the

happening of any event involving the spill, release, leak, seepage, discharge or cleanup of any hazardous or toxic waste, substance or constituent; (b) any litigation, arbitration proceeding, or governmental proceeding arising from an environmental accident; (c) notice that the Mortgagor's operations on the Mortgaged Premises are not in compliance with requirements of applicable federal, state or local environmental, health and safety statutes and regulations; (d) notice that Mortgagor is subject to federal or state investigation evaluating whether any remedial action is needed to respond to the release of any hazardous or toxic waste, substance or constituent, or asbestos or other substance from the Mortgaged Premises into the environment; or (e) notice that the Mortgaged Premises are subject to a lien in favor of any governmental entity for (i) any liability under federal or state environmental laws or regulations or (ii) damages arising from or costs incurred by such governmental entity in response to a release of a hazardous or toxic waste, substance or constituent, or other substance into the environment.

1.15 Wetlands. Mortgagor hereby covenants and represents that, (a) to the best of Mortgagor's knowledge, it is in compliance with all federal laws relating to "Wetlands" as defined in 33 C.F.R. §328.3, as hereinafter amended, and in any comparable state and/or local law, statute or ordinance, rule or regulation pertaining to such Wetlands, and (b) Mortgagor shall not perform or cause to be performed any excavation or fill activity or other acts which would in any way destroy, eliminate, alter, obstruct, interfere with or otherwise affect any Wetlands.

1.16 ADA. Mortgagor hereby covenants and represents that it will comply with the Americans With Disabilities Act ("ADA") and all rules and regulations pertaining thereto.

1.17 Assignment of Rents and Leases. As part of the consideration for the indebtedness evidenced by the Notes, Mortgagor hereby absolutely and unconditionally assigns and transfers to Mortgagee all of the occupancy agreements and leases now existing or hereafter entered into with respect to the Mortgaged Premises, and all modifications, renewals and extensions thereof (collectively the "Leases") and all the rents, accounts and revenues, which shall include all deposits, of the Mortgaged Premises, including those now due, past due, or to become due by virtue of any of the Leases or any other agreement for the occupancy or use of all or any part of the Mortgaged Premises, regardless as to whom the rents, accounts and revenues of the Mortgaged Premises are payable; provided, however, that prior to an Event of Default under this Mortgage, Mortgagor shall exercise all of its rights under the Leases and shall collect and receive all of the rents, accounts and revenues of the Mortgaged Premises, and Mortgagor shall apply the rents, accounts and revenues so collected to current operating expenses of the Mortgaged Premises and current amounts due Mortgagee, with the balance, so long as no such Event of Default has occurred, to the account of Mortgagor. Upon an Event of Default hereunder, and without the necessity of Mortgagee entering upon and taking and maintaining full control of the Mortgaged Premises in person, by agent or by a court-appointed receiver, Mortgagee shall immediately (i) be entitled to exercise all of the rights of Mortgagor under the Leases, and (ii) be entitled to possession of all rents, accounts and revenues of the Mortgaged Premises as specified in this Section as the same become due and payable, including but not limited to rents, accounts and revenues then due and unpaid. At the time of any such Event of Default, any such rents, accounts and revenues then held by Mortgagor shall immediately be held by Mortgagor as trustee for the benefit of Mortgagee only. Mortgagor agrees that commencing upon an Event of Default, each occupant of the Mortgaged Premises shall make such rents,

accounts and revenues payable to and pay such rents, accounts and revenues to Mortgagee or Mortgagee's agents on Mortgagee's written demand to each occupant therefor, delivered to each occupant personally, by mail or by delivering such demand to each rental unit, without any liability on the part of said occupant to inquire further as to the existence of a default by Mortgagor. Unless Mortgagee takes possession of the property or exercises control over it, Mortgagee shall not be liable for any loss sustained by Mortgagor resulting from any failure by Mortgagee either to collect the rents, accounts and revenues of the Mortgaged Premises or in exercising or failing to exercise any of the rights of Mortgagor under the Leases. Mortgagee shall have no liability to any occupant under any of the Leases for the performance or observance of any of the terms, conditions or obligations contained therein unless Mortgagee takes possession of the Mortgaged Premises.

Any breach of these representations and agreements shall constitute an Event of Default hereunder.

ARTICLE II SECURITY INTEREST IN COLLATERAL

2.1 Security Agreement. The Mortgagor and Mortgagee do hereby agree and declare that this Mortgage shall constitute a security agreement encumbering each and every item of the Collateral in compliance with the provision of the Uniform Commercial Code applicable in the State where said Collateral is located. The remedies for any violation of the covenants, terms and conditions of the Notes, the other Loan Documents and this Mortgage shall be (i) as prescribed in the Agreement or any of the Security Documents, including, without limitation, this Mortgage; (ii) as prescribed by general law; or (iii) as prescribed by the specific statutory consequences now or hereafter enacted and specified in the said Uniform Commercial Code, all at Mortgagee's sole election.

2.2 Mortgagor represents, warrants and agrees that the Collateral secured hereby is, or is to be used by Mortgagor primarily for business purposes and not for personal, family or household purposes.

2.3 Except for the security interest granted herein, Mortgagor is the owner of the Collateral free from any prior liens, security interest or encumbrance and will defend the Collateral against all claims and demands of any and all persons at any time claiming the same or any interest therein.

2.4 No financing statement covering the Collateral is on file at any public office (other than in favor of Mortgagor or as indicated as a Permitted Encumbrance under this Mortgage or the Agreement), and Mortgagor hereby authorizes Mortgagee to execute, deliver and/or file one or more financing statements pursuant to the Uniform Commercial Code as enacted by the State where the Collateral is located, in form satisfactory to the Mortgagee and Mortgagor will pay the cost of filing in all public offices wherever filing is deemed necessary by Mortgagee. A photocopy of this instrument may be filed as a financing statement at the election of Mortgagee.

**ARTICLE III
EVENTS OF DEFAULT**

3.1 Events of Default. The Notes shall become due at the option of the Mortgagee upon the occurrence of any default under the terms of the Notes or the Agreement after the expiration of any applicable grace periods (hereinafter referred to as the “**Events of Default**”).

**ARTICLE IV
REMEDIES**

4.1 Rights of Mortgagee after Default. Upon the occurrence of an Event of Default, the Mortgagee shall:

- (a) have the option to declare the Notes, the other Loan Documents and all sums secured hereby due and payable, and further may proceed immediately to foreclose this Mortgage and exercise the Secured Party’s rights under this Mortgage, the Notes, the other Loan Documents or any other controlling document;
- (b) have all the rights and remedies of a secured party under the Uniform Commercial Code of those states governing disposition of the Collateral in the Event of a Default, including, but not limited to, the right to sell the Collateral at public or private sale, and the right to be a purchaser at any such sale;
- (c) demand, elect and receive all the rents and profits as then or may thereafter be due and owing to the Mortgagor in connection with the Dyer Collateral, giving notice of its intention to collect and receive such rents to such tenants, occupiers or lessees of the Mortgaged Premises, and applying the same upon the amount due upon the Notes and the other Loan Documents (in such order as Mortgagee in its sole discretion determine); and in such event, the Mortgagor shall be deemed to have assigned and transferred such rents and profits to the Mortgagee as additional security for the performance of the covenants of this Mortgage until all indebtedness secured hereby has been fully paid and satisfied;
- (d) have all other remedies available at law or in equity; and
- (e) Mortgagee shall have the right:
 - (i) with process of law, to enter upon and take possession of the Dyer Collateral and to operate same for and on behalf of Mortgagor (including, without limitation, the right to care for all livestock and to sell all perishable products);
 - (ii) to collect all of the rent, income, profits or revenues generated therefrom; and

(iii) to expend such sums of money which it may deem necessary for the maintenance, preservation and operation of the Mortgaged Premises, including expenditures for improvements, alterations and repairs, including those of a capital nature.

Any sums so expended by Mortgagee shall at once become additional indebtedness owing from Mortgagor to Mortgagee and shall be immediately due and payable by Mortgagor, with interest thereon to the extent legally enforceable at the Default Rate of Interest set forth in the Agreement, which sums so advanced shall be added to and become a part of the indebtedness secured by this Mortgage.

4.2 Distribution of Sums Received by Mortgagee. Upon enforcement of this Mortgage upon the occurrence of an Event of Default, all sums received from time to time by the Mortgagee shall be applied as follows:

First: To the payment of all reasonable costs and expenses of the Mortgagee (including fees and expenses of its agents and counsel) incurred or accrued in connection with (a) the operation, maintenance or repair of the Dyer Collateral and any and all businesses operated thereon (including, without limitation, the care and preservation of any livestock or other perishable farm products); (b) any proceedings brought by the Mortgagee; and (c) any sale (public or private) or other disposition of the Dyer Collateral.

Second: To the payment of all amounts as provided for in the Notes and this Mortgage, and the other Loan Documents, whether for principal, interest or otherwise, in whatever order Mortgagee, exercising its sole discretion, may elect.

Third: To the payment of any surplus to the Mortgagor or any other person legally entitled thereto.

4.3 Rights Cumulative. All rights and remedies from time to time conferred upon or reserved to the Mortgagee are cumulative, and none is intended to be exclusive of any other. No delay or omission in insisting upon the strict observance or performance of any provision of this Mortgage, or to exercise any right or remedy, shall be construed as a waiver or relinquishment of such provision, nor shall it impair such right or remedy. Every right and remedy may be exercised from time to time and as often as deemed expedient.

4.4 Appointment of Receiver; If an Event of Default as described in Paragraph 3.1 hereof shall occur, then with or without the filing of a bill in equity or other commencement of judicial proceedings to enforce the rights of the Mortgagee, the Mortgagee, to the extent permitted by law, shall be entitled as a matter of right to the appointment of a receiver or receivers of the Dyer Collateral, pending such proceedings, with such powers as are conferred upon the Mortgagee herein and as shall be conferred by the court making such appointment; but notwithstanding the appointment of any receiver, trustee, or other custodian, the Mortgagee shall be entitled to the possession and control of any cash, or other instruments at the time held by, or payable or deliverable under the terms of this Mortgage to the Mortgagee, and without the appointment of any receiver, trustee or other custodian, shall be entitled to enter upon the Mortgaged Premises without in any manner being deemed guilty of trespass.

4.5 Suits to Protect the Dyer Collateral. The Mortgagee shall have power:

(a) To institute and maintain such suits and proceedings as it may deem expedient to prevent any impairment of the Mortgaged Premises by any acts which may be unlawful or a violation of the Mortgage; and

(b) To preserve or protect its interest in the Mortgaged Premises, the Collateral and in the income, revenues, rents and profits arising therefrom.

4.6 Mortgagee's Power of Enforcement. If an Event of Default as described in Paragraph 3.1 hereof shall have occurred, the Mortgagee may, either with or without entry or taking possession as hereinabove provided or otherwise, proceed by suit or suits at law or in equity or by any other appropriate proceeding or remedy (a) to foreclose this Mortgage and to sell, as an entirety or in separate lots, units or parcels, the Dyer Collateral, under the judgement or decree of a court or courts of competent jurisdiction; and (b) to pursue any other remedy available to it, all as the Mortgagee shall deem most effectual for such purposes. The Mortgagee shall take action either by such proceedings or by the exercise of its powers with respect to entry or taking possession, as the Mortgagee may determine.

4.7 Application of Indebtedness Towards Purchase Price. Upon any foreclosure sale, pursuant to judicial proceedings, the Mortgagee may bid for and purchase the Dyer Collateral, and upon compliance with the terms of sale, may hold, retain, possess and dispose of such property at its own absolute right without further accountability. Any such purchase shall permit the Mortgagee to apply to the purchase price any portion of or all sums due to the Mortgagee under the Notes, the other Loan Documents and this Mortgage in lieu of cash, to the amount which shall, upon distribution of the net proceeds of such sale, be payable thereon.

4.8 No Waiver of One Default to Affect Another, Etc. No waiver of any default hereunder shall extend to or shall affect any subsequent or other then existing default or shall impair any rights, powers or remedies consequent thereon.

If the Mortgagee (a) grants forbearance or any extension of time for the payment of any sums secured hereby; (b) takes other or additional security for the payment thereof; (c) waives or does not exercise any right granted herein or in the Notes or in the Agreement; (d) releases any part of the Mortgaged Premises from the lien of the Mortgage or otherwise changes any of the terms of the Notes or Mortgage or any of the other Loan Documents; (e) consents to the filing of any map, plat or replat thereof; (f) consents to the granting of any easement thereon; or (g) makes or consents to any agreement subordinating to the lien or charge hereof, then and in each such case such act or omission shall not release, discharge, modify, change, or affect the original liability under the Notes, Mortgage, the other Loan Documents or otherwise of the Mortgagor or any subsequent purchaser of the Mortgaged Premises or any part thereof, or any maker, co-signer, endorser, surety or guarantor; nor shall any such act or omission preclude the Mortgagee from exercising any right, power or privilege herein granted or intended to be granted in the event of any other default then made or of any subsequent default, nor, except as otherwise expressly provided in an instrument or instruments executed by the Mortgagee shall the lien of this Mortgage be altered thereby.

**ARTICLE V
MISCELLANEOUS PROVISIONS**

5.1 Successors and Assigns Included in Parties. Whenever in this Mortgage one of the parties hereto is named or referred to, the successors and assigns of such party shall be included, and all covenants and agreements contained in this Mortgage by or on behalf of the Mortgagor or by or on behalf of the Mortgagee shall include their respective successors and assigns, whether so expressed or not.

5.2 Invalid Provisions to Affect No Others. In case any one or more of the covenants, agreements, terms or provisions contained in this Mortgage or in the Notes or in the other Loan Documents shall be invalid, illegal or unenforceable in any respect, the validity of the remaining covenants, agreements, terms or provisions contained herein and in the Notes and in the other Loan Documents shall be in no way affected, prejudiced or disturbed thereby.

5.3 Notices. Notices, statements and other communications to be given under the terms of this Mortgage shall be in writing and delivered by hand against written receipt or sent by certified or registered mail, return receipt requested, postage prepaid and addressed as provided in the first paragraph of this Mortgage, or at such other address as from time to time designated by the party receiving the notice. The date of mailing of such notices shall be deemed the effective date of service.

5.4 UCC Financing Statements. Mortgagor hereby authorizes Mortgagee to file UCC financing statements to perfect Mortgagee's security interest in any part of the Dyer Collateral. In addition, Mortgagor agrees to sign any and all other documents that Mortgagee deems necessary in its sole discretion to perfect, protect, and continue Mortgagee's lien and security interest on the Dyer Collateral.

5.5 Certain Matters Relating to Property Located in the State of Indiana. With respect to the Property which is located in the State of Indiana, notwithstanding anything contained herein to the contrary:

Mortgagor represents and warrants that the Property is not subject to the disclosure requirements of the Indiana Responsible Property Transfer Law (Indiana Code 13-25-3-1 et seq.) ("IRPTL"). Mortgagor further represents and warrants that the transaction contemplated by this Mortgage and the Loan Documents, including, without limitation, the granting of a mortgage encumbering the Mortgaged Premises, is not a transfer subject to the IRPTL.

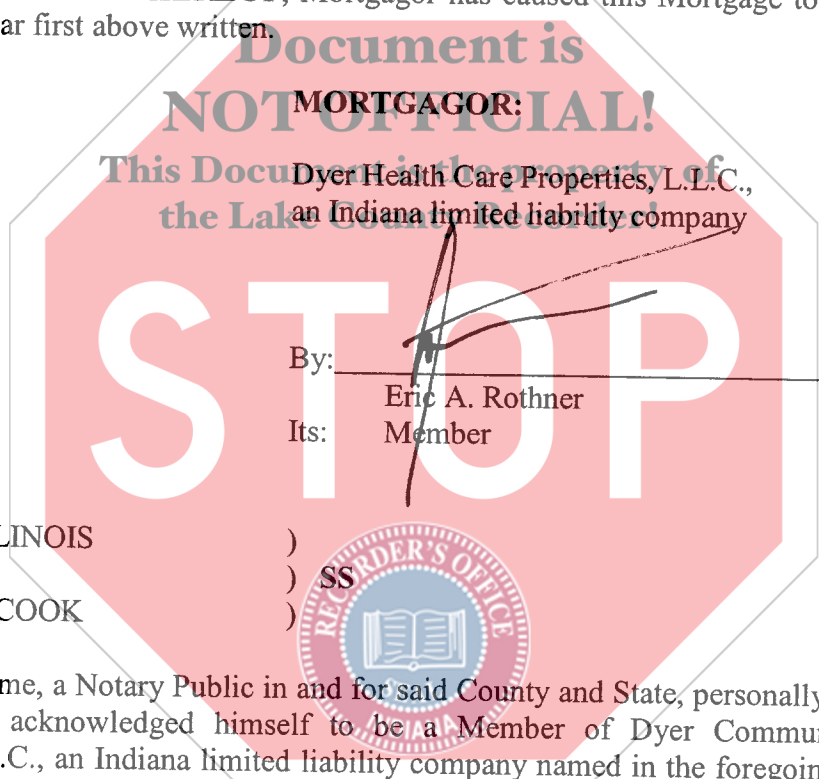
5.6 Enforcement Costs. In the event Mortgagee engages counsel to represent it in connection with any breach or default, or threatened breach or default, hereof by Mortgagor or to construe or enforce compliance with this Mortgage, then Mortgagee shall be entitled to recover from Mortgagor all reasonable attorney fees, disbursements and costs so incurred, and all such amounts shall be immediately due and payable and secured by the lien hereof.

5.7 Governing Law. This Mortgage shall be governed by and construed and enforced in accordance with the laws of the State of Indiana.

5.8 WAIVER OF JURY TRIAL: MORTGAGOR AND MORTGAGEE HEREBY JOINTLY AND SEVERALLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING RELATING TO THIS INSTRUMENT AND TO ANY OF THE LOAN DOCUMENTS, THE OBLIGATIONS HEREUNDER OR THEREUNDER, ANY COLLATERAL SECURING THE OBLIGATIONS, OR ANY TRANSACTION ARISING THEREFROM OR CONNECTED THERETO. MORTGAGOR AND MORTGAGEE EACH REPRESENTS TO THE OTHER THAT THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY GIVEN.

5.9 Amendment and Restatement. This Mortgage amends and restates but does not constitute a novation of, that certain mortgage dated March 14, 1996 as Instrument No. 96016172; assigned and amended by a document recorded July 3, 1997 as Document No. 97043452 and amended by Second Amendment recorded April 8, 1998 as Document No. 98024859 and further amended by Third Amendment recorded August 14, 1998 as Document No. 98063919 in the Office of the Recorder of Lake County, Indiana, previously granted by Dyer Health Care Properties, L.L.C.

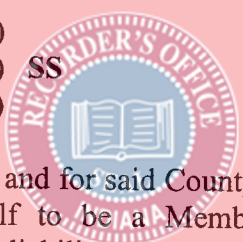
IN WITNESS WHEREOF, Mortgagor has caused this Mortgage to be executed as of the day and year first above written.



MORTGAGOR:
Dyer Health Care Properties, L.L.C.,
an Indiana limited liability company

By: _____
Eric A. Rothner
Its: Member

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)



Before me, a Notary Public in and for said County and State, personally appeared Eric A. Rothner, who acknowledged himself to be a Member of Dyer Community Health Care Properties, L.L.C., an Indiana limited liability company named in the foregoing instrument, and who acknowledged that he, as such he did execute the foregoing instrument for and on behalf of said limited liability company and that such signing is the free act and deed of said limited liability company for the uses and purposes therein mentioned.

WITNESS my hand and Notarial Seal this 20th day of May, 2004.

Steven A. Miretzky
Notary Public

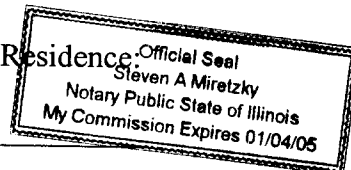
Printed Name

My Commission Expires:

01/04/05

My County of Residence:

COOK



This Instrument Prepared By:
Philip E. Langer, Esq.
Porter Wright Morris & Arthur LLP
1700 Huntington Building
925 Euclid Avenue
Cleveland, OH 44115-1483
216/443-2544



EXHIBIT A
Legal Description

Lot Numbered 1 as shown on the recorded plat of Brookhaven Addition to the Town of Dyer recorded in Plat Book 53 Page 59 in the Office of the Recorder of Lake County, Indiana.



DYER HEALTH CARE PROPERTIES, L.L.C.

Permitted Encumbrances

1. Real Estate taxes not yet due and payable.

