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This Mortgage Was Prepared By  
and When Recorded, Return to:

2006 08493  
Vedder, Price, Kaufman & Kammholz, P.C.  
222 North LaSalle Street, Suite 2600  
Chicago, Illinois 60601  
Attn: Pearl A. Zager, Esq. (JVS)

STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD

2006 DEC 11 AM 9:40

MICHAEL A. BROWN  
RECORDER

SPACE ABOVE THIS LINE FOR RECORDER'S USE.

The Preparer affirms, under penalty of perjury,  
that he or she has taken reasonable care to redact  
each Social Security Number in this document,  
unless required by law.

MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND  
FIXTURE FILING

MADE BY

INDIANA LAND BECKNELL INVESTORS, LLC, a Delaware limited liability company  
as "Mortgagor"

in favor of

PARK NATIONAL BANK, a national banking association

This Document is the property of  
as "Lender"  
the Lake County Recorder!

Dated: December 1, 2006

LOCATION OF PROPERTY:

Address: Lot 1, Resubdivision of Lot "A", in North Wind Crossings, a planned unit  
development to the City of Hobart, as per plat thereof, recorded in Plat Book 100, page 19, in the  
Office of the Recorder of Lake County, Indiana.  
County: Lake

**ATTENTION COUNTY RECORDER:** This Mortgage covers goods which are or are to  
become affixed to or fixtures on the land described in Exhibit A hereto and is to be filed for  
record in the records where Mortgages on real estate are recorded. Additionally, this instrument  
should be appropriately indexed, not only as a Mortgage, but also as a fixture filing covering  
goods that are or are to become fixtures on the real property described herein. The mailing  
addresses of the Mortgagor (Debtor) and Lender (Secured Party) are set forth in the Preamble of  
this Mortgage.

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Chicago Title Insurance Company

**NOTICE:** This instrument contains, *inter alia*, obligations that may provide for: (a) a variable rate of interest and/or (b) future and/or revolving credit advanced or readvances, which when made, shall have the same priority as advances or readvances made on the date hereof whether or not (i) any advances or readvances were made on the date hereof and (ii) any indebtedness is outstanding at the time any advance or readvance is made.

MORTGAGE, ASSIGNMENT OF LEASES AND RENTS,  
SECURITY AGREEMENT AND FIXTURE FILING

THIS MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING (this "Mortgage") is made as of December 1, 2006, by **INDIANA LAND BECKNELL INVESTORS, LLC**, a Delaware limited liability company (the "Mortgagor"), whose address is c/o UBS Realty Investors, 242 Trumbull Street, Hartford, Connecticut 06103-1205 in favor of **PARK NATIONAL BANK**, a national banking association its successors and assigns (the "Lender"), whose address is c/o Real Estate Finance Group, 801 N. Clark Street, Chicago, IL 60610, Attn: Brian T. Lund.

WITNESSETH:

WHEREAS, on the date hereof, Lender provided a construction loan to Becknell Development, L.L.C., an Illinois limited liability company (the "Borrower") in the maximum principal amount of FOUR MILLION TWO HUNDRED SEVENTY THOUSAND DOLLARS (\$4,270,000.00) (the "Loan") pursuant to, and in accordance with, the terms and conditions of that certain Construction Loan Agreement, of even date herewith, between Borrower and Lender (as the same may hereafter be amended, modified, extended, restated or renewed, the "Loan Agreement").

WHEREAS, the Loan is evidenced by that certain Construction Loan Note, of even date herewith, made by Borrower in favor of Lender in the maximum principal amount of FOUR MILLION TWO HUNDRED SEVENTY THOUSAND DOLLARS (\$4,270,000.00) (as the same may hereafter be amended, modified, extended, restated or and renewed, the "Note") providing for payments and other terms as set forth the Loan Agreement and secured by, among other things, a Limited Guaranty, of even date herewith, made by Mortgagor (as the same may hereafter be amended, modified, extended, restated, consolidated or renewed, the "Limited Guaranty") and this Mortgage (as the same may hereafter be amended, modified, extended, restated, consolidated or renewed).

WHEREAS, Mortgagor will derive substantial benefits from the making of the Loan by Lender to Borrower.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

A. The terms and provisions of the Limited Guaranty are hereby incorporated by reference in this Mortgage.

B. This Mortgage constitutes a mortgage, assignment of leases and rents, security agreement and fixture filing encumbering the Property (hereinafter defined) upon the terms and conditions set forth herein to secure the Secured Obligations (defined below), it being understood and agreed that the Property secures the repayment of the entire Secured Obligations.

C. Capitalized terms used and not otherwise defined herein shall have the meanings given to them in the Loan Agreement.

D. The Recitals and Exhibits to this Mortgage are hereby incorporated in this Mortgage.

THIS MORTGAGE IS GIVEN TO SECURE THE performance of the Secured Obligations under the Limited Guaranty.

1. Grant and Secured Obligations.

1.1 Grant. For the purpose of securing payment of the Secured Obligations defined and described in Section 1.2 hereof, Mortgagor has executed this Mortgage and does hereby irrevocably mortgage, bargain, sell, alienate, remise, convey, and confirm unto Lender, in fee simple, with the power of sale and the right of entry and possession, under and subject to the terms and conditions hereof, for the benefit and security of Lender, and with mortgage covenants, all of Mortgagor's right, title and interest in and to all of the following described property and all proceeds and products thereof, whether now owned or hereafter acquired (which property, proceeds and products are hereinafter sometimes collectively referred to as the "Property"), for the benefit of Lender and grants to Lender a security interest in and to the Property:

- A. The real estate described in Exhibit A attached hereto (the "Land");
- B. All of the following (collectively, the "Improvements"): all buildings, improvements and fixtures of every kind or nature now or in the future situated or to be constructed on the Land, including, but not limited to, Fixtures as such term is defined in Article 9 of the Uniform Commercial Code as now in effect or as may be revised or amended from time to time, all machinery, appliances, equipment, furniture, computer equipment, tools, tooling, goods, supplies, materials and work in process, together with all additions, parts, fittings, accessories, special tools, attachments, and accessions now and hereafter affixed thereto or used in connection therewith, and all other personal property of every kind or nature located in or on, or attached to, or used or to be used in connection with the Land, buildings, structures, improvements or fixtures, including, but not limited to, Equipment as such term is defined in Article 9 of the Uniform Commercial Code as now in effect or as may be revised or amended from time to time; and all additions, substitutions and replacements to any of the foregoing (the Land together with the Improvements being hereinafter collectively referred to as the "Real Estate");

C. To the extent assignable, all plans, specifications, architectural renderings, drawings, soil test reports, other reports of examination or analysis of the Land or the Improvements;

D. All easements, rights-of-way, water courses, mineral rights, water rights, air rights and appurtenances in any way belonging, relating or appertaining to any of the Real Estate or which hereafter shall in any way belong, relate or be appurtenant thereto ("Appurtenances");

E. All leases, licenses and other agreements affecting the use, enjoyment or occupancy of the Real Estate, now or hereafter executed by Mortgagor (the "Leases"), and all rents, prepayments, security deposits, termination payments, royalties, profits, issues and revenues from the Real Estate from time to time accruing under the Leases (the "Rents"), reserving to Mortgagor, however, so long as no Event of Default has occurred hereunder, a revocable license to receive and apply the Rents in accordance with the terms and conditions of Sections 2.2 and Section 2.3 of this Mortgage;

F. All claims, demands, judgments, insurance proceeds, tax refunds, reserves, deposits, rights of action, awards of damages, compensation, settlements and other rights to the payment of money hereafter made resulting from or relating to (i) the taking of the Real Estate or any part thereof under the power of eminent domain ("Awards"), (ii) any damage (whether caused by such taking, by casualty or otherwise) to the Real Estate or Appurtenances or any part thereof ("Insurance Proceeds"), or (iii) the ownership or operation of the Property;

G. To the extent assignable, all management contracts, permits, certificates, licenses, approvals, contracts, options, development rights, entitlements and authorizations, however characterized, issued or in any way furnished for the acquisition, construction, development, operation and use of the Real Estate or Leases, including building permits, environmental certificates, licenses, certificates of operation, warranties and guaranties;

H. All accounts, contract rights, general intangibles, payment intangibles, deposit accounts, chattel paper including electronic chattel paper, documents, instruments, inventory, software, goods, equipment, securities, investment property, letters of credit, letter of credit rights, money, commercial tort claims, and all books and records and supporting obligations relating to the foregoing;

I. Any monies on deposit with or for the benefit of Lender, including deposits for the payment of real estate taxes, insurance premiums and any cash collateral account;

J. All refunds, rebates, reimbursements, reserves, deferred payments, deposits, cost savings, governmental subsidy payments, governmentally-registered credits (such as emissions reduction credits), other credits, waivers and payments, whether in cash or in kind, due from or payable by (i) any federal, state, municipal or other governmental or quasi-governmental agency, authority or district (a "Governmental");



Agency”) or (ii) any insurance or utility company relating to any or all of the Property or arising out of the satisfaction of any conditions imposed upon or the obtaining of any approvals for the development or rehabilitation of the Property;

K. All refunds, rebates, reimbursements, credits and payments of any kind due from or payable by any Governmental Agency for any taxes, special taxes, assessments, or similar governmental or quasi-governmental charges or levies imposed upon Mortgagor with respect to the Property or upon any or all of the Property or arising out of the satisfaction of any conditions imposed upon or the obtaining of any approvals for the development or rehabilitation of the Property;

L. All other general intangibles (including, without limitation, any proceeds from insurance policies after payment of prior interests), patents, unpatented inventions, trade secrets, copyrights, contract rights, goodwill, literary rights, rights to performance, rights under licenses, choses-in-action, claims, information contained in computer media (such as databases, source and object codes, and information therein), things in action, trademarks and trademarks applied for (together with the goodwill associated therewith) and derivatives thereof, trade names, including the right to make, use, and vend goods utilizing any of the foregoing, and permits, licenses, certifications, authorizations and approvals, and the rights of Mortgagor thereunder, issued by any governmental, regulatory, or private authority, agency, or entity whether now owned or hereafter acquired, together with all cash and non cash proceeds and products thereof;

M. All proceeds, products, replacements, additions, substitutions, renewals and accessions of and to the Real Estate, Appurtenances or any other property of the types described in the preceding granting clauses; and

N. Any and all after-acquired right, title or interest of Mortgagor in and to any property of the types described in the preceding granting clauses.

1.2 Obligations.

(a) Mortgagor makes the grant, conveyance, mortgage, and transfer set forth in Section 1.1 hereof, and grant(s) the security interest set forth in Section 3 below for the purpose of securing the payment and performance of all of Mortgagor’s obligations under the Loan Agreement, Note, and Limited Guaranty (the “Secured Obligations”);

(b) All persons who may have or acquire an interest in all or any part of the Property will be considered to have notice of, and will be bound by, the terms of the Secured Obligations and each other agreement or instrument made or entered into in connection with each of the Secured Obligations. Such terms include any provisions in the Note, Limited Guaranty or the Loan Agreement which permit borrowing, repayment and reborrowing, or which provide that the interest rate on one or more of the Secured Obligations may vary from time to time; and

(c) Future Advances. This Mortgage is given to secure not only the repayment of the Secured Obligations, but also future advances (whether such advances

are obligatory or are made at the option of Lender, or otherwise, but only to the extent that such advances are reasonably necessary to complete the Improvements or otherwise protect the value of Lender's security interest )made by Lender, that, in the reasonable exercise of Lender's judgment, are needed to complete Improvements or to protect Lender's security interest in the Property and are to be deemed obligatory advances hereunder, and will be added to the Secured Obligations and secured by this Mortgage, and the Secured Obligations shall be increased accordingly subject to the limitations set forth in this Mortgage. The total amount of Secured Obligations secured hereby may increase or decrease from time to time. This Mortgage shall be valid and have priority to the extent of the maximum amount secured hereby over all subsequent liens and encumbrances, including statutory liens, excepting solely taxes and assessments levied on the Property given priority by law.

2. Assignment of Leases and Rents.

2.1 Assignment. Mortgagor hereby irrevocably, absolutely, presently and unconditionally assigns to Lender all leases and rents (the "Leases and Rents") and other benefits of the Property, whether now due, past due or to become due, including all prepaid rents and security deposits. This is an absolute assignment, not an assignment for security only and shall continue in effect until the Secured Obligations are paid in full and all Secured Obligations are fully satisfied. Mortgagor hereby gives Lender the right to collect the Rents and apply them in payment of the principal, interest and all other sums payable under the Loan Documents.

2.2 Grant of License. Lender hereby confers upon Mortgagor a revocable license ("License") to enforce the Leases and collect and retain the Rents as they become due and payable so long as no Event of Default, as defined in Section 6.2 hereof, shall exist and be continuing. Mortgagor shall deliver such Rents to Lender as are necessary for the payment of principal, interest and other sums payable under the Loan Documents as such sums become due. If an Event of Default has occurred and is continuing, Lender shall have the right, which it may choose to exercise in its sole discretion and which it may exercise without taking possession of the Property, to terminate this License without notice to or demand upon Mortgagor, and without regard to the adequacy of Lender's security under this Mortgage.

2.3 Collection and Application of Rents. Subject to the License granted to Mortgagor under Section 2.2 hereof, Lender has the right, power and authority to collect any and all Rents. Subject to the license granted to Mortgagor under Section 2.2 above, Mortgagor hereby appoints Lender its attorney-in-fact exercisable solely during an Event of Default to perform any and all of the following acts, if and at the times when Lender in its sole discretion may so choose:

- (a) Demand, receive and enforce payment of any and all Rents; or
- (b) Give receipts, releases and satisfactions for any and all Rents; or
- (c) Sue either in the name of Mortgagor or in the name of Lender for any and all Rents.

Lender and Mortgagor agree that the mere recordation of the assignment granted herein entitles Lender immediately to collect and receive rents upon an Event of Default, as defined in Section 6.2 hereof, without first taking any acts of enforcement under applicable law, such as, but not limited to, providing notice to Mortgagor, filing foreclosure proceedings, or seeking and obtaining the appointment of a receiver. Further, Lender's right to the Rents does not depend on whether or not Lender takes possession of the Property as permitted under Section 6.3(c) hereof. In Lender's sole discretion, Lender may choose to collect Rents either with or without taking possession of the Property. Lender and Trustee shall apply all Rents collected by it in the manner provided under Section 6.6 hereof. If an Event of Default occurs while Lender is in possession of all or part of the Property and is collecting and applying Rents as permitted under this Mortgage, Lender, and any receiver, shall nevertheless be entitled to exercise and invoke every right and remedy afforded any of them under this Mortgage and at law or in equity.

2.4 Lender Not Responsible. Under no circumstances shall Lender have any duty to produce Rents from the Property. Regardless of whether or not Lender, in person or by agent, takes actual possession of the Land and Improvements, unless Lender agrees in writing to the contrary, Lender is not and shall not be deemed to be:

- (a) A "mortgagee in possession" for any purpose; or
- (b) Responsible for performing any of the obligations of the lessor under any lease; or
- (c) Responsible for the control, care, management, or repair of the property or any personal property or for any waste committed by lessees or any other parties, any dangerous or defective condition of the Property, or any negligence in the management, upkeep, repair or control of the Property;
- (d) Liable in any manner for the Property or the use, occupancy, enjoyment or operation of all or any part of it excepting Lender's willful misconduct; or
- (e) Liable in any way for any injury or damage to any person or property sustained by any person or persons, firm, or corporation in or about the Property.

3. Grant of Security Interest.

3.1 Security Agreement. The parties intend for this Mortgage to create a lien on the Property, and an absolute assignment of the Rents, all in favor of Lender. The parties acknowledge that some of the Property and some or all of the Rents may be determined under applicable law to be personal property or fixtures. To the extent that any Property or Rents may be or be determined to be personal property, Mortgagor, as debtor, hereby grants to Lender, as secured party, a security interest in all such Property (including, any replacement or substituted property) and Rents, to secure payment and performance of the Secured Obligations. This Mortgage constitutes a security agreement under the Uniform Commercial Code covering all such Property and Rents. Lender shall have all of the rights and remedies of a secured party under the Uniform Commercial Code, as well as all other rights and remedies available at law or in equity.

3.2 Financing Statements. Mortgagor shall permit the filing of one or more financing statements and such other documents as Lender may from time to time require to perfect or continue the perfection of Lender's security interest in any Property or Rents. Mortgagor shall pay all fees and costs that Lender may incur in filing this Mortgage (including any extensions, renewals and amendments thereof and reproductions of this Mortgage). Mortgagor hereby authorizes and empowers Lender to file, on Mortgagor's behalf, all financing statements, refilings, amendments, renewals and continuations thereof as Lender deems necessary or advisable to perfect or continue the perfection of Lender's security interest in any Property or Rents and create, preserve and protect such lien. If any financing statement or other document is filed in the records normally pertaining to personal property, that filing shall never be construed as in any way derogating from or impairing this Mortgage or the rights or obligations of the parties under it.

4. Fixture Filing.

This Mortgage constitutes a financing statement filed as a fixture filing covering any Property which now is or later may become fixtures attached to the Land or Improvements. For this purpose, the respective addresses of Mortgagor, as debtor, and Lender, as secured party, are as set forth in the preambles of this Mortgage.

5. Rights and Duties of the Parties.

5.1 Representations and Warranties. Mortgagor hereby represents and warrants that:

(a) Mortgagor has the full and unlimited power, right and authority to encumber its interests in the Property and assign the Leases and Rents; and

(b) This Mortgage creates a first and prior lien on the Property (subject to the permitted encumbrances set forth on Exhibit B attached hereto).

5.2 Performance of Secured Obligations. Mortgagor shall promptly pay and perform each Secured Obligation in accordance with its terms.

5.3 Liens, Charges and Encumbrances. Mortgagor shall immediately discharge any lien on the Property unless such lien is (i) expressly permitted pursuant to the terms and conditions of the Loan Agreement or (ii) expressly consented to in writing by Lender in its sole and absolute discretion.

5.4 Maintenance of Rights of Way, Easements and Licenses. Mortgagor shall maintain, or shall cause the maintenance of, all rights of way, easements, grants, privileges, licenses (including all healthcare related licenses), certificates, permits, entitlements, and franchises necessary for the use of the Property and will not, without the prior consent of Lender, consent to any public restriction (including any zoning ordinance) or private restriction as to the use of the Property. Mortgagor shall comply with all restrictive covenants affecting the Property, and all zoning ordinances and other public or private restrictions as to the use of the Property.



5.5 Inspection. Mortgagor shall permit Lender, and its agents, representatives and employees, upon reasonable prior notice to Mortgagor, to inspect the Property and conduct such environmental and engineering studies as Lender may reasonably require, provided that such inspections and studies shall not materially interfere with the use and operation of the Property. Lender agrees to indemnify and hold harmless Mortgagor for damage sustained by Mortgagor as a result of conducting such environmental and engineering studies.

5.6 Other Covenants. The covenants following are incorporated herein by reference to the same extent and with the same force as if fully set forth herein and, together with covenants in this Section 5 shall be covenants running with the land: (a) the prohibition against the further sale, transfer or encumbering of any of the Property, subject to the qualifications set forth in the Loan Agreement, if any, (b) the obligation to pay when due all taxes on the Property or assessed against Lender with respect to the Loan, subject to the qualifications set forth in the Loan Agreement, if any, (c) the obligation to comply with all legal requirements (including environmental laws), maintain the Property in good condition, and promptly repair any damage or casualty, subject to the qualifications set forth in the Loan Agreement, if any, and (d) in the event Borrower fails to insure the Property and Project, Mortgagor shall maintain insurance covering risks ordinarily insured against by other owners or users of properties similar to the Property and Project in amounts reasonably determined by Lender, so long as commercially available at reasonable cost under the circumstances.

5.7 Damages and Insurance and Condemnation Proceeds. In the event of any casualty or condemnation of the Property, the provisions of this Section 5.7 shall apply.

(a) Insurance and Casualty.

(i) Mortgagor shall insure and keep insured the Property and each and every part and parcel thereof against such perils and hazards as the Lender may from time to time require, as set forth in this Mortgage.

(ii) The Mortgagor will give the Lender prompt notice of any damage to or destruction of the Property, and

(A) In case of loss covered by policies of insurance, the Mortgagor (or, after entry of decree of foreclosure, the purchaser at the foreclosure sale or decree creditor, as the case may be) is hereby authorized to settle and adjust any claim under such policies with the insurance company or companies on the amount to be paid upon the loss with the consent of the Lender not to be unreasonably withheld; provided that, the Mortgagor may, without Lender's consent, adjust losses aggregating not in excess of FIFTY THOUSAND DOLLARS (\$50,000.00), and provided further that in any case the Lender shall, and is hereby authorized to, collect and receipt for any such insurance proceeds to be applied as set forth below;

(B) In the event of any insured damage to or destruction of the Property or any part thereof ("Insured Casualty"), and if, in the

reasonable judgment of the Lender, the Property can be restored to an architectural and economic unit of the same or similar character and at least the same value as existed prior to the Insured Casualty that adequately secures the outstanding balance of the Secured Obligations and the insurers do not deny liability to the insured, then, if no Event of Default shall have occurred and be then continuing, the proceeds of insurance shall be applied to reimburse the Mortgagor for the cost of restoring, repairing, replacing or rebuilding (herein generally called "Restoring") the Property or any part thereof subject to Insured Casualty in the same manner as funds are provided for construction of improvements under the Loan Agreement;

(C) If in the reasonable judgment of Lender the Property cannot be restored to an architectural and economic unit as provided in Subsection (B) above, then, at any time from and after the Insured Casualty, upon thirty (30) days written notice to Mortgagor, Lender may declare the entire balance of the Secured Obligations to be, and at the expiration of such thirty (30) day period the Secured Obligations shall be and become, immediately due and payable;

(D) Except as provided in Subsection (B) above, Lender shall apply the proceeds of insurance (including amounts not required for any Restoring effected in accordance with Subsection (B) above) consequent upon any Insured Casualty toward the Secured Obligations, in such order or manner as the Lender may elect; provided that no premium or penalty shall be payable in connection with any prepayment of the Secured Obligations made out of insurance proceeds as aforesaid;

(E) In the event that proceeds of insurance, if any, shall be made available to the Mortgagor for the restoring of the Property, Mortgagor hereby covenants to restore the same in accordance with the Terms of subsection (B) above; all to be effected in accordance with plans and specifications to be first submitted to and approved by the Lender in its reasonable discretion;

(F) Any portion of the insurance proceeds remaining after payment in full of the Secured Obligations shall be paid to Mortgagor or as ordered by a court of competent jurisdiction.

(b) Condemnation/Eminent Domain. The Mortgagor will give Lender prompt notice of any proceedings, instituted or threatened, seeking condemnation or taking by eminent domain or any like process (a "Taking") of all or any part of the Property, including damages to grade. In the event of a Taking:

(i) Mortgagor hereby assigns, transfers and sets over unto Lender the entire proceeds of any Awards consequent upon any Taking;

(ii) If in the reasonable judgment of the Lender the Property can be restored to an architectural and economic unit of value, and the resulting property adequately secures the outstanding balance of the Secured Obligations, then if no Event of Default shall have occurred and be then continuing, the Awards shall be applied to reimburse Mortgagor for the cost of Restoring the portion of the Property remaining after such Taking;

(iii) If, in the reasonable judgment of Lender, the Property cannot be restored as provided in Subsection (ii) above, then at any time from and after the Taking, upon thirty (30) days written notice to Mortgagor, Lender may declare the entire balance of the Secured Obligations to be, and at the expiration of such thirty (30) day period the Secured Obligations shall be and become, immediately due and payable;

(iv) Except as provided for in Subsection (ii) above, Lender shall apply any Award (including the amount not required for restoration effected in accordance with Subsection (b) above) toward the Secured Obligations in such order or manner as Lender may elect; provided that no premium or penalty shall be payable in connection with any prepayment of the Secured Obligations made out of any Awards as aforesaid;

(v) In the event that any Awards shall be made available to the Mortgagor for Restoring the portion of the Property remaining after a Taking, Mortgagor hereby covenants to restore the remaining portion of the Property so that it will comply with the provisions of Subsection (ii) above, all to be effected in accordance with plans and specifications to be first submitted to and approved by Lender in its reasonable discretion; and

(vi) Any portion of any Awards remaining after payment in full of the Secured Obligations shall be paid to Mortgagor or as ordered by a court of competent jurisdiction.

5.8 Releases, Extensions, Modifications and Additional Security. From time to time, Lender, may perform any of the following acts without affecting the liability of Borrower or any other person liable for the payment of the Secured Obligations, and without affecting the lien or charge of this Mortgage as security for the payment of the Secured Obligations (except with respect to the lien of this Mortgage encumbering any portion of the Property released by Lender as described in clause (g) below), incurring any liability or giving notice to any person:

(a) Waive or modify any provision of this Mortgage or the other Loan Documents or grant other indulgences, including, extending the time for payment, or otherwise altering the terms of payment, of any Secured Obligation;

(b) Accept additional real or personal property of any kind as security for any Secured Obligation, whether evidenced by deeds of trust, mortgages, security agreements or any other instruments of security;

- (c) Alter, substitute or release any property securing the Secured Obligations;
- (d) Consent to the making of any plat or map of the Property or any part of it;
- (e) Join in granting any easement or creating any restriction affecting the Property;
- (f) Join in any subordination or other agreement affecting this Mortgage or the lien of it; or
- (g) Release the Property or any part of it.

5.9 Release. When all of the Secured Obligations have been paid in full and all fees and other sums owed by Mortgagor under Section 5.10 of this Mortgage, and the Limited Guaranty have been received, Lender shall release this Mortgage, the lien created thereby, and all notes and instruments evidencing the Secured Obligations. Mortgagor shall pay any costs of preparation and recordation of such release.

5.10 Compensation, Exculpation, Indemnification.

(a) Mortgagor shall pay or reimburse Lender's costs and expenses which may be incurred in connection with any release of the Mortgage under Section 5.9 above. Mortgagor further agrees to pay or reimburse Lender for reasonable all costs, expenses and other advances which may be reasonably incurred or made by Lender in any efforts to enforce any terms of this Mortgage or to protect the rights under this Mortgage, and the Limited Guaranty, including any rights or remedies afforded to Lender under Section 6.3 hereof, whether any lawsuit is filed or not, or in defending any action or proceeding arising under or relating to this Mortgage, including attorneys' fees and other legal costs, costs of any Foreclosure Sale (as defined in Section 6.3(j) hereof) and any cost of evidence of title. If Lender chooses to dispose of Property through more than one Foreclosure Sale, Mortgagor shall pay all costs, expenses or other advances that may be incurred or made by Lender and Lender in each of such Foreclosure Sales.

(b) Lender shall not be directly or indirectly liable to Mortgagor or any other person as a consequence of any of the following:

(i) Lender's exercise of or failure to exercise any rights, remedies or powers granted to Lender in this Mortgage;

(ii) Lender's failure or refusal to perform or discharge any obligation or liability of Mortgagor under any agreement related to the Property or under this Mortgage; or

(iii) Any loss sustained by Mortgagor or any third party resulting from Lender's failure to lease the Property, or from any other act or



omission of Lender in managing the Property, after an Event of Default, unless the loss is caused by the willful misconduct or bad faith of Lender.

(c) Mortgagor agrees to indemnify, defend and hold Lender harmless from all losses, damages, liabilities, claims, causes of action, judgments, court costs, reasonable attorneys' fees and other legal expenses, cost of evidence of title, cost of evidence of value, and other costs and expenses which it may suffer or incur:

(i) In performing any act required or permitted by this Mortgage or the Limited Guaranty or by required law;

(ii) Because of any failure of Mortgagor to perform any of its obligations unless Lender prohibits Mortgagor from so acting; or

(iii) Because of any alleged obligation of or undertaking by Lender to perform or discharge any of the representations, warranties, conditions, covenants or other obligations in any document relating to the Property other than the Loan Documents.

This agreement by Mortgagor to indemnify Lender shall survive the release and cancellation of any or all of the Secured Obligations and the full or partial release of this Mortgage, but shall be limited to the Cap (as defined in the Limited Guaranty).

(d) Mortgagor shall pay all obligations to pay money arising under this Section 5.10 immediately upon demand by Lender. Each such obligation shall be added to, and considered to be part of, the principal of the Note, and shall bear interest from the date the obligation arises at the Default Rate (as defined in the Loan Agreement).

5.11 Defense and Notice of Claims and Actions. At Mortgagor's sole expense, Mortgagor shall protect, preserve and defend the Property and title to and right of possession of the Property, and the security of this Mortgage and the rights and powers of Lender created under it, against all adverse claims. Mortgagor shall give Lender prompt notice in writing if any claim is asserted which does, or would reasonably be expected to, affect any such matters, or if any action or proceeding is commenced which alleges or relates to any such claim. Lender may appear in and defend any such claim, action or proceeding and any claim, action or other proceeding asserted or brought against Lender in connection with or relating to any part of the Property or this Mortgage.

5.12 Subrogation. Lender shall be subrogated to the liens of all encumbrances, whether released of record or not, which are discharged in whole or in part by Lender in accordance with this Mortgage or with the proceeds of any loan secured by this Mortgage.

## 6. Default and Remedies.

6.1 Events of Default. Mortgagor will be in default under this Mortgage upon the occurrence of any one or more of the following events (an "Event of Default"):

(a) Any "Event of Default" occurs under the Loan Agreement or the Limited Guaranty;

(b) Failure of Mortgagor to comply with the insurance obligations set forth in Article 7 hereof; or

(c) Any Event of Default under the terms hereunder.

Lender shall give written notice to Mortgagor of any Event of Default (as defined in the Loan Agreement) occurring after the passage of any applicable cure period under the Loan Agreement or any default or event of default under any other Loan Document ("Other Loan Default"). Mortgagor shall have the right, but not the obligation, to cure such Event of Default or Other Loan Default occurring under the Loan Agreement within twenty-one (21) days after receipt of Lender's written notice to Mortgagor. Lender, by acceptance of this Mortgage, agrees that Mortgagor shall have no liability, and Lender shall have no right to pursue any remedy under this Mortgage or the Limited Guaranty prior to the expiration of the cure period provided in the precluding sentence.

6.2 Remedies. Subject to the last paragraph of Section 6.1, at any time after the occurrence of an Event of Default, Lender shall be entitled to invoke any and all of the rights and remedies described below, in addition to all other rights and remedies available to Lender at law or in equity. All of such rights and remedies shall be cumulative, and the exercise of any one or more of them shall not constitute an election of remedies.

(a) Acceleration. Lender may declare any or all of the Secured Obligations to be due and payable immediately.

(b) Receiver. Lender shall, as a matter of right, without notice and without giving bond to Mortgagor or anyone claiming by, under or through Mortgagor, and without regard for the solvency or insolvency of Mortgagor or the then value of the Property, to the extent permitted by applicable law, be entitled to have a receiver appointed for all or any part of the Property and the Rents, and the proceeds, issues and profits thereof, with the rights and powers referenced below and such other rights and powers as the court making such appointment shall confer, and Mortgagor hereby consents to the appointment of such receiver and shall not oppose any such appointment. Such receiver shall have all powers and duties prescribed by applicable law, all other powers which are necessary or usual in such cases for the protection, possession, control, management and operation of the Property, and such rights and powers as Lender would have, upon entering and taking possession of the Property under subsection (c) below.

(c) Entry. Lender, in person, by agent or by court-appointed receiver may enter, take possession of, manage and operate all or any part of the Property, may exclude Mortgagor and its agents and employees wholly therefrom, and may also do any and all other things in connection with those actions that Lender may in its sole discretion consider necessary and appropriate to protect the security of this Mortgage. Such other things may include: taking and possessing all of Mortgagor's or the then owner's Books and Records and accounts; entering into, enforcing, modifying or canceling Leases on

such terms and conditions as Lender may consider proper; obtaining and evicting tenants; collecting, fixing or modifying Rents; collecting and receiving any payment of money owing to Lender, completing any unfinished construction; or contracting for and making repairs and alterations. If Lender so requests, Mortgagor shall assemble all of the Property that has been removed from the Land and make all of it available to Lender at the site of the Real Estate. To the extent permitted by applicable law, Mortgagor hereby irrevocably constitutes and appoints Lender as Mortgagor's attorney-in-fact to perform such acts and execute such documents as Lender, each in its sole discretion, may consider to be appropriate in connection with taking these measures, including endorsement of Mortgagor's name on any instruments. If Mortgagor shall for any reason fail to surrender or deliver the Property or any part thereof after such demand by Lender, Lender or such receiver may obtain a judgment or decree conferring on Lender or such receiver, the right to immediate possession of the Property or requiring the delivery of the Property to Lender or such receiver, and Mortgagor specifically consents to the entry of such judgment or decree.

(d) Cure; Protection of Security. Lender may cure any breach or default of Mortgagor, and if it chooses to do so in connection with any such cure or with respect to preventing a loss to Lender's interest in the Property, Lender may also enter the Property or do any and all other things which it may in its sole discretion consider necessary and appropriate to protect the security of this Mortgage, including, without limitation, completing construction of the improvements, if any, at the Property contemplated by the Loan Agreement. Such other things may include: appearing in or defending any action or proceeding which purports to affect the security of, or the rights or powers of Lender under, this Mortgage; paying, purchasing, contesting or compromising any encumbrance, charge, lien or claim of lien against the Property; obtaining insurance or paying any premiums or charges for insurance required to be carried under the Loan Agreement; repairing, restoring or otherwise caring for and protecting any and all of the Property; or employing counsel, accountants, contractors and other appropriate persons to assist Lender. Lender may take any of the actions permitted under this Section 6.2(d) either with or without giving notice to any person. Any amounts disbursed by Lender under this Section 6.2(d) together with interest thereon of the Default Rate from the date of disbursement, shall be secured by this Mortgage and shall be due and payable on demand. Nothing contained in the Loan Documents shall require Lender to incur any expense or take any action hereunder.

(e) Uniform Commercial Code Remedies. Lender may exercise any or all of the remedies granted to a secured party under the Uniform Commercial Code.

(f) Other Remedies. Lender may exercise all rights and remedies contained in any other instrument, document, agreement or other writing heretofore, concurrently or in the future executed by Mortgagor or any other person or entity in favor of Lender in connection with the Secured Obligations or any part thereof, or provided by applicable law or in equity, in each case without prejudice to the right of Lender thereafter to enforce any appropriate remedy against Mortgagor. Lender shall have the right to pursue all remedies afforded to a mortgagee or Lender under applicable law, and

shall have the benefit of all of the provisions of such applicable law, including all amendments thereto which may become effective from time to time after the date hereof.

(g) Sale of Personal Property. Lender shall have the discretionary right to cause some or all of the Property, which constitutes personal property, to be sold or otherwise disposed of in any combination and in any manner permitted by applicable law.

(A) For purposes of this power of sale, Lender may elect to treat as personal property any Property which is intangible or which can be severed from the Land or Improvements without causing structural damage. If it chooses to do so, Lender may dispose of any personal property, in any manner permitted by Article 9 of the Uniform Commercial Code, including any public or private sale, or in any manner permitted by any other applicable law.

(B) In connection with any sale or other disposition of such Property, Mortgagor agrees that the following procedures constitute a commercially reasonable sale: Lender shall mail written notice of the sale to Mortgagor not later than twenty-one (21) days prior to such sale. Lender will publish notice of the sale in a local daily newspaper of general circulation. Upon receipt of any written request, Lender will make the Property available to any bona fide prospective purchaser for inspection during reasonable business hours. Notwithstanding, Lender shall be under no obligation to consummate a sale if, in its judgment, none of the offers received by it equals the fair value of the Property offered for sale. The foregoing procedures do not constitute the only procedures that may be commercially reasonable.

(h) Foreclosure; Lawsuits.

(A) At Lender's election, Lender may (1) institute and maintain an action of Mortgage foreclosure against the Real Estate, (2) institute and maintain an action with respect to the Property under any other Loan Document, or (3) take such other action as may be allowed at law or in equity for the enforcement of this Mortgage and the other Loan Documents. Lender may proceed in any such action to final judgment and execution thereon for the whole of the Secured Obligations, together with interest thereon at the Default Rate, from the date on which Lender shall declare the same to be due and payable to the date of repayment, and all reasonable costs of any such action, including, but without limiting the generality of the foregoing, reasonable attorneys' fees, reasonable costs and disbursements.

(B) Upon the filing of any complaint to foreclose this Mortgage, the court in which such complaint is filed may, upon application of Lender or at any time thereafter, either before or after



foreclosure sale, and without notice to Mortgager or to any party claiming under Mortgager, without regard to the solvency or insolvency at the time of such application of any person then liable for payments of any of the indebtedness, without regard to the then value of the Real Estate, and without requiring any bond from the complainant in such proceedings, appoint a receiver for the benefit of Lender (which may be Lender), with power to take possession, charge, and control of the Property, including, without limitation, the Real Estate, to operate or lease the same, to keep the Real Estate insured and in good repair, and to collect any revenues of operation or Rents during the pendency of such foreclosure suit and, in case of foreclosure sale and a deficiency, during any period of redemption. The court may, from time to time, authorize said receiver to pay the net amounts remaining in said receiver's hands, after deducting reasonable compensation for the receiver and the receiver's counsel to be allowed by the court, to Lender to be applied to the Secured Obligations in accordance with the Loan Agreement. This Mortgage and the right of foreclosure hereunder shall not be impaired or exhausted by one or any foreclosure or by one or any sale, and may be foreclosed successively and in parts, until all of the Real Estate has been foreclosed against and sold.

(C) In the case of a sale pursuant to an order, decree or judgment of foreclosure, the Real Estate may, at Lender's election, be sold in one (1) parcel. Lender shall receive the proceeds of any such sale and shall apply the proceeds of such sale as follows, in the following order:

i. to all reasonable costs, fees, charges and expenses reasonably incurred by Lender in connection with any Event of Default hereunder, the exercise of any of the rights and remedies of Lender hereunder and any such sale, including, but without limiting the generality of the foregoing, reasonable attorneys' fees, reasonable costs and disbursements, receiver's fees, all expenses of such sale, including reasonable publication costs, stenographic charges, title searches and surveys, guarantee policies, and documentary stamps and transfer taxes and recording fees and charges; and

ii. to payment of the amount of the Secured Obligations then outstanding to Lender and such other holders of instruments or agreements evidencing the Secured Obligations, and performance of all of the other Secured Obligations, in such manner and order of priority or preference as Lender may, in its sole discretion, determine; and

iii. the balance, if any, to the persons legally entitled thereto.

(i) Single or Multiple Foreclosure Sales. If the Property consists of more than one lot, parcel or item of property, Lender may:

(A) Designate the order in which the lots, parcels and items shall be sold or disposed of or offered for sale or disposition; and

(B) Elect to dispose of the lots, parcels and items through a single consolidated sale, or disposition to be held or made under or in connection with judicial proceedings, or by virtue of a judgment and decree of foreclosure and sale; or through two or more such sales or dispositions; or in any other manner Lender may deem to be in the best interests of Lender (any such sale or disposition, a "Foreclosure Sale"; and any two or more, "Foreclosure Sales").

If Lender chooses to have more than one Foreclosure Sale, Lender, each at its option, may cause the Foreclosure Sales to be held simultaneously or successively, on the same day, or on such different days and at such different times and in such order as Lender may deem to be in its best interests. No Foreclosure Sale shall terminate or affect the liens of this Mortgage on any part of the Property which has not been sold, until all of the Secured Obligations have been paid in full.

Lender and any receiver, or any of their agents or representatives, shall have no liability for any loss, damage, injury, cost or expenses resulting from any action or omission that was taken or omitted in good faith.

6.3 Credit Bids. At any Foreclosure Sale, any person, including Mortgagor may bid for and acquire the Property or any part of it to the extent permitted by then applicable law. Instead of paying cash for the Property, Lender may settle for the purchase price by crediting the sales price of the Property against the following obligations:

(a) First, the portion of the Secured Obligations attributable to the expenses of sale, costs of any action and any other sums for which Mortgagor is obligated to pay or reimburse Lender under Section 5.7 of this Mortgage; and

(b) Second, all other Secured Obligations (including the Loan) in any order and proportions as Lender in its sole discretion may choose.

6.4 Application of Foreclosure Sale Proceeds. Lender shall apply the proceeds of any Foreclosure Sale in the following manner:

(a) First, to pay the portion of the Secured Obligations attributable to the expenses of sale, costs of any action and any other sums for which Mortgagor is obligated to reimburse Lender under Section 5.10 of this Mortgage;

(b) Second, to pay the portion of the Secured Obligations attributable to any sums expended or advanced by Lender under the terms of this Mortgage which then remain unpaid;

(c) Third, to pay all other Secured Obligations in any order and proportions as Lender in its sole discretion may choose; and

(d) Fourth, to remit the remainder, if any, to the person or persons legally entitled to it.

6.5 Application of Rents and Other Sums. Lender shall apply any and all Rents collected by it, and any and all sums other than proceeds of a Foreclosure Sale which Lender may receive or collect under Section 6.2 hereof, in the following manner:

(a) First, to pay the portion of the Secured Obligations attributable to the costs and expenses of operation and collection that may be incurred by Lender or any receiver;

(b) Second, to pay all other Secured Obligations (including the Loan) in any order and proportions as Lender in its sole discretion may choose; and

(c) Third, to remit the remainder, if any, to the person or persons entitled to it.

Lender shall have no liability for any funds which it does not actually receive. To the extent permitted by applicable law, Mortgagor waives all claims, damages and demands against Lender arising out of the disposition, repossession or retention of the Property.

7. Insurance.

7.1 Insurance Policies. Insurance policies with premiums prepaid in companies, forms, amounts and coverage reasonably satisfactory to Lender, with deductibles reasonably satisfactory to Lender, containing waiver of subrogation and mortgage clauses in favor of Lender and providing for thirty (30) days' written notice to Lender in advance of cancellation of said policies for non-payment of premiums or any other reason or for material modification of said policies and ten (10) days' written notice to Lender in advance of payment of any insurance claims under said policies to any person. Without limiting the generality of the foregoing, such policies shall include all insurance required to be carried by Mortgagor under the Mortgage, the Contract, and the Subcontracts, and shall further include during construction of the Project:

(a) Builder's Risk Insurance on an "all risks" basis for 100% of the replacement cost of all construction work in place (including so called "soft costs" associated therewith) or in progress from time to time, insuring the Project, including materials in storage and while in transit, against loss or damage by fire or other casualty, with extended coverage, "X," "C" and "U" coverage, vandalism and malicious mischief coverage, bearing a replacement cost agreed amount endorsement;

(b) Comprehensive general liability insurance in an amount not less than \$1,000,000.00 naming Lender as insured;

(c) Professional Liability Insurance for not less than \$1,000,000.00 covering the Architect and all other architects and engineers identified in the Owner's Sworn Statement;

(d) Boiler and Machinery Insurance when such fixtures and equipment, if any, are connected and ready for use; and

(e) So called "Building Ordinance Coverage" insurance.

When any portion of the Project has been completed, Mortgagor will provide casualty insurance against loss and damage by all risks of physical loss or damage, including fire, windstorm, flood, earthquake and other risks covered by the so-called extended coverage endorsement in amounts not less than the full insurable replacement value of all completed improvements, fixtures and equipment from time to time on the Land and bearing a replacement cost agreed amount endorsement.

The insurance requirements contained herein reflect the minimum requirements of Lender. By establishing said requirements, Lender is not opining as to the full scope of insurance coverage a prudent borrower would arrange in order to adequately protect its interests and the interests of Lender.

7.2 Unless Mortgagor provides Lender with evidence of the insurance coverage required in Section 7.1 above, Lender may purchase insurance at Mortgagor's expense to protect Lender's interests in the collateral. This insurance may, but need not, protect Mortgagor's interests. The coverage that Lender purchases may not pay any claim that Mortgagor makes or any claim that is made against Mortgagor in connection with the collateral. Mortgagor may later cancel any insurance purchased by Lender or Mortgagor, but only after providing Lender with evidence that Mortgagor has obtained insurance as required by their agreement. If either Lender purchases insurance for the collateral, Mortgagor will be responsible for the costs of that insurance, including interest and any other charges Lender may impose in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to Mortgagor's total outstanding balance or obligation. The costs of the insurance may be more than the cost of insurance Mortgagor may be able to obtain on Mortgagor's own. In the event Lender, in its reasonable discretion, determines that any insurance provided by Mortgagor does not comply with the insurance requirements set forth herein, then Lender may, at any time and at its own discretion, procure and substitute for any and all of the policies of insurance deposited as aforesaid such other policy or policies of insurance, in such amount and carried with such company as it may determine, and the cost therefor shall be repaid to Lender by Mortgagor upon demand. Mortgagor shall furnish to Lender, upon request, estimates or appraisals of insurable value, without cost to Lender, such as are regularly and ordinarily made by insurance companies to determine the then replacement cost of the building or buildings and improvements on the Real Estate. Mortgagor shall not carry separate insurance concurrent in kind or form, and contributing in the event of any loss, with any insurance required hereunder.



8. Miscellaneous Provisions.

8.1 Additional Provisions. The Limited Guaranty fully states all of the terms and conditions of the parties' agreement regarding the matters mentioned in or incidental to this Mortgage. The Limited Guaranty also grants further rights to Lender and contain further agreements and affirmative and negative covenants by Mortgagor which apply to this Mortgage and to the Property.

8.2 No Waiver or Cure. If any of the events described below occurs, that event alone shall not: cure or waive any breach, Event of Default or notice of default under this Mortgage or invalidate any act performed pursuant to any such default or notice; or nullify the effect of any notice of default or sale (unless all Secured Obligations then due have been paid and performed and all other defaults under the Limited Guaranty have been cured); or impair the security of this Mortgage; or prejudice Lender or any receiver in the exercise of any other right or remedy afforded any of them under this Mortgage; or be construed as an affirmation by Lender of any tenancy, lease or option, or a subordination of the lien of this Mortgage.

(a) Lender, its agent or a receiver takes possession of all or any part of the Property in the manner provided in Section 6.2(c) hereof.

(b) Lender collects and applies Rents as permitted under Section 2.3 and Section 6.5 hereof, either with or without taking possession of all or any part of the Property.

(c) Lender receives and applies to any Secured Obligation any proceeds of any Property, including any proceeds of insurance policies, condemnation awards, or other claims, property or rights assigned to Lender under Section 5.7 and Section 5.8 hereof.

(d) Lender makes a site visit, observes the Property or conducts tests as permitted under the Loan Agreement.

(e) Lender receives any sums under this Mortgage or any proceeds of any collateral held for any of the Secured Obligations and applies them to one or more Secured Obligations.

(f) Lender or any receiver invokes any right or remedy provided under this Mortgage.

8.3 Powers of Lender.

(a) If Lender performs any act which it is empowered or authorized to perform under this Mortgage, including any act permitted by Section 5.5 or Section 6.2(d) of this Mortgage, that act alone shall not release or change the personal liability of any person for the payment and performance of the Secured Obligations then outstanding, or the lien of this Mortgage on all or the remainder of the Property for full payment and performance of all outstanding Secured Obligations. The liability of the original Mortgagor shall not be released or changed if Lender grants any successor in

interest to Mortgagor any extension of time for payment, or modification of the terms of payment, of any Secured Obligation. Lender shall not be required to comply with any demand by the original Mortgagor that Lender refuse to grant such an extension or modification to, or commence proceedings against, any such successor in interest.

(b) Lender may take any of the actions permitted under Section 6.3(b) or Section 6.2(c) hereof regardless of the adequacy of the security for the Secured Obligations, or whether any or all of the Secured Obligations have been declared to be immediately due and payable, or whether notice of default and election to sell has been given under this Mortgage.

(c) From time to time, Lender may apply to any court of competent jurisdiction for aid and direction in executing and enforcing the rights and remedies created under this Mortgage. Lender may from time to time obtain orders or decrees directing, confirming or approving acts in executing and enforcing these rights and remedies.

8.4 Merger. No merger shall occur as a result of Lender's acquiring any other estate in or any other lien on the Property unless Lender consents to a merger in writing.

8.5 Joint and Several Liability. If Mortgagor consists of more than one person, each shall be jointly and severally liable for the faithful performance of all of Mortgagor's obligations under this Mortgage and the Limited Guaranty.

8.6 Applicable Law. The creation, perfection and enforcement of the lien of this Mortgage shall be governed by the law of the State in which the Property is located. Subject to the foregoing, in all other respects, this Mortgage shall be governed by the substantive laws of the State of Illinois, without regards to conflicts of law principals.

8.7 Waiver of Homestead and Redemption. Mortgagor hereby waives all right of homestead exemption in the Property. Mortgagor hereby waives all right of redemption on behalf of Mortgagor and on behalf of all other persons acquiring any interest or title in the Property subsequent to the date of this Mortgage, except decree or judgment creditors of Mortgagor.

8.8 Waiver of Statutory Rights. To the extent permitted by law, Mortgagor hereby agrees that it shall not and will not apply for or avail itself of any appraisal, valuation, stay, extension or exemption laws, or any so-called "Moratorium Laws," now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but hereby waives the benefit of such laws. Mortgagor for itself and all who may claim through or under it waives any and all right to have the Property and estates comprising the Property marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Property sold as an entirety. Mortgagor hereby waives any and all rights of redemption from sale under any judgment of foreclosure of this Mortgage on behalf of Mortgagor and on behalf of each and every person acquiring any interest in or title to the Property of any nature whatsoever, subsequent to the date of this Mortgage. The foregoing waiver of right of redemption is made pursuant to the provisions of applicable law.

8.9 Severability. If any provision of this Mortgage should be held unenforceable or void, that provision shall be deemed severable from the remaining provisions and shall in no way affect the validity of this Mortgage except that if such provision relates to the payment of any monetary sum, then Lender may, at its option, declare all Secured Obligations immediately due and payable.

8.10 Notice. Notices shall be given under this Mortgage in conformity with the terms and conditions of the Limited Guaranty and in conformity with applicable law to the applicable parties address as set forth on the first page of this Mortgage.

8.11 WAIVER OF TRIAL BY JURY. MORTGAGOR AND LENDER (BY ITS ACCEPTANCE HEREOF) EACH KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY CLAIM, CONTROVERSY, DISPUTE, ACTION OR PROCEEDING ARISING OUT OF OR RELATED TO THIS MORTGAGE, AND THE LIMITED GUARANTY AND THE SUBORDINATION AND ATTORNMENT AGREEMENT (INCLUDING WITHOUT LIMITATION ANY ACTIONS OR PROCEEDINGS FOR ENFORCEMENT OF THE LIMITED GUARANTY AND THE SUBORDINATION AND ATTORNMENT AGREEMENT) AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. MORTGAGOR AND LENDER ACKNOWLEDGE THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH OF THEM HAS RELIED ON THIS WAIVER IN ENTERING INTO THIS MORTGAGE AND LIMITED GUARANTY AND THE SUBORDINATION AND ATTORNMENT AGREEMENT AND THAT EACH OF THEM WILL CONTINUE TO RELY ON THIS WAIVER IN ITS RELATED FUTURE DEALINGS. MORTGAGOR AND LENDER WARRANT AND REPRESENT THAT EACH HAD THE OPPORTUNITY OF REVIEWING THIS JURY WAIVER WITH LEGAL COUNSEL, AND THAT EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS.

8.12 Counterparts. This Mortgage may be executed in any number of counterparts and by different parties hereto or thereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

8.13 Inconsistencies. In the event of any inconsistency between this Mortgage and the Loan Agreement, the terms hereof shall be controlling as necessary to create, preserve or maintain a valid security interest upon the Property, otherwise the provisions of the Loan Agreement shall be controlling.

8.14 Further Assurances. Mortgagor agrees to execute any further documents, and to take any further actions reasonably requested by Lender to evidence or perfect the security interests granted herein, to maintain the first priority of the security interests, and to effectuate the rights granted to Lender hereunder.

**[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]**

*Signature Page to Mortgage*

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage as of the date first above written.

**MORTGAGOR HEREBY DECLARES AND ACKNOWLEDGES THAT MORTGAGOR HAS RECEIVED, WITHOUT CHARGE, A TRUE COPY OF THIS MORTGAGE.**

INDIANA LAND BECKNELL INVESTORS LLC, a  
Delaware limited liability company

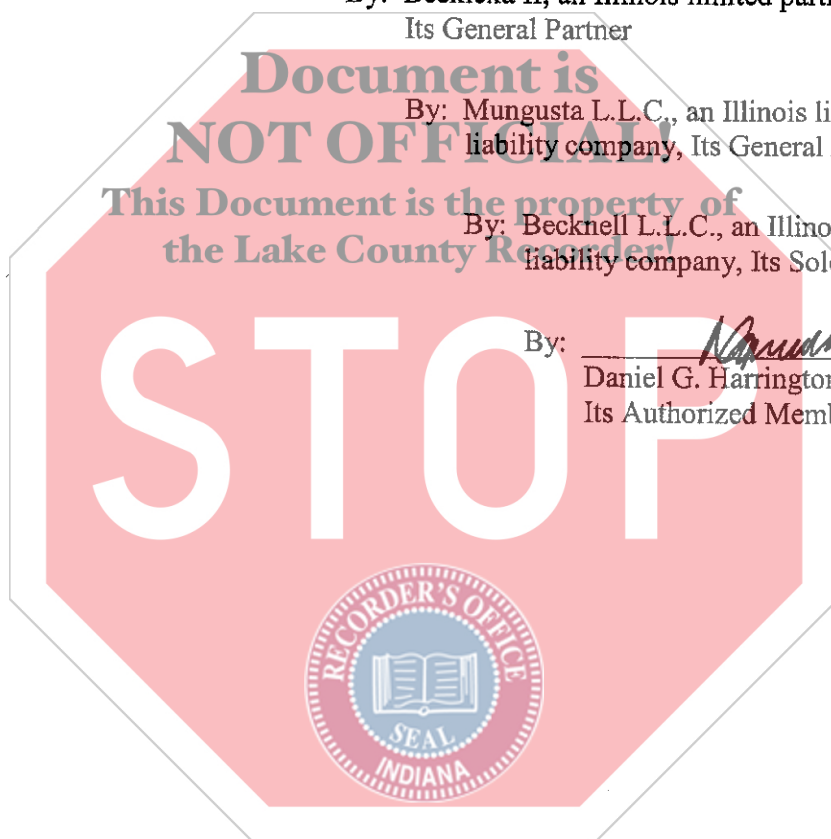
By: BECKNELL 2004, an Illinois general partnership,  
Its Authorized Member

By: Becklexa II, an Illinois limited partnership,  
Its General Partner

By: Mungusta L.L.C., an Illinois limited  
liability company, Its General Partner

By: Becknell L.L.C., an Illinois limited  
liability company, Its Sole Member

By:   
Daniel G. Harrington,  
Its Authorized Member





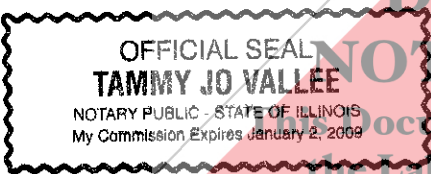
Notary Page to Mortgage

STATE OF Illinois  
COUNTY OF Champaign

Tammy Jo Vallee

Personally appears, before me ~~Daniel G. Harrington~~ a Notary Public in and for said State and County duly commissioned and qualified, Daniel G. Harrington, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged that he executed the within instrument for the purposes therein contained, and who further acknowledged that he is the Authorized Member of Becknell L.L.C., an Illinois limited liability company, the Sole Member of Mungusta L.L.C., an Illinois limited liability company, the General Partner of Becklexa II, an Illinois limited partnership, the General Partner of Becknell 2004, an Illinois general partnership, the Authorized Member of Indiana Land Becknell Investors LLC, a Delaware limited liability company ("Maker"), and the within named bargainer, and that he, as such Authorized Member of the Sole Member, of the General Partner of the Authorized Member of Maker, is authorized to execute this instrument on behalf of Maker.

Witness my hand, at office, this 26<sup>th</sup> day of October, 2006.

 <p>OFFICIAL SEAL <b>TAMMY JO VALLEE</b> NOTARY PUBLIC - STATE OF ILLINOIS My Commission Expires January 2, 2009</p>	<p><u>Tammy Jo Vallee</u> Notary Public My Commission Expires: 01/02/09 [NOTARIAL SEAL]</p>
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Hobart 50K specs 10/26/06

*Signature Page to Mortgage*

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage as of the date first above written.

**MORTGAGOR HEREBY DECLARES AND ACKNOWLEDGES THAT MORTGAGOR HAS RECEIVED, WITHOUT CHARGE, A TRUE COPY OF THIS MORTGAGE.**

INDIANA LAND BECKNELL BECKNELL LLC, a  
Delaware limited liability company

By: BECKNELL 2004, an Illinois general partnership, Its  
Authorized Member

By: Trumbull Becknell Investors II LP, a Delaware  
limited partnership, Its General Partner

By: Trumbull 2004 Investors LLC, a Delaware  
limited liability company, Its General  
Partner

By: UBS Realty Investors LLC, a  
Massachusetts limited liability  
company, Its Manager

By: 

Print Name: Gary D. Gowdy  
Its: Executive Director



Notary Page to Mortgage

STATE OF Connecticut  
COUNTY OF Hartford

Personally appears, before me Susan Engle a Notary Public in and for said State and County duly commissioned and qualified, Garrett Gowdy, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged that he/she executed the within instrument for the purposes therein contained, and who further acknowledged that he/she is the Executive Director of UBS Realty Investors LLC, a Massachusetts limited liability company, the Manager of Trumbull 2004 Investors LLC, a Delaware limited liability company, the General Partner of Trumbull Becknell Investors II, LP, a Delaware limited partnership, the General Partner of Becknell 2004, LLC, an Illinois general partnership, the Authorized Member of Indiana Land Becknell Investors LLC, a Delaware limited liability company ("Maker"), and the within named bargainor, and that he/she, as such Executive Director of the Manager, of the General Partner, of the General Partner, of the Authorized Member of Maker, is authorized to execute this instrument on behalf of Maker.

Witness my hand, at office, this 22nd day of November, 2006.

<p><b>Document is NOT OFFICIAL!</b> This Document is the property of the Lake County Recorder!</p>	<p><u>Susan Engle</u> Notary Public My Commission Expires: [NOTARIAL SEAL]</p>	<p>SUSAN ENGLE NOTARY PUBLIC MY COMMISSION EXPIRES: MAY 31, 2009</p>
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I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law. Sandy Stiglitz



**EXHIBIT A**

**Legal Description**

Lot 1, Resubdivision of Lot "A", in North Wind Crossings, a planned unit development to the City of Hobart, as per plat thereof, recorded in Plat Book 100, page 19, in the Office of the Recorder of Lake County, Indiana.



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