UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): July 7, 2026

LINCOLN EDUCATIONAL SERVICES CORPORATION

(Exact Name of Registrant as Specified in Charter)

New Jersey	000-51371	57-1150621
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

14 Sylvan Way, Suite A, Parsippany, NJ 07054

(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (973) 736-9340

Not applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock No Par Value	LINC	The NASDAQ Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01. Entry into a Material Definitive Agreement.

The information set forth in Item 2.03 hereof is hereby incorporated by reference into this Item 1.01 as if expressly set forth herein.

Item 2.01. Completion of Acquisition or Disposition of Assets.

On July 7, 2026, Lincoln Technical Institute, Inc. ("Lincoln Technical Institute"), a wholly-owned subsidiary of Lincoln Educational Services Corporation (the "Company"), completed the previously reported proposed acquisition of the facility and real property located at 8315-8317 W. North Avenue, Melrose Park, IL 60160 (including the building and improvements and other personal property located thereon) (the "Property") from which the Company has previously operated its Melrose Park campus under lease from the seller, Melrose Omni, LLC. The purchase price for the Property was $18,800,000.00 as adjusted, in accordance with the terms of the Purchase and Sale Agreement, dated May 12, 2026, previously disclosed in the Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission on May 12, 2026. In connection with the acquisition, the Company obtained mortgage financing from Provident Bank in the amount of $15,040,000.00 to fund a portion of the purchase price with the remainder of the purchase price being funded by cash on hand.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

In order to fund a portion of the purchase price for the Property acquired, as described in Item 2.01 above, Lincoln Technical Institute entered into the following principal loan documents on July 7, 2026 with or for the benefit of Provident Bank: (i) Loan Agreement; (ii) Promissory Note, (iii) Mortgage, Assignment of Rents and Leases, Security Agreement and Fixture Filing, and (iv) Continuing Agreement of Guaranty and Suretyship. Pursuant to the Promissory Note, the loan for $15,040,000.00 accrues interest at an initial fixed rate of 5.99% per year for the first five years of the term and, thereafter, will change to a rate equal to one hundred seventy-five basis points (1.75%) in excess of the weekly average yield on United States Treasury Securities adjusted to a constant maturity of five (5) years, as made available by the Federal Reserve Board in effect three (3) days before the date of change, rounded up to the nearest hundredth provided that the interest rate payable will at no time be less than five percent per annum (5.00%). The loan matures on July 1, 2036. Beginning on August 1, 2026, Lincoln Technical Institute will pay monthly installments of approximately $97,628 consisting of principal and interest. The payment and performance of the Loan is secured by a security interest in the Property acquired pursuant to the Mortgage, Assignment of Rents and Leases, Security Agreement and Fixture Filing as well as the Continuing Agreement of Guaranty and Suretyship executed by the Company and its subsidiaries in favor of Provident Bank. The Loan Agreement contains various representations and warranties and financial and other covenants as well as events of default customary for loans of this type.

The foregoing description of the Loan Agreement and associated loan documents do not purport to be complete and are qualified in their entireties by reference to the full text of the agreements filed with this Current Report on Form 8-K as Exhibits 10.1 through 10.4 which are incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits:

Exhibit	**Description**
10.1	Loan Agreement, dated as of July 7, 2026, between Lincoln Technical Institute, Inc. and Provident Bank.
10.2	Promissory Note, dated as of July 7, 2026, between Lincoln Technical Institute, Inc. and Provident Bank.
10.3	Mortgage, Assignment of Rents and Leases, Security Agreement and Fixture Filing, dated as of July 7, 2026, by Lincoln Technical Institute, Inc. in favor of Provident Bank.
10.4	Continuing Guaranty and Suretyship Agreement, dated as of July 7, 2026, by Lincoln Educational Services Corporation and its wholly-owned subsidiaries in favor of Provident Bank.
104	Cover Page Interactive Data File (embedded within the inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: July 8, 2026

LINCOLN EDUCATIONAL SERVICES CORPORATION

By: /s/ Brian K. Meyers
Name: Brian K. Meyers
Title: Executive Vice President, Chief Financial Officer and Treasurer

Exhibit 10.1

LOAN AGREEMENT

by and between

LINCOLN TECHNICAL INSTITUTE, INC., a New Jersey corporation

and

PROVIDENT BANK

Dated: July 7, 2026

LOAN AGREEMENT

THIS LOAN AGREEMENT (together with all extensions, renewals, amendments, modifications, substitutions, and restatements thereof, this "**Agreement**"), dated as of July 7, 2026 by and between **LINCOLN TECHNICAL INSTITUTE, INC.**, a New Jersey corporation (the "**Borrower**"), having a mailing address of 14 Sylvan Way, Suite A, Parsippany, New Jersey 07054,

and

PROVIDENT BANK (the "**Bank**"), having a mailing address of 10 Woodbridge Center Drive, 3rd Floor, Woodbridge, New Jersey 07095.

Background

The Borrower has requested that the Bank extend or continue credit to the Borrower as described below, and the Bank has agreed to provide such credit to the Borrower on the terms and conditions contained herein.

The Borrower is, or is about to become, the owner in fee simple of the Mortgaged Property (as defined in the Mortgage).

The Borrower desires to borrow from the Bank and the Bank, subject to the terms and conditions set forth herein, is prepared to lend to the Borrower the sum of FIFTEEN MILLION FORTY THOUSAND and 00/100 DOLLARS ($15,040,000.00) in order to, among other things, (a) finance the acquisition of the Mortgaged Property, and (b) finance costs incurred in connection with the closing of the transaction contemplated herein (collectively, the "**Loan Purposes**").

NOW THEREFORE, in consideration of the premises, and of the mutual promises and undertakings of the parties set forth herein, and with the intention of being legally bound hereby, the parties hereto agree as follows:

1. The Loan.

(a) Purpose and Amount. On the date hereof, the Bank is lending to the Borrower the sum of FIFTEEN MILLION FORTY THOUSAND and 00/100 DOLLARS ($15,040,000.00) (the "**Loan**") for the Loan Purposes. On the date hereof, and in connection with the closing of the Loan, the Borrower shall pay the Bank a loan fee in the amount of $75,200.00.

(b) Loan Documents; Security.

(i) The Borrower's obligation to repay the Loan and any other sums loaned to the Borrower by the Bank hereunder is evidenced by that certain Promissory Note (together with all extensions, renewals, amendments, modifications, substitutions, and restatements thereof, the "**Note**") made by the Borrower and payable to the order of the Bank, of even date herewith, providing for the payment of principal, together with interest thereon at the rate set forth therein, in such installments, at such times, and according to such further terms as set forth in the Note.

(ii) As security for the Note and all of the Borrower's obligations thereunder and hereunder, the Borrower shall execute and deliver to the Bank or cause to be executed and delivered to the Bank, as the case may be, the following:

(A) That certain Mortgage, Assignment of Rents and Leases, Security Agreement and Fixture Financing Statement (together with all extensions, renewals, amendments, modifications, substitutions, and restatements thereof, the "**Mortgage**") executed by the Borrower in favor of the Bank, encumbering the Mortgaged Property and all fixtures owned by the Borrower that constitute part of the Mortgaged Property under applicable law, together with all replacements of and additions to such fixtures, all as more specifically described in the Mortgage.

(B) That certain Assignment of Leases and Rents (together with all extensions, renewals, amendments, modifications, substitutions, and restatements thereof, the "**Assignment of Leases and Rents**") executed by the Borrower in favor of the Bank, assigning all of the Borrower's right, title and interest in and to any and all present and future rents, leases and agreements of lease affecting the Mortgaged Property, or any part thereof, all as more particularly set forth in the Assignment of Leases and Rents.

(C) That certain Continuing Agreement of Guaranty and Suretyship (together with all extensions, renewals, amendments, modifications, substitutions, and restatements thereof, the "**Guaranty**") executed by LINCOLN EDUCATIONAL SERVICES CORPORATION, a New Jersey corporation, NEW ENGLAND ACQUISITION, LLC, a Delaware limited liability company, NN ACQUISITION, LLC, a Delaware limited liability company, and NASHVILLE ACQUISITION, L.L.C., a Delaware limited liability company (each, a "**Guarantor**" and collectively, the "**Guarantors**"), in favor of the Bank.

(D) That certain Environmental Indemnity Agreement (together with all extensions, renewals, amendments, modifications, substitutions, and restatements thereof, the "**Environmental Indemnity**") executed by the Borrower and the Guarantors in favor of the Bank.

(E) Uniform Commercial Code (UCC-1) fixture financing statements solely covering fixtures owned by the Borrower that constitute part of the Mortgaged Property under applicable law (together with all amendments, modifications, substitutions, and restatements thereof, the "**UCCs**") naming the Borrower as debtor, in favor of the Bank as secured party.

(iii) The Borrower shall execute and deliver, or cause to be executed and delivered, such additional documents and instruments as the Bank shall reasonably require in order to perfect the Bank's interest in the Mortgaged Property, the leases and rents affecting the Mortgaged Property, and fixtures owned by the Borrower that constitute part of the Mortgaged Property under applicable law (collectively, the "**Collateral**"). For the avoidance of doubt, the Collateral does not include equipment that does not constitute a fixture, inventory, accounts other than rents arising from the Mortgaged Property, deposit accounts, intellectual property, general intangibles other than leases affecting the Mortgaged Property, or any other personal property that does not constitute a fixture forming part of the Mortgaged Property. The Note, the Mortgage, the Assignment of Leases and Rents, the Guaranty, the Environmental Indemnity, the UCCs, and the other documents and instruments executed and delivered to the Bank in connection with the Loan (together with all extensions, renewals, amendments, modifications, substitutions, and restatements thereof, together with this Agreement, collectively, the "**Loan Documents**") shall be in form and substance reasonably acceptable to the Bank, and all necessary filing and recording fees with respect thereto shall be paid by the Borrower.

The term "**Obligor**" as used in this Agreement shall mean individually and collectively, the Borrower and the Guarantors, as the context may require.

The Bank acknowledges and agrees that the Loan and the related guaranties and liens contemplated by the Loan Documents are intended to constitute Indebtedness, Contingent Obligations and Liens permitted under the Fifth Third Credit Agreement. The Bank acknowledges and agrees that the existence, continuation and performance of the indebtedness, guaranties, liens, security interests and other obligations arising under the Fifth Third Loan Documents, and the exercise by Fifth Third Bank, National Association, as Agent, of its rights and remedies thereunder, shall not constitute a breach, default or Event of Default under this Agreement or any other Loan Document and to the extent any representation or covenant herein or in any Loan Document is inconsistent with the provisions of the Fifth Third Credit Agreement, such representation or covenant is hereby deemed modified so as to conform thereto. Nothing in this Agreement or any other Loan Document shall require the Borrower or any Guarantor to grant any lien or security interest, make any pledge, or take or omit any other action that would violate the Fifth Third Loan Documents.

2. Representations and Warranties. The Borrower makes the following representations and warranties to the Bank, on the date of the Borrower's execution hereof, which representations and warranties shall survive the execution of this Agreement and shall continue in full force and effect until the full and final payment, and satisfaction and discharge, of all obligations of the Borrower to the Bank subject to this Agreement:

(a) Formation; Existence; Composition. The Borrower is a corporation validly existing and in good standing in the State of New Jersey, and the Borrower has the power and authority to own and operate the Mortgaged Property. The Borrower is qualified or licensed to do business (and is in good standing as a foreign corporation, if applicable) in all jurisdictions in which such qualification or licensing is required, or in which the failure to so qualify or to be so licensed could have a Material Adverse Effect on the Borrower. True and correct copies of the Borrower's Certificate of Incorporation and By-Laws, together with all amendments thereto (together with all extensions, renewals, amendments, modifications, substitutions, and restatements thereof, the "**Organizational Documents**"), have been furnished to the Bank, and the same are in full force and effect as of the date of this Agreement.

(b) Power and Authority; Authorization; Enforceability. The Borrower has full power, authority and legal right to execute, deliver and comply with each of the Loan Documents to which it is a party, and any other document or instrument relating to the Loan to be executed by the Borrower. All actions of the Borrower and other authorizations necessary or appropriate for the execution and delivery of and compliance with the Loan Documents have been taken or obtained. The Loan Documents constitute the valid and legally binding obligations of the Borrower, enforceable against the Borrower in accordance with their respective terms, except as the same may be limited by bankruptcy, insolvency, reorganization or other laws or equitable principles relating to or affecting the enforcement of creditors' rights generally.

(c) Governmental Approval of Loan Documents. No consent, approval, or other authorization of or by any court, administrative agency, or other governmental authority is required in connection with the Borrower's execution and delivery of or compliance with any of the Loan Documents or any other document or instrument relating to the Loan executed by the Borrower, except for any such consent, approval or authorization that has been obtained and remains in full force and effect.

(d) Conflict; Breach. The Borrower's execution and delivery of and compliance with the Loan Documents will not conflict with or result in a breach of any applicable law, judgment, order, writ, injunction, decree, rule, or regulation of any court, administrative agency, or other governmental authority, or of any provision of the Borrower's Organizational Documents or of any agreement or other document or instrument to which the Borrower is a party or by which the Borrower or any of its property is bound. The Borrower's execution and delivery of and compliance with the Loan Documents will not result in the creation or imposition of any lien, charge or encumbrance upon any property of the Borrower in favor of anyone other than the Bank or pursuant to the Fifth Third Loan Documents or otherwise permitted under the Fifth Third Credit Agreement. Except for liens and security interests arising under the Fifth Third Loan Documents or otherwise permitted under the Fifth Third Credit Agreement, there is no agreement, indenture, contract or instrument to which the Borrower is a party or by which the Borrower may be bound that requires the subordination in right of payment of any of the Borrower's obligations subject to this Agreement to any other obligation of the Borrower.

(e) Litigation. There are no pending, or to the best of the Borrower's knowledge threatened, actions, claims, investigations, suits or proceedings by or before any governmental authority, arbitrator, court or administrative agency which could have a Material Adverse Effect on the financial condition or operation of the Borrower, other than as set forth in the Fifth Third Credit Agreement and as otherwise disclosed by the Borrower to the Bank in writing prior to the date hereof.

(f) Compliance With Laws. Borrower has received no written notice from a governmental authority that the Mortgaged Property, and the use thereof, does not comply in all material respects with all applicable zoning, fire, electrical, safety, building and land use codes, laws and regulations. To Borrower's knowledge, if partially damaged the Mortgaged Property can be rebuilt without variance or special exception. The Borrower possesses, and will hereafter possess, all material permits, consents, approvals, franchises and licenses required and rights to all trademarks, trade names, patents, and fictitious names, if any, necessary to enable it to conduct the business in which it is now engaged in compliance with applicable law.

(g) Reserved.

(h) Bankruptcy; Insolvency. Neither the Borrower nor any other Obligor, as the case may be, has applied for or consented to the appointment of a receiver, trustee or liquidator of itself, himself or herself or any of its, his or her property, admitted in writing its, his or her inability to pay its, his or her debts as they mature, made a general assignment for the benefit of creditors, been adjudicated as bankrupt or insolvent or filed a voluntary petition in bankruptcy, or a petition or an answer seeking reorganization or an arrangement with creditors or to take advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution or liquidation law or statute, or an answer admitting the material allegations of a petition filed against it, him or her in any proceeding under any such law, and no action has been taken by it, him or her for the purpose of effecting any of the foregoing. No order, judgment or decree has been entered by any court of competent jurisdiction approving a petition seeking reorganization of the Borrower, or any other Obligor, or all or a substantial part of the assets of the Borrower, or any other Obligor, or appointing a receiver, sequestrator, trustee or liquidator of it, him or her or any of its, his or her property. After the Loan is made, the Borrower will have sufficient working capital, including cash flow from the Mortgaged Property or other assets, not only to adequately maintain the Mortgaged Property, but also to pay all of the Borrower's outstanding debts as they come due.

(i) No Default. The Borrower is not in default in the payment or performance of any of its obligations or in the performance of any mortgage, indenture, lease, contract or other agreement or undertaking to which it is a party or by which it or any of its properties or assets may be bound, which default may materially adversely affect its business, assets, liabilities, results of operations or financial condition. The Borrower is not in default under any order, award or decree of any court, arbitrator, or governmental authority binding upon or affecting it or by which any of its properties or assets may be bound or affected, and no such order, award or decree, if any, materially adversely affects the ability of the Borrower to carry on its business as presently conducted or to perform its obligations under the Loan Documents. No Event of Default as defined hereunder has occurred and is continuing as of the date hereof. There is no action, suit or proceeding, or any governmental investigation or any arbitration, in each case pending or, to the knowledge of the Borrower, threatened against the Borrower or the Mortgaged Property before any governmental or administrative body, agency or official that challenges the validity of the Mortgage or any Loan Document, or the authority of the Borrower to enter into any Loan Document, or to perform the transactions contemplated hereby or thereby.

(j) Tax Returns and Payments. All federal, state and other tax returns of each Obligor required by law to be filed have been duly filed or extensions obtained, and all federal, state and other taxes, assessments and governmental charges or levies upon such Obligor or any of its properties, income, profits or assets which are due and payable have been paid or are being contested in good faith by appropriate proceedings and for which adequate reserves have been established in accordance with GAAP.

(k) Financial Statements. All financial statements of the Borrower or any Obligor furnished to the Bank are true, correct and complete in all material respects and reflect all material direct and contingent liabilities of every kind required to be provided for on a balance sheet prepared in accordance with generally accepted accounting principles consistently applied ("**GAAP**"), and fairly present the financial position and results of operations of the applicable Borrower or Obligor on the dates and for the periods then ended, in accordance with GAAP, consistently applied throughout the periods involved.

(l) No Adverse Changes. Since the date of the most recent financial information provided to the Bank, no Material Adverse Effect has occurred.

(m) Accuracy and Completeness of Information. All information, reports and other papers and data furnished to the Bank were, at the time the same were so furnished, complete and correct in all material respects. No document furnished or statement made to the Bank in connection with the negotiation, preparation or execution of the Loan Documents contains or will contain any untrue statement of fact, or omits or will omit to state a material fact necessary in order to make the statements contained therein not misleading. No fact is known to the Borrower that has had or could reasonably be expected to have a Material Adverse Effect and that has not been disclosed in writing to the Bank.

(n) Purpose. No part of the proceeds of the Loan will be used to purchase or carry margin stock as such terms are defined in Regulation U of the Board of Governors of the Federal Reserve System or to extend credit to others for the purpose of purchasing or carrying margin stock, and the use of such proceeds shall not result in any violation of Regulations G, T, U or X of said Board.

(o) ERISA. Each employee pension benefit plan ("**Plan**"), as defined in the Employee Retirement Income Security Act of 1974, as amended from time to time, including its rules and regulations ("**ERISA**"), is in material compliance with the applicable provisions of ERISA, the Internal Revenue Code of 1986 (as amended, from time to time) and any other applicable federal or state law, and no event or condition is occurring or exists with respect to any such Plan concerning which the Borrower would be under an obligation to furnish a report to the Bank in accordance herewith.

(p) Sanctions, Anti-Money Laundering and Anti-Corruption Laws. (i) each member of the Borrowing Group has instituted, maintains and complies with policies, procedures and controls reasonably designed to assure compliance with Anti-Money Laundering Laws and Anti-Corruption Laws (each as defined below); and (ii) to the Borrower's knowledge, after due care and inquiry, no member of the Borrowing Group is under investigation for an alleged violation of any Anti-Money Laundering Laws or Anti-Corruption Laws by a governmental authority that enforces such laws.

As used herein: "Anti-Corruption Laws" means: (i) the U.S. Foreign Corrupt Practices Act of 1977, as amended; (ii) the U.K. Bribery Act 2010, as amended; and (iii) any other anti-bribery or anti-corruption laws, regulations or ordinances in any jurisdiction in which the Borrower or any member of the Borrowing Group is located or doing business.

"Anti-Money Laundering Laws" means applicable laws or regulations in any jurisdiction in which the Borrower or any member of the Borrowing Group is located or doing business that relates to money laundering, any predicate crime to money laundering, or any financial record keeping and reporting requirements related thereto.

“Borrowing Group” means: (1) the Borrower, (2) any direct or indirect parent of the Borrower, (3) any affiliate or subsidiary of the Borrower, (4) any Obligor, and (5) any officer, director or agent acting on behalf of any of the parties referred to in items (1) through and including (4) with respect to the obligations hereunder, this Agreement or any of the other Loan Documents.

3. Covenants. The Borrower covenants and agrees that, until the Loan has been paid in full:

(a) Compliance with Laws. The Mortgaged Property shall be operated and maintained in material compliance with all applicable laws, rules and regulations relating thereto. The Borrower shall preserve and maintain all material licenses, permits, governmental approvals, rights, privileges and franchises necessary for the conduct of its business. The Borrower shall comply with, and cause each member of the Borrowing Group to comply in all material respects with Anti-Money Laundering Laws and Anti-Corruption Laws.

(b) Commercial Leases. Except for any lease permitted under Section 3(i), the Borrower shall not enter into any lease or similar agreement for space in the Mortgaged Property without obtaining the Bank’s prior written approval of all of the terms and conditions thereof, which approval shall not be unreasonably withheld, conditioned or delayed, and once approved, the Borrower shall not materially amend or modify or cancel any such lease or similar agreement except as specifically provided for therein without obtaining the Bank’s prior written approval which approval shall not be unreasonably withheld, conditioned or delayed. The Bank shall have the right from time to time to require the Borrower to provide tenant estoppel certificates (in a form required under such tenant’s lease, or if not so required, on the Bank’s standard form) from the tenants occupying the Mortgaged Property.

(c) Additional Financing. Except for Indebtedness permitted under the Fifth Third Credit Agreement, the Borrower shall not incur any additional indebtedness (except trade payables and equipment financing), whether or not secured by any lien or security interest on the Mortgaged Property or any other property encumbered in favor of the Bank to secure the Loan, without obtaining the Bank’s prior written consent thereto.

(d) Status of Title to Mortgaged Property. The Borrower shall not transfer control or ownership of the Mortgaged Property or any part thereof, directly or indirectly, voluntarily or involuntarily, without the prior written approval of the Bank. Without the prior written consent of the Bank, the Borrower shall not create or permit to exist any lien, encumbrance or security interest in favor of any third party with respect to the Mortgaged Property or any fixtures constituting part of the Mortgaged Property, and the Borrower shall keep all such property free from any such lien or security interest, other than those created in favor of the Bank pursuant to the Loan Documents, liens and security interests arising under the Fifth Third Loan Documents, and liens for taxes not yet due and payable. The Borrower shall keep the title to the Mortgaged Property good, marketable, and free of any matter which would prevent any title insurance company from certifying the lien of any mortgage to be executed in favor of a permanent lender or other mortgagee in substitution for or in payment of the Loan, as other than a good and valid first lien upon the Mortgaged Property.

(e) Environmental Matters. The Borrower will not permit any tenant or other occupant of the Mortgaged Property to, store, use, generate, treat or dispose of any Hazardous Substances (as defined in the Environmental Indemnity) on the Mortgaged Property in violation of any applicable federal, state or local laws or regulations. The Borrower shall promptly advise the Bank in writing of any pending or threatened claim, demand or action by any governmental authority or third party relating to any Hazardous Substances affecting the Mortgaged Property of which the Borrower has actual knowledge, or the discovery of any Hazardous Substances at the Mortgaged Property, or on any real property adjoining or in the vicinity of the Mortgaged Property.

(f) Financial Information. The Borrower shall comply, or cause others to comply, with the following reporting requirements:

(i) Within 120 days after the end of each fiscal year of the Borrower, and commencing with the Borrower's fiscal year ending December 31, 2026, the Borrower shall supply the Bank with consolidated annual audited financial statements of Lincoln Educational Services Corporation and its subsidiaries (including the Borrower) as of the last day of and for such fiscal period, prepared and reviewed by an independent certified public accountant reasonably acceptable to the Bank and prepared in accordance with GAAP applied, all in form and content reasonably acceptable to the Bank;

(ii) The Borrower shall furnish to the Bank such additional financial statements and reports, asset verification, and other information regarding the Borrower and any Guarantor, as the Bank may request from time to time.

The failure to provide the financial information required by this Section 3(f) within fifteen (15) days following the Bank's written request for the same, shall entitle the Bank to, in addition to and not in limitation of the other remedies the Bank is afforded under the Loan Documents, increase the rate of interest payable under the Loan by five percent (5%) per annum for the longer of (i) thirty (30) days, or (ii) or until such date as such financial information is delivered to the Bank following the Bank's written request for the same.

(g) The Borrower shall cause Lincoln Educational Services Corporation and its subsidiaries, on a consolidated basis, to comply at all times with the following financial covenants:

(i) The Total Leverage Ratio, as of the end of any Fiscal Quarter shall not be greater than 2.00 to 1.00.

(ii) The Consolidated Interest Coverage Ratio, as of the end of any Fiscal Quarter shall not be less than 3.00 to 1.00.

(iii) Total Liquidity shall at all times exceed $25,000,000.

Capitalized terms used in this Section 3(g) and not otherwise defined herein shall have the meanings assigned to them in the Fifth Third Credit Agreement. The financial covenants shall be calculated and determined in the same manner and for the same periods as the corresponding covenants and calculations under the Fifth Third Credit Agreement. Any amendment or modification to the applicable definitions or calculation methodology under the Fifth Third Credit Agreement, and any waiver or consent granted by Fifth Third Bank, National Association, as Agent, with respect to a corresponding covenant, shall apply for purposes of this Section 3(g).

(h) Maintenance of Existence. The Borrower shall maintain its existence as a corporation under the laws of the State of New Jersey. The Borrower shall not amend its Organizational Documents in any manner materially adverse to the Bank or change its fiscal year, without in each case obtaining the prior written approval of the Bank which approval shall not be unreasonably withheld, conditioned or delayed.

(i) Tenant Lease. If at any time, the Borrower is not the occupant of the Mortgaged Property, then any lease agreement to a new tenant shall be a triple net lease with a term of no less than ten (10) years, providing for rental payments which support a minimum 1.20 debt service coverage ratio, and such other terms as the Bank may reasonably require; provided, however, that Borrower shall be entitled to sublease a portion of the Mortgaged Property not to exceed twenty (20%) percent thereof on whatsoever terms the Borrower may deem reasonable. All lease renewals, amendments, and new leases for the Mortgaged Property must be submitted to the Bank by the Borrower as the existing lease agreement(s) expire. Any tenant affiliated with the Borrower shall become a guarantor of the Loan by executing a guaranty agreement in form and substance reasonably acceptable to the Bank.

(j) Reserved.

(k) Principal Office. The Borrower shall maintain its principal office and/or the office where it keeps its books and records at the address listed in the preamble of this Agreement, and shall give the Bank prior written notice of any proposed change in location thereof.

(l) Books and Records. The Borrower shall keep complete and accurate books and records in accordance with GAAP consistently applied. The Borrower shall furnish to the Bank all such written information relating to its affairs as may be reasonably requested by the Bank from time to time.

(m) Audit. The Bank shall have the right no more than once during any calendar year, unless an Event of Default has occurred and is continuing, during normal business hours and upon reasonable prior notice to Borrower, to audit the books and records of the Borrower at the Bank’s expense, except that the Borrower shall reimburse the Bank for its reasonable, documented out-of-pocket costs of any audit conducted while an Event of Default is continuing.

(n) Changed Circumstances. The Borrower shall promptly notify the Bank of any change in any fact or circumstance represented or warranted by the Borrower herein and in any other Loan Document that causes any representation or warranty in a Loan Document to become materially untrue or could reasonably be expected to have a Material Adverse Effect.

(o) Bank’s Fees and Costs. The Borrower shall pay on demand all reasonable, documented and actually incurred out-of-pocket expenses of the Bank in connection with the preparation, administration, default, collection, waiver or amendment of loan terms, or in connection with the Bank’s exercise, preservation or enforcement of any of its rights, remedies or options hereunder, including, without limitation, reasonable fees of outside legal counsel, reasonable fees directly related to accounting, consulting, brokerage or other similar professional fees or expenses, and any reasonable fees or expenses associated with travel or other costs relating to any appraisals or examinations conducted in connection with any Loan or Collateral therefor, and the amount of all such expenses shall, until paid, bear interest at the rate applicable to principal hereunder (including any default rate) and be an obligation secured by any Collateral.

(p) Bank Account(s). The Borrower shall maintain a demand deposit account with the Bank, from which all Loan payments shall be automatically deducted; provided that the establishment and maintenance of such account and all automatic deductions shall be subject to the Fifth Third Loan Documents and any deposit account control agreement or other arrangement required thereunder.

(q) Property Management. The Mortgaged Property is currently or upon closing will be self-managed by the Borrower and there are no management agreements, written or oral, for the Mortgaged Property. So long as the Loan remains outstanding: (i) the Borrower shall manage the Mortgaged Property in a professional and competent manner; (ii) the Borrower shall not transfer the responsibility for management of the Mortgaged Property to any other person or entity without the prior written consent of the Bank, which consent shall not be unreasonably withheld, conditioned or delayed; and (iii) the Borrower shall give the Bank written notice of any notice or information that the Borrower receives which indicates that the Borrower is changing its management of the Mortgaged Property. In the event that the Borrower elects to no longer self-manage the Mortgaged Property, and, instead elects to retain a professional management company to manage the Mortgaged Property ("**Property Manager**") or, once a Property Manager is appointed, to replace a Property Manager, the Borrower shall provide the Bank with: (a) at least thirty (30) days prior written notice, which notice shall include a copy of the proposed property management agreement and which management agreement shall be subject to the Bank's approval, which approval shall not be unreasonably withheld, conditioned or delayed; and (b) if requested by the Bank, the Borrower and Property Manager shall execute an assignment of management agreement and subordination of management fees agreement on the Bank's then current commercially reasonable form, which shall not grant the Bank any lien or security interest in personal property and shall not conflict with the Fifth Third Loan Documents.

(r) Further Documentation. At any time, and from time to time, upon the Bank's written request and at the Borrower's sole expense, the Borrower will promptly and duly execute and deliver such further documents and instruments and do such further acts and things as the Bank may reasonably request in order to obtain the full benefits of this Agreement and the Loan Documents and the rights and powers herein and therein granted, including the filing of any fixture financing statements, continuation statements and amendments thereto solely covering fixtures owned by the Borrower that constitute part of the Mortgaged Property under applicable law; provided that such further acts and things as the Bank may request shall not be inconsistent or conflict with or cause a violation, breach or default under the Fifth Third Loan Documents. The Borrower hereby authorizes the Bank to file any such fixture financing statement, continuation statement or amendment to the extent permitted by applicable law.

(s) Bank's Appointment as Attorney-in-Fact. Following the occurrence and during the continuance of an Event of Default, the Borrower irrevocably appoints the Bank as its attorney-in-fact, solely to take actions reasonably necessary to protect, preserve or realize upon the Mortgaged Property, the leases and rents assigned to the Bank, and fixtures owned by the Borrower that constitute part of the Mortgaged Property under applicable law. This power of attorney does not extend to accounts other than rents arising from the Mortgaged Property, deposit accounts, equipment that does not constitute a fixture, inventory, intellectual property, general intangibles other than leases affecting the Mortgaged Property, mail, checks, drafts, invoices, bills of lading or any other personal property not included in the Collateral. This power is coupled with an interest and shall remain irrevocable until the obligations under the Loan Documents have been paid in full.

(t) Performance by the Bank of the Borrower's Obligations. If an Event of Default shall occur due to Borrower's failure to perform or comply with any of its agreements contained herein following written demand therefor by the Bank, and the Bank, as provided for by the terms of this Agreement, shall perform or comply, or otherwise cause performance or compliance, with such agreement, the reasonable expenses of the Bank incurred in connection with such performance or compliance (together with interest thereon at the Default Rate (as defined in the Note)) shall be payable by the Borrower to the Bank on demand and shall constitute obligations evidenced hereby and by the Note, and secured by the Collateral.

(u) Loan Documents. In addition to the covenants set forth above, the covenants set forth in the Mortgage and each other Loan Document are hereby incorporated in this Agreement by reference as if set forth herein in their entirety.

(v) Maintenance of Mortgaged Property. The Borrower will maintain or cause to be maintained the Mortgaged Property in good condition and repair and shall make all necessary repairs, replacements, additions, betterments, and improvements to the Mortgaged Property, so that the business carried on at the Mortgaged Property may be properly conducted at all times.

(w) Accounting Methods. The Borrower will maintain a system of accounting established and administered in accordance with GAAP, keep adequate records and books of account in which complete entries will be made in accordance with GAAP, make provision in their accounts in accordance with GAAP for reserves for depreciation, obsolescence and amortization and all other proper reserves and accruals which in accordance with GAAP should be established.

(x) Information Covenants. The Borrower will furnish to the Bank prompt written notice of the following, in each case to the extent known to the Borrower:

(i) Borrower's obtaining knowledge of the commencement of any proceeding or investigation by or before any governmental body and any action or proceeding in any court or before any arbitrator against or in any other way relating adversely to the Borrower or the Mortgaged Property or which, if adversely determined, would singly or when aggregated with all other proceedings, investigations or actions, could reasonably be expected to have a Material Adverse Effect on the financial condition of the Borrower or the value of the Mortgaged Property;

(ii) any notice received from any administrative official or agency relating to any order, ruling, statute or other law or information which would materially adversely affect the operations of the Mortgaged Property or the financial condition of the Borrower;

(iii) any material litigation pending or threatened in writing against the Borrower;

(iv) any amendment of the Organizational Documents of the Borrower;

(v) any Material Adverse Effect with respect to the Mortgaged Property or its value or the financial condition, business prospects or results of operations of the Borrower;

(vi) written notice of any "reportable event" or "prohibited transaction" (as such terms are defined in ERISA), in connection with any Plan, and a statement of the action, if any, which the Borrower proposes to take with respect thereto, and when known, any action taken by the Internal Revenue Service or Department of Labor with respect thereto. In addition, the Borrower shall provide the Bank promptly after filing or receiving thereof, with copies of all reports and notices which the Borrower files under ERISA with the Pension Benefit Guaranty Corporation (the "PBGC") or the United States Department of Labor or which the Borrower receives from them; and

(vii) any Event of Default hereunder or any default under any other material agreement to which the Borrower or any other Obligor is a party that has resulted in acceleration or could reasonably be expected to have a Material Adverse Effect .

(y) Insurance. The Borrower will maintain insurance as required by the Mortgage. The Borrower shall give the Bank prompt notice of any and all insurance claims made by the Borrower with respect to the Collateral.

(z) Sale of Assets; Merger. The Borrower shall not: (a) sell, convey, transfer or assign its interest in the Mortgaged Property unless the Loan will be paid in full from the proceeds of such transaction; or (b) consolidate with or merge into any corporation or other organization or permit any corporation or other organization to merge into it, provided clause (b) shall not prohibit any merger, consolidation or internal reorganization permitted under the Fifth Third Credit Agreement that does not transfer the Mortgaged Property or materially impair the Bank's lien thereon.

(aa) Guarantees. Except for guaranties and other contingent obligations contemplated or required under the Fifth Third Credit Agreement, the Borrower shall not without the Bank's prior written consent, guaranty, endorse, become surety for, or otherwise in any way become or be responsible for the obligations of any other person or entity.

(bb) Transactions with Affiliates. The Borrower shall not enter into any transaction with any affiliate of the Borrower or any Guarantor on terms which are less favorable to the Borrower than if such transaction were on a bona-fide arm's-length basis with unaffiliated third parties.

(cc) Accuracy and Completeness of Information. The Borrower covenants that all information, reports, statements, and other papers and data furnished to the Bank pursuant to any provision or term of this Agreement or any of the Loan Documents shall be, at the time the same is so furnished, complete and correct in all material respects.

4. Limitation of the Bank's Liability. The rights and benefits of this Agreement shall not inure to the benefit of any third party. Notwithstanding anything to the contrary contained in this Agreement or in any of the other Loan Documents, or any conduct or course of conduct by the Borrower or the Bank or their respective affiliates, agents or employees, neither this Agreement nor any such Loan Documents shall be construed as creating any rights, claims or causes of action against the Bank in favor of any person or entity other than the Borrower.

5. Indemnity. The Borrower, for itself and all those claiming under or through it, agrees to protect, defend, and indemnify and hold the Bank (which for the purposes of this paragraph shall include the present or future shareholders, officers, directors, employees, representatives, agents, licensees, and assigns of the Bank) harmless from and against any and all third-party claims, liabilities, losses, damages, judgments, costs and expenses (including reasonable fees and actual disbursements of counsel) to the extent arising from (i) a material breach by the Borrower of any representation, warranty, agreement or covenant contained in a Loan Document or (ii) the ownership, use or operation of the Mortgaged Property, except to the extent arising from the gross negligence, willful misconduct, or material breach of any Loan Document by the Bank. This obligation shall specifically survive the repayment of the Loan.

6. Default.

(a) Events of Default. The occurrence of any one or more of the following events shall, at the sole option of the Bank, constitute an Event of Default hereunder:

(i) The Borrower shall fail to make any payment of principal, and/or interest, and/or real estate taxes and insurance escrow, as applicable, due to the Bank under the Note or under any of the other Loan Documents when such payment shall become due and payable, whether at maturity or by acceleration or otherwise, which failure continues for five (5) business days following notice from the Bank;

(ii) The Borrower shall fail to observe or perform any of the covenants or agreements on its part to be observed and performed under this Agreement or under any of the other Loan Documents, which failure continues for thirty (30) days following written notice from the Bank, provided Borrower shall have a reasonable extended period in which to effect cure provided it promptly commences and diligently pursues same;

(iii) Any representation, warranty or disclosure made to the Bank by the Borrower or the Guarantor proves to be materially false or misleading as of the date when made, whether or not such representation or disclosure appears in the Loan Documents;

(iv) The occurrence and continuance of an Event of Default under the Fifth Third Credit Agreement that has not been waived;

(v) The default of the Borrower or any Guarantor under any other debt, obligation, or liability to any other person or party, that is material to the Borrower and the Guarantors, taken as a whole, now existing or hereafter arising, which results in such debt, obligation, or liability to be accelerated and such acceleration has not been rescinded or waived;

(vi) There occurs any event or circumstance that has had or could reasonably be expected to have a Material Adverse Effect;

(vii) The institution of proceedings by or against the Borrower or any Guarantor under any bankruptcy or insolvency law, or any law for the benefit of creditors or relief of debtors (provided, however, the institution of involuntary proceedings against the Borrower or any Guarantor shall not be an Event of Default if such proceedings shall be discharged or dismissed within sixty (60) days after the commencement date thereof), or a custodianship, trusteeship, receivership or assignment for the benefit of creditors shall be imposed upon the Borrower, any Guarantor or the Mortgaged Property (or a substantial part thereof) or sought by the Borrower, any Guarantor or by any other person or a petition for debtor's relief under any state or federal bankruptcy, reorganization or insolvency law, shall be filed against or by the Borrower, any Guarantor or by such other person;

(viii) The Mortgaged Property shall be materially injured or destroyed by fire or other casualty for which the cost of restoration is not fully insured or, if fully insured, the Borrower has failed to deposit or cause to be deposited with the Bank sufficient funds to cover the cost of restoration with the Bank in accordance with the terms of the Mortgage;

(ix) Except as may be otherwise specifically permitted herein or pursuant to a transaction permitted under the Fifth Third Credit Agreement that does not transfer the Mortgaged Property or impair the Bank's lien thereon, any transfer of title or change in the ownership or control of the Borrower or any Guarantor, the Mortgaged Property, or any Collateral, whether or not that change in ownership or control is voluntary, involuntary or by operation of law, direct or indirect without the prior written consent of the Bank;

(x) The legal division, separation, dissolution, liquidation or termination of the Borrower or any Guarantor, provided that the foregoing shall not apply to a merger, dissolution or other internal reorganization permitted under the Fifth Third Credit Agreement that does not transfer the Mortgaged Property or materially impair the Bank's lien thereon;

(xi) The admission in writing by the Borrower or any Guarantor to the Bank that it is unable to pay its debts as they mature or that it is generally not paying its debts as they mature;

(xii) Except for liens permitted under the Fifth Third Credit Agreement, the Borrower or any Guarantor, or any assets of either, become subject to any material judgment, lien, attachment or execution that could reasonably be expected to have a Material Adverse Effect, which is not discharged, bonded, insured, vacated or stayed within thirty (30) days after its entry or levy, or being contested in good faith by appropriate proceedings;

(xiii) The existence of any financing, mortgage or other lien on or security interest in the Mortgaged Property, or any other Collateral, other than liens and security interests in favor of the Bank or permitted under the Fifth Third Credit Agreement;

(xiv) The existence of any material encroachment upon the Mortgaged Property which has occurred without the approval of the Bank, other than any encroachment disclosed by the survey or title policy delivered to and accepted by the Bank at closing, and which is not removed or corrected within ninety (90) days after its creation, or if litigation to remove or correct such encroachment is not instigated by the Borrower within such ninety (90) day period and thereafter diligently prosecuted;

(xv) The existence of any liens for taxes due with respect to the Mortgaged Property unless such liens are being contested in good faith and adequate reserves with respect thereto have been deposited with the Bank, or carrier's, warehousemen's, mechanics', materialmen's, repairmen's or other liens which have not been dismissed for sixty (60) days, or are being contested in good faith by appropriate proceedings or for which escrows, reasonably satisfactory in amount to the Bank, have not been established by the Borrower;

(xvi) The loss of any necessary material governmental approval, license, or permit for (A) the operation of the Borrower's business, or (B) the use and/or occupancy of any portion of the Mortgaged Property, in any case, which is not reinstated within thirty (30) days following the Borrower becoming aware of such default;

(xvii) The Borrower shall fail to maintain any insurance required under the Loan Documents or otherwise breach its obligations with respect thereto;

(xviii) The Mortgaged Property ceases to be owner occupied (except if leased to an affiliate of Borrower) for any reason for a period of more than thirty (30) consecutive days, except as otherwise permitted under this Agreement; or

(xix) Any of the Loan Documents shall cease to be legal, valid and binding agreements enforceable against the Borrower or Guarantor in accordance with the respective terms thereof or shall in any way be terminated (except in accordance with their terms), or become or be declared ineffective or inoperative or shall be challenged or repudiated by the Borrower or any Guarantor, or shall be determined by a final, nonappealable judgment to be illegal, invalid or unenforceable in a manner that materially impairs the Bank's rights, or cease to give or provide, in any material respect, the respective liens, security interests, rights, titles, interests, remedies, powers or privileges intended to be created thereby.

(b) Acceleration and Remedies. Upon the occurrence and during the continuance of any Event of Default hereunder, in addition to any other rights or remedies available to it hereunder or under any other Loan Document or at law or in equity granted in any of the Loan Documents, the Bank may declare the outstanding principal balance of the Loan, together with all accrued and unpaid interest thereon and all other sums due hereunder or under any of the other Loan Documents, to be immediately due and payable in full.

(c) Remedies Cumulative, etc.

(i) No right or remedy conferred upon or reserved to the Bank under any of the Loan Documents, or with respect to any guaranty of payment of the Loan or of performance of any of the Borrower's obligations under any of the Loan Documents or any Collateral securing the payment of the Loan under any of the Loan Documents, now or hereafter existing at law or in equity or by statute or other legislative enactment, is intended to be or shall be deemed exclusive of any other such right or remedy, and each and every such right or remedy shall be cumulative and concurrent, and shall be in addition to every other such right or remedy, and may be pursued singly, concurrently, successively or otherwise, at the sole discretion of the Bank, and shall not be exhausted by any one exercise thereof but may be exercised as often as occasion therefore shall occur. No act of the Bank shall be deemed or construed as an election to proceed under any one such right or remedy to the exclusion of any other such right or remedy; furthermore, each such right or remedy of the Bank shall be separate, distinct and cumulative and none shall be given effect to the exclusion of any other. The failure to exercise or delay in exercising any such right or remedy, or the failure to insist upon strict performance of any term of any of the Loan Documents, shall not be construed as a waiver or release of the same, or of any Event of Default thereunder, or of any obligation or liability of the Borrower thereunder. Nothing herein, however, shall be construed to prevent the Bank from waiving any condition, obligation or default it should so elect. In the event of such election by the Bank, any waiver, in order to be effective, must be in writing and signed by the Bank, and any such waiver shall be strictly limited in its effect to the condition, obligation or default specified therein and shall not extend to any subsequent condition, obligation or default or impair any right of the Bank with respect thereto.

(ii) The recovery of any judgment by the Bank and/or the levy of execution under any judgment shall not affect in any manner or to any extent, liens or other security interests in any Collateral, or any rights, remedies or powers of the Bank under any of the Loan Documents or with respect to any Collateral, but such liens and security interests, and such rights, remedies and powers of the Bank shall continue unimpaired as before. Further, the entry of any judgment by the Bank shall not affect in any way the interest rate payable under any of the Loan Documents on any amounts due to the Bank, but interest shall continue to accrue on such amounts at the Default Rate (as defined in the Note).

(iii) Except as to notices that are specifically provided for herein or in any of the other Loan Documents, the Borrower hereby waives presentment, demand, notice of nonpayment, protest, notice of protest, or other notice of dishonor, and any and all other notices in connection with any default in the payment of, or any enforcement of the payment of, the Loan. To the extent permitted by law, the Borrower waives the right to any stay of execution and the benefit of all exemption laws now or hereafter in effect.

(iv) The Borrower agrees that the Bank may release, compromise, forbear with respect to, waive, suspend, extend or renew any of the terms of the Loan Documents (and the Borrower hereby waives any notice of any of the foregoing), and that the Loan Documents may be amended, supplemented or modified by the Bank and the other signatory parties and that the Bank may resort to any Collateral in such order and manner as it may think fit, or accept the assignment, substitution, exchange, pledge, or release of all or any portion of any Collateral, for such consideration, or none, as it may require, without in any way affecting the validity of any liens over or other security interest in the remainder of any such Collateral (or the priority thereof or the position of any subordinate holder of any lien or other security interest with respect thereto); and any action taken by the Bank pursuant to the foregoing shall in no way be construed as a waiver or release of any right or remedy of the Bank, or of any Event of Default, or of any liability or obligation of the Borrower, under any of the Loan Documents; provided that the Bank shall not require or accept any additional lien, security interest or pledge of personal property not included in the Collateral, or take any action inconsistent with the Fifth Third Loan Documents, provided that the Bank shall not require or accept any additional lien, security interest or pledge of personal property not included in the Collateral, or take any action inconsistent with the Fifth Third Loan Documents..

(d) Default Rate. During the continuance of an Event of Default or after the Maturity Date, whether or not the Bank has elected to accelerate the indebtedness evidenced by the Note, the Loan shall bear interest, payable on demand, at a rate, per annum, determined on a daily basis, calculated at the Default Rate, but in no event more than the highest rate permitted by the applicable usury law in respect of the Borrower, until the unpaid balance of the Loan, interest and any charges shall have been paid in full. The Borrower acknowledges that (i) the Default Rate is a material inducement to the Bank to make the Loan; (ii) the Bank would not have made the Loan in the absence of the agreement of the Borrower to pay the Default Rate; (iii) the Default Rate represents compensation for increased risk to the Bank that the Loan will not be repaid; and (iv) the Default Rate is not a penalty and represents a reasonable estimate of (A) the cost to the Bank in allocating its resources (both personnel and financial) to the ongoing review, monitoring, administration and collection of the Loan, and (B) compensation to the Bank for losses that are difficult to ascertain.

(e) Costs and Expenses. Following the occurrence of any Event of Default, the Borrower shall pay upon demand all reasonable costs and expenses (including all reasonable amounts paid to attorneys, accountants, real estate brokers, appraisers, and other advisors employed by the Bank), incurred by the Bank in the exercise of any of its rights, remedies or powers under any of the Loan Documents, as a secured or unsecured creditor, as the case may be of the Borrower, any general partner of the Borrower or any other Obligor in any federal or state bankruptcy proceedings, or with respect to any Collateral with respect to such Event of Default, and any amount thereof not paid promptly following demand therefor together with interest thereon at the Default Rate from the date of such demand, shall become part of the Loan and shall be secured by the Mortgage and all other Collateral. In connection with and as part of the foregoing, in the event that any of the Loan Documents is placed in the hands of an attorney for the collection of any sum payable thereunder, the Borrower agrees to pay reasonable attorneys' fees for the collection of the amount being claimed under such Loan Document, as well as all costs, disbursements, and allowances provided by law, the payment of which sums shall be secured by the Mortgage and all other Collateral.

(f) Right of Set-Off. Subject to the Fifth Third Loan Documents and any deposit account control agreement or other agreement in favor of Fifth Third Bank, National Association, as Agent, after the occurrence and during the continuance of an Event of Default, the Bank may exercise any right of setoff available at law against funds in the demand deposit account maintained with the Bank pursuant to Section 3(p). Nothing in this Section grants the Bank any lien or security interest in any deposit account or other personal property of the Borrower.

(g) Jurisdiction; Venue. The Borrower agrees that any action or proceeding against it to enforce the Loan may be commenced in state or federal court in the State of New Jersey.

(h) JURY TRIAL WAIVER. **THE BORROWER AND THE BANK HEREBY WAIVE TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ANY AND ALL RIGHTS THAT EITHER PARTY NOW HAS OR HEREAFTER MAY MAY HAVE UNDER THE LAWS OF THE UNITED STATES OF AMERICA OR ANY STATE TO A TRIAL BY JURY OF ANY AND ALL ISSUES ARISING EITHER DIRECTLY OR INDIRECTLY IN ANY ACTION OR PROCEEDING BETWEEN THE BORROWER AND THE BANK OR THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, OUT OF OR IN ANY WAY CONNECTED WITH THE LOAN OR THIS AGREEMENT. IT IS INTENDED THAT THIS WAIVER OF JURY TRIAL SHALL APPLY TO ANY AND ALL CLAIMS, DEFENSES, RIGHTS, AND/OR COUNTERCLAIMS IN ANY ACTION OR PROCEEDING.**

7. Further Assurances; Corrections. The Borrower shall, within ten (10) business days of the Bank's request, execute any documents, provide any lien or other searches, and do anything that the Bank determines to be reasonably necessary to establish, perfect, assure, or maintain the existence and priorities of, the Bank's mortgage lien against the Mortgaged Property and its interests in leases, rents and fixtures constituting part of the Mortgaged Property, the reasonable costs of so doing to be paid by the Borrower; provided that no action required under this Section shall conflict with or cause a default under the Fifth Third Loan Documents. The Bank may correct clerical, typographical or other non-substantive errors in the Loan Documents, provided that the Bank shall promptly notify the Borrower of each correction. No correction that alters the substantive rights or obligations of any party shall be effective without the written consent of the Borrower and the Bank.

8. Certain Definitions. For purposes of this Agreement, the following terms shall have the meanings set forth below:

"**Fifth Third Credit Agreement**" means that certain Amended and Restated Credit Agreement dated as of April 13, 2026, among Lincoln Educational Services Corporation, the financial institutions from time to time party thereto, and Fifth Third Bank, National Association, as Agent, as amended, restated, supplemented or otherwise modified from time to time.

"**Fifth Third Loan Documents**" means all agreements, instruments and other documents included within the definition of "Loan Documents" set forth in the Fifth Third Credit Agreement.

"**Material Adverse Effect**" means any event, circumstance or condition that has had or could reasonably be expected to have a material adverse effect upon:

(a) the validity or enforceability of the Loan Documents;

(b) the business, properties, assets, financial condition or results of operations of the Borrower and the Guarantors, taken as a whole;

(c) the ability of the Borrower or the Guarantors, taken as a whole, to pay or perform their material obligations under the Loan Documents; or

(d) the ability of the Bank to enforce its material rights and remedies under the Loan Documents.

9. Miscellaneous.

(a) Time of the Essence. All dates and times for the performance of the Borrower's obligations set forth herein shall be deemed to be of the essence of this Agreement.

(b) Severability. In the event that for any reason one or more of the provisions of this Agreement or their application to any person or circumstance shall be held to be invalid, illegal or unenforceable in any respect or to any extent, such provisions shall nevertheless remain valid, legal and enforceable in all other respects and to such extent as may be permissible. In addition, any such invalidity, illegality or unenforceability shall not affect any other provision hereof, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

(c) Successors and Assigns. This Agreement inures to the benefit of and binds the parties hereto and their respective successors and assigns, and the words "Borrower" and "Bank" whenever occurring herein shall be deemed to include such respective successors and assigns. However, the Borrower shall not voluntarily, or by operation of law, assign or transfer any interest which it may have under this Agreement or convey the Mortgaged Property, or any part thereof, without the prior written approval of the Bank. The Bank may assign or otherwise transfer the Loan and any or all of the Loan Documents to any other bank, financial institution, or institutional lender that is not a competitor of the Borrower or any Guarantor , and such other bank, financial institution, or institutional lender that is not a competitor of the Borrower or any Guarantor shall thereupon become vested with all of the benefits in respect thereof granted to the Bank herein or otherwise. The Bank shall have the right to sell participations in the Loan to any bank, financial institution or institutional lender that is not a competitor of the Borrower or any Guarantor without the consent of or notice to the Borrower. Without the consent of or notice to the Borrower, the Bank may disclose to any prospective purchaser of any securities issued or to be issued by the Bank, and any prospective or actual purchaser of any participation or other interest in the Loan or any other loans made by the Bank to the Borrower, any financial or other information, data or material in the Bank's possession relating to the Borrower, the Guarantors or the Loan.

(d) Notices. Any notice, demand, or request hereunder shall be in writing and shall be deemed to have been sufficiently given for all purposes when personally presented, electronically mailed, or sent by any nationally recognized overnight courier to such party at its address set forth below or sent by certified or registered mail, return receipt requested, to such party at its address set forth below:

The Borrower:	LINCOLN TECHNICAL INSTITUTE, INC. 14 Sylvan Way, Suite A Parsippany, New Jersey 07054 Email: bmeyers@lincolntech.edu
The Bank:	Provident Bank 10 Woodbridge Center Drive, 3rd Floor Woodbridge, New Jersey 07095 Attention: Daniel Conway, Vice President Email: daniel.conway@provident.bank

Such notice shall be deemed to be given when received if delivered personally or by electronic mail, on the next business day if sent by an overnight commercial courier or three days after the date mailed if sent by certified or registered mail. Any notice of any change in such address shall also be given in the manner set forth above. Whenever the giving of notice is required, the giving of such notice may be waived in writing by the party entitled to receive such notice.

(e) Definitions; Number and Gender. For purposes of this Agreement, the singular shall be deemed to include the plural and the neuter shall be deemed to include the masculine and feminine, as the context may require.

(f) Conflicts Between Instruments. In the event of any conflict between the provisions of this Agreement and the provisions of any of the other Loan Documents, the provisions of this Agreement shall prevail; provided, however, that, solely to the extent any provision of this Agreement or any other Loan Document would require the Borrower or any Guarantor to take or omit any action in violation of the Fifth Third Loan Documents, the Fifth Third Loan Documents shall control to the minimum extent necessary to avoid such violation.

(g) Captions. The captions or headings of the paragraphs of this Agreement are for convenience only and shall not control or affect the meaning or construction of any of the terms or provisions of this Agreement.

(h) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey, without giving effect to principles applicable to conflicts of laws.

(i) Counterparts. To facilitate execution, this Agreement may be executed in as many counterparts as may be convenient or required. It shall not be necessary that the signatures of, or on behalf of, each party, or that the signature of all persons required to bind any party, appear on each counterpart. All counterparts shall collectively constitute a single instrument. It shall not be necessary in making proof of this Agreement to produce or account for more than a single counterpart containing the respective signatures of, or on behalf of, each of the parties hereto. Any signature page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures thereon and thereafter attached to another counterpart identical thereto except having attached to it additional signature pages.

(j) Amendments, Waivers, Etc. No amendment of any provision in the Loan Documents shall be effective unless the same shall be in writing and signed by the Borrower and the Bank. No waiver of any provision of the Loan Documents or consent to any departure by the Borrower therefrom shall be effective unless in writing and signed by the Bank, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given. No failure by the Bank to exercise in whole or part, and no delay in so exercising, any right hereunder shall operate as a waiver thereof or preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

(k) Replacement of Note/Security Document. Upon receipt of an affidavit of an officer of the Bank as to the loss, theft, destruction or mutilation of the Note or any other Loan Document which is not of public record, and, in the case of any such loss, theft, destruction or mutilation, upon cancellation of such Note or other Loan Document, the Borrower will issue to the Bank, in lieu thereof, a replacement note or other security document in the same principal amount thereof and otherwise of like tenor.

(l) Disclosure. The Bank is hereby authorized to disclose any financial or other information it may have about the Borrower to any present or future participant or prospective participant, any regulatory body or agency having jurisdiction over the Bank, or to any successor to all or any part of the Bank's interest herein.

(m) Assignments and Participations. The Bank may sell, assign, transfer, negotiate or grant participations to other financial institutions in all or part of the obligations of the Borrower outstanding under the Loan Documents, provided that any such sale, assignment, transfer, negotiation or participation shall be in compliance with the applicable federal and state securities laws. The Bank may, in connection with any actual or proposed assignment or participation, disclose to the actual or proposed assignee or participant, any information relating to the Borrower or any other party to the Loan transaction. Notwithstanding the foregoing, the terms of the Loan shall not be changed or amended without the Borrower's consent by virtue of any such sale, assignment or transfer.

(n) Pledge to the Federal Reserve. The Bank may at any time pledge or assign all or any portion of its rights under the Loan Documents, including any portion of the Note, to any of the twelve (12) Federal Reserve Banks organized under Section 4 of the Federal Reserve Act, 12 U.S.C. Section 341. No such pledge or assignment or enforcement thereof shall release the Bank from its obligations under any of the Loan Documents.

(o) Usury. If, at any time, the rate of interest, together with all amounts which constitute interest and which are reserved, charged or taken by the Bank as compensation for fees, services or expenses incidental to the making, negotiating or collection of any Loan evidenced hereby, shall be deemed by any competent court of law, governmental agency or tribunal to exceed the maximum rate of interest permitted to be charged by the Bank to the Borrower under applicable law, then, during such time as such rate of interest would be deemed excessive, that portion of each sum paid attributable to that portion of such interest rate that exceeds the maximum rate of interest so permitted shall be deemed a voluntary prepayment of principal. As used herein, the term "applicable law" shall mean the law in effect as of the date hereof; provided, however, that in the event there is a change in the law which results in a higher permissible rate of interest, then this Agreement shall be governed by such new law as of its effective date.

(p) Patriot Act Compliance. The Bank hereby notifies the Borrower that pursuant to the requirements of the Patriot Act and the Bank's policies and practices, the Bank is required to obtain, verify and record certain information and documentation that identifies the Borrower, which information includes the name and address of the Borrower and such other information that will allow the Bank to identify the Borrower in accordance with the Patriot Act. The Borrower represents and covenants that it is not and will not become a person (individually, a "Prohibited Person" and collectively "Prohibited Persons") listed on the OFAC List or otherwise subject to any other prohibitions or restriction imposed by any laws administered by OFAC (collectively the "OFAC Rules"). The Borrower represents and covenants that it also (a) is not and will not become owned or controlled by a Prohibited Person, (b) is not acting and will not act for or on behalf of a Prohibited Person, (c) is not otherwise associated with and will not become associated with a Prohibited Person, (d) is not providing and will not provide any material, financial or technological support for or financial or other service to or in support of acts of terrorism or a Prohibited Person. The Borrower shall immediately notify the Bank if the Borrower has knowledge that any beneficial owner of the Borrower is or becomes a Prohibited Person or (i) is indicted on or (ii) arraigned and held over on charges involving money laundering or predicate crimes to money laundering. The Borrower will not enter into any lease or any other transaction or undertake any activities related to the Loan in violation of the Anti-Money Laundering laws. The Borrower shall (A) not use or permit the use of any proceeds of the Loan in any way that will violate either the OFAC Rules or any anti-money laundering laws or anti-terrorism laws, (B) comply and cause all of its subsidiaries to comply with applicable OFAC Rules, anti-terrorism laws and anti-money laundering laws, (C) provide information as the Bank may require from time to time to permit the Bank to satisfy its obligations under the OFAC Rules, anti-terrorism laws and/or the anti-money laundering laws and (D) not engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the foregoing. The Borrower shall immediately notify the Bank if any tenant at the Mortgaged Property becomes a Prohibited Person or (1) is convicted of, (2) pleads nolo contendere to, (3) is indicted on, or (4) is arraigned and held over on charges involving money laundering or predicate crimes to money laundering.

(q) Beneficial Ownership. If the Borrower is obligated to certify beneficial owner information at the time the Loan is made, modified and/or continued or any account associated with the Loan is opened, the Borrower shall be responsible for notifying the Bank of any changes to the certified beneficial ownership information that was provided to the Bank. Such notice shall be made to the Bank as soon as practicable upon a change to the beneficial ownership information in a form and manner acceptable to the Bank.

(r) Consent to Electronic Delivery. The Borrower hereby explicitly consents to the electronic delivery of the terms of the transaction evidenced by this instrument. The Borrower agrees that its present intent to be bound by this instrument may be evidenced by transmission of digital images of signed signature pages via facsimile, email, SMS or other digital transmission and affirms that such transmission indicates a present intent to be bound by the terms of this instrument and is deemed to be valid execution and delivery as though an original ink or electronic signature. The Borrower shall deliver original executed signature pages to the Bank, but any failure to do so shall not affect the enforceability of this instrument. An electronic image of this instrument (including signature pages) shall be as effective as an original for all purposes.

[NO FURTHER TEXT ON THIS PAGE. SIGNATURE PAGE TO FOLLOW.]

IN WITNESS WHEREOF, the Borrower and the Bank have executed or caused this Agreement to be executed on the date first above set forth.

BORROWER:

LINCOLN TECHNICAL INSTITUTE, INC.,
a New Jersey corporation

By: */s/ David B. Shaw*
Name: David B. Shaw
Title: Senior Vice President, Finance

BANK:

PROVIDENT BANK

By: */s/ Daniel Conway*
Daniel Conway, Vice President

Signature Page to Loan Agreement

Exhibit 10.2

PROVIDENT BANK

PROMISSORY NOTE

CERTAIN PERSONALLY IDENTIFIABLE INFORMATION HAS BEEN OMITTED FROM THIS EXHIBIT PURSUANT TO ITEM 601(a)(6) OF REGULATION S-K. THE OMITTED INFORMATION IS INDICATED BY "[***]".

$15,040,000.00 Closing Date: July 7, 2026

FOR VALUE RECEIVED, **LINCOLN TECHNICAL INSTITUTE, INC.**, a New Jersey corporation (the "Borrower"), promises to pay to the order of **PROVIDENT BANK** (hereafter, together with its successors and assigns, the "Bank"), at its office located 10 Woodbridge Center Drive, 3rd Floor, Woodbridge, New Jersey 07095, or at such other place as the Bank may direct, the principal sum of FIFTEEN MILLION FORTY THOUSAND and 00/100 DOLLARS ($15,040,000.00), together with interest, as follows:

1. COMMERCIAL MORTGAGE LOAN. This Promissory Note (together with all extensions, renewals, amendments, modifications, substitutions, and restatements thereof, this "Note") evidences a commercial mortgage loan in the original principal amount of $15,040,000.00 made by the Bank to the Borrower on the date hereof (the "Loan"), which is being made available by the Bank to the Borrower in accordance with, and subject to the terms and provisions of that certain Loan Agreement dated the date hereof by and between the Borrower and the Bank (together with all extensions, renewals, amendments, modifications, substitutions, and restatements thereof, the "Loan Agreement"). This Note is subject to and governed by the terms and provisions of the Loan Agreement, all of which terms and provisions are incorporated herein by reference. All capitalized terms used herein and not defined shall have the meaning set forth in the Loan Agreement.

2. TERM. The Loan shall mature on August 1, 2036 (the "Maturity Date"), when all outstanding principal, interest, fees and charges due under the Loan shall be immediately due and payable.

3. INTEREST RATE.

(a) The Borrower shall pay the Bank interest on the unpaid principal balance of the Loan from the date of this Note until July 31, 2031 at an initial fixed rate equal to five and ninety-five hundredths percent (5.95%) per annum (the "Initial Interest Rate").

(b) On August 1, 2031 (the "Date of Change"), the annual rate of interest payable on this Note will be changed to a rate equal to one hundred seventy-five basis points (1.75%) in excess of the weekly average yield on United States Treasury Securities adjusted to a constant maturity of five (5) years, as made available by the Federal Reserve Board in effect three (3) days before the Date of Change, rounded up to the nearest hundredth (the "Five-Year Index"). If the Five-Year Index is no longer available for reference, the Bank will choose another reasonably comparable index. *The above notwithstanding, the interest rate payable on the Loan shall at no time be less than five percent per annum (5.00%).*

(c) All computations of interest shall be made on the basis of a three hundred sixty (360) day year and the actual number of days elapsed.

4. PAYMENTS. The Borrower shall pay principal and interest by making payments as follows:

(a) The Borrower shall pay consecutive equal monthly installments of principal and interest in the amount of $97,244.93, said payment amount being based upon the principal balance of $15,040,000.00, a twenty-five (25) year amortization schedule and the Initial Interest Rate. Such payments of principal and interest, together with any required tax and/or flood insurance escrow payments, shall be paid by the Borrower on the first (1st) day of each and every month, commencing on September 1, 2026.

(b) Any change in the interest rate on the Loan on the Date of Change will result in a change in the amount of the monthly installment of principal and interest due to the Bank. The new installment amount will be determined by the Bank based upon the adjusted interest rate, the then outstanding principal balance and the number of months remaining in the original twenty-five (25) year amortization period. The new installment amount will become payable beginning on the first payment date following the change (i.e., September 1, 2031), and shall be paid by the Borrower on the first (1st) day of each and every successive month, continuing until the Maturity Date, when the entire unpaid amount of fees, interest and principal is due.

(c) All payments due on the Loan will be made or charged on the applicable Payment Date, subject to adjustment in accordance with the Following Business Day Convention. The "Following Business Day Convention" means the convention for adjusting any relevant date that would otherwise fall on a day that is not a Business Day so that the date will be the first following day that is a Business Day. As used herein, "Business Day" means a day (other than Saturday, Sunday or holiday) on which the Bank is open and conducting its customary banking transactions in the State of New Jersey.

(d) All payments due on the Loan will be automatically charged to the Borrower's operating or demand deposit account with the Bank, which account will be maintained in good standing at the Bank during the duration of the Loan or any other loan made by the Bank to the Borrower {Account Number [*]**} (the "Deposit Account").

(e) All payments, unless indicated otherwise, shall be applied first to the payment of all fees, expenses and other amounts due to the Bank (excluding principal and interest), then to accrued interest, and the balance on account of outstanding principal; provided, however, that after an Event of Default (as defined hereafter), payments will be applied to the obligations of the Borrower to the Bank as the Bank determines in its sole discretion.

(f) The Borrower agrees to maintain sufficient funds in the Deposit Account to satisfy the payment due the Bank under this Note at least two (2) Business Days prior to each Payment Date during the term of this Note. If sufficient funds are not available in the Deposit Account on any Payment Date to pay the amounts then due and payable under this Note, the Bank, in its sole discretion, is authorized to: (a) charge the Deposit Account for such lesser amount as shall then be available; and/or (b) charge the Deposit Account on such later date or dates that funds shall be available in the Deposit Account to satisfy the payment then due (or balance of such payment then due). Notwithstanding the foregoing, the Borrower shall only be entitled to receive credit in respect of any payments of principal and interest due under this Note for funds actually received by the Bank as a result of any such charges to the Deposit Account. The Borrower shall be liable to the Bank for any late fees and interest on any payments not made on a timely basis by the Borrower because of insufficient funds in the Deposit Account on any Payment Date. In the event the Deposit Account continues to contain insufficient funds to fully satisfy the payments due the Bank under this Note, the Borrower shall be responsible for making all such payments from another source and in no event shall the obligations of the Borrower under this Note be affected or diminished as a result of any shortages in the Deposit Account, it being understood and agreed that the Borrower shall at all times remain liable for payment in full of all indebtedness under this Note.

5. <u>PREPAYMENT</u>.

The Loan may be voluntarily prepaid in whole or in part upon not less than thirty (30) days' prior written notice to the Bank. Upon any prepayment, whether voluntarily or involuntarily, the Borrower shall also pay to the Bank a prepayment premium, as a percentage of the outstanding principal prepayment (the "Prepayment Premium") in accordance with the following:

In the event the Loan is refinanced by another lender:

YEAR 1 (07/07/2026-07/31/2027)	-	5% of the prepaid principal amount
YEAR 2 (08/01/2027-07/31/2028)	-	4% of the prepaid principal amount
YEAR 3 (08/01/2028-07/31/2029)	-	3% of the prepaid principal amount
YEAR 4 (08/01/2029-07/31/2030)	-	2% of the prepaid principal amount
YEAR 5 (08/01/2030-07/31/2031)	-	1% of the prepaid principal amount
YEAR 6 (08/01/2031-07/31/2032)	-	5% of the prepaid principal amount
YEAR 7 (08/01/2032-07/31/2033)	-	4% of the prepaid principal amount
YEAR 8 (08/01/2033-07/31/2034)	-	3% of the prepaid principal amount
YEAR 9 (08/01/2034-07/31/2035)	-	No Prepayment Premium
YEAR 10 (08/01/2035-07/31/2036)	-	No Prepayment Premium

In the event the Loan is repaid using internal funds of the Borrower:

YEAR 1 (07/07/2026-07/31/2027)	-	5% of the prepaid principal amount
YEAR 2 (08/01/2027-07/31/2028)	-	4% of the prepaid principal amount
YEAR 3 (08/01/2028-07/31/2029)	-	3% of the prepaid principal amount
YEAR 4 (08/01/2029-07/31/2030)	-	No Prepayment Premium
YEAR 5 (08/01/2030-07/31/2031)	-	No Prepayment Premium
YEAR 6 (08/01/2031-07/31/2032)	-	5% of the prepaid principal amount
YEAR 7 (08/01/2032-07/31/2033)	-	4% of the prepaid principal amount
YEAR 8 (08/01/2033-07/31/2034)	-	3% of the prepaid principal amount
YEAR 9 (08/01/2034-07/31/2035)	-	No Prepayment Premium
YEAR 10 (08/01/2035-07/31/2036)	-	No Prepayment Premium

In the event the Loan is repaid due to the Borrower's sale of the Mortgaged Property at any time, then the Borrower shall pay to the Bank a 1.00% Prepayment Premium.

Any prepayment shall include accrued and unpaid interest to the date of prepayment on the principal amount prepaid and all other sums due and payable hereunder. The monthly principal installment shall not be re-amortized following a partial prepayment. All prepayments shall be applied first to unpaid fees, unpaid interest and then to installments of principal in their inverse order of maturity. The Borrower agrees that such Prepayment Premium shall be paid whenever the Loan is prepaid prior to the Maturity Date, whether voluntarily or involuntarily, upon acceleration or otherwise. Any prepayments shall be in integral multiples of $10,000.

Notwithstanding the foregoing or anything to the contrary contained herein, the Borrower may prepay the principal amount of the Loan in an amount of up to fifteen percent (15%) of the then outstanding principal balance, without incurring a prepayment fee or premium. The right to prepay the principal amount of the Loan in an amount of up to fifteen percent (15%) of the then outstanding principal balance during each Loan Year, without incurring a prepayment fee or premium, is not cumulative. If in any Loan Year one or more prepayments of principal taken together exceed the amount of 15% of the then outstanding principal balance, then, the amount of the prepayment(s) that exceed the 15% of the outstanding principal balance limitation shall be subject to the applicable prepayment fee set forth above. For the purposes of determining whether one or more prepayments of principal in any given year exceed the '15% of outstanding principal balance' limitation, the Bank shall refer to the original principal amount of the Loan during Year 1, and thereafter shall refer to the outstanding principal balance of the Loan existing as of July 31 of each year, in relation to all prepayments made on or after that date and for the applicable Loan Year in which the prepayment(s) are made.

Notwithstanding any term, condition, or provision hereof to the contrary, at no time shall a prepayment premium be due and payable in connection with a prepayment resulting from the application of proceeds of any casualty insurance with respect to insured property damage or compensation received in respect of any condemnation or other governmental taking of all or any portion of the Mortgaged Property.

The Borrower acknowledges that the prepayment premium is liquidated damages, and as such, is reasonable compensation to the Bank for expenses, work and services arising from the loss of income as well as loss of other investment opportunities by reason of prepayment of a portion of the Loan.

6. LATE CHARGES. If any payment required to be paid by this Note is not paid in full within ten (10) days after its scheduled due date, the Bank hereof may assess a late charge in the amount of five percent (5%) of the unpaid amount of the payment, or the maximum permitted by applicable law, whichever is less.

7. DEFAULT. The Borrower shall be in default under this Note, or any other obligation to the Bank upon the occurrence of any of Event of Default as defined in the Loan Agreement (each, an "Event of Default").

Upon the occurrence of an Event of Default: (a) the Bank shall be under no further obligation to make advances hereunder; (b) the outstanding principal balance and accrued interest hereunder together with any additional amounts payable hereunder, at the Bank's option and without demand or notice of any kind, may be accelerated and become immediately due and payable; (c) at the Bank's option, this Note will bear interest at the Default Rate (as set forth below) from the date of the occurrence of the Event of Default; and (d) the Bank may exercise from time to time any of the rights and remedies available under the Loan Documents or under applicable law.

To the extent permitted by law, whenever there is any Event of Default under this Note, or non-payment upon demand, the rate of interest on the unpaid principal balance shall, at the option of the Bank, be five percent (5.00%) per annum greater than that which would otherwise be applicable (the "Default Rate"). The Borrower acknowledges that: (i) such additional rate is a material inducement to the Bank to make the Loan; (ii) the Bank would not have made the Loan in the absence of the agreement of the Borrower to pay such additional rate; (iii) such additional rate represents compensation for increased risk to the Bank that the Loan will not be repaid; and (iv) such rate is not a penalty and represents a reasonable estimate of (a) the cost to the Bank in allocating its resources (both personnel and financial) to the ongoing review, monitoring, administration and collection of the Loan and (b) compensation to the Bank for losses that are difficult to ascertain.

Any forbearance by the Bank in exercising any right or remedy hereunder or under any Loan Document, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy; nor shall any single or partial exercise of any such right or remedy, or any abandonment or discontinuance of steps to enforce such a right or remedy, preclude any other or further exercise thereof or the exercise of any other right or remedy.

8. MAXIMUM LAWFUL RATE. Regardless of any provision contained in this Note or any other document in connection with this Note, no holder of this Note shall ever be entitled to receive, collect or apply, as interest on any amount owing hereunder, any amount in excess of the maximum nonusurious interest rate, if any, that at any time, or from time to time, may, under applicable law be contracted for, taken, reserved, charged or received on the indebtedness evidenced by this Note (the "Maximum Rate"). Accordingly, if, for any reason, the Borrower is required to pay, or has paid, interest on the principal amount due hereunder at a rate in excess of the Maximum Rate, then (i) the interest rate charged hereunder shall be deemed to be reduced, automatically and immediately, to the Maximum Rate, (ii) interest payable hereunder shall be computed and paid at the Maximum Rate, and (iii) the portion of all prior payments of interest in excess of the Maximum Rate shall be deemed to have been payments in reduction of the outstanding principal balance hereunder and applied as partial prepayments, notwithstanding any provision hereof prohibiting any prepayments. In such event, no holder of this Note shall be subject to any penalties provided in any laws for contracting for, charging for, or receiving interest in excess of the Maximum Rate.

9. COLLATERAL AND GUARANTY. Repayment of this Note is secured by, among other things, (i) that certain Mortgage, Assignment of Rents and Leases, Security Agreement and Fixture Financing Statement (together with all extensions, renewals, amendments, modifications, substitutions, and restatements thereof, the “Mortgage”) on the real estate and improvements located at 8317 W. North Avenue (Tax Parcel Numbers 15-02-200-034-0000 and 15-02-200-039-0000), in Melrose Park, Cook County, Illinois (the “Mortgaged Property”), and (ii) that certain Assignment of Leases and Rents (together with all extensions, renewals, amendments, modifications, substitutions, and restatements thereof, the “Assignment of Leases”). Repayment of the Loan is further supported by a Continuing Agreement of Guaranty and Suretyship of even date herewith (together with all extensions, renewals, amendments, modifications, substitutions, and restatements thereof, the “Guaranty”) executed and delivered to the Bank by LINCOLN EDUCATIONAL SERVICES CORPORATION, a New Jersey corporation, NEW ENGLAND ACQUISITION, LLC, a Delaware limited liability company, NN ACQUISITION, LLC, a Delaware limited liability company, and NASHVILLE ACQUISITION, L.L.C., a Delaware limited liability company (individually and collectively, the “Guarantor”). Any security interests in any other collateral given to the Bank by the Borrower or the Guarantor in connection with any other obligation to the Bank shall also secure repayment of this Note and the Guaranty. This Note, the Loan Agreement, the Mortgage, the Assignment of Leases, the Guaranty, and any other loan or collateral document executed in connection therewith or required thereby (together with all extensions, renewals, amendments, modifications, substitutions, and restatements thereof) are collectively, the “Loan Documents”.

10. WAIVERS. The Borrower hereby waives presentment for payment, demand, protest, notice of non-payment or dishonor, notices of protest and all other demands and notices in connection with the delivery, performance and enforcement of this Note and waive all defenses that may be based on suretyship or impairment of collateral. The Borrower is bound as a principal and not as a surety.

11. ATTORNEYS’ FEES. In the event the Bank shall employ counsel to collect this obligation or to administer, protect or foreclose the security given in connection herewith, the Borrower, jointly and severally if more than one, agrees to pay reasonable attorneys’ fees for services of such counsel, whether or not suit is brought, plus costs incurred in connection therewith.

12. INTEGRATION; SEVERABILITY. This Note is intended by the parties as the final, complete and exclusive statement of the transaction evidenced by this Note. All prior or contemporaneous promises, agreements and understandings, whether oral or written, are deemed to be superseded by this Note and no party is relying on any promise, agreement or understanding not set forth in this Note. This Note may not be amended or modified except by a written instrument describing such amendment or modification executed by the Borrower and the Bank. Should any term, provision, covenant or condition of this Promissory Note be held to be void or invalid, the same shall not affect any other term, provision, covenant or condition of this Promissory Note, but the remainder hereof shall be effective as though such term, provision, covenant or condition had not been contained herein.

13. NOTE BINDING ON EACH BORROWER AND SUCCESSOR. All obligations under this Note are the joint and several unconditional obligations of the Borrower and all who succeed to their rights and interests. Release of any Borrower, Mortgaged Property, or Guarantor shall not release any other Borrower, Property, or Guarantor.

14. GOVERNING LAW. This Note shall be construed and enforced according to the laws of the State of New Jersey and the Borrower consents to the jurisdiction of the courts of the State of New Jersey to determine any questions of fact or law arising under this Note.

15. JURISDICTION; SERVICE OF PROCESS. If suit is instituted to enforce the terms of this Note, the courts of the State of New Jersey (the "Forum State") and the federal courts located in such Forum State shall have non-exclusive personal jurisdiction over the Borrower, and the venue of the suit, at the option of the Bank of this Note, may be laid in New Jersey. The Borrower hereby agrees not to claim that the Forum State is an inconvenient place for trial. The Borrower hereby agrees and consents that, in addition to any methods of service of process provided for under applicable law, all service of process in any such suit, action or proceeding in any state or federal court sitting in such Forum State may be made by certified or registered mail, return receipt requested, directed to the Borrower at the address set forth in the Loan Agreement.

THE BORROWER HEREBY EXPRESSLY AND IRREVOCABLY WAIVES ANY CLAIM OR DEFENSE IN ANY SUCH ACTION OR PROCEEDING BASED ON ANY ALLEGED LACK OF PERSONAL JURISDICTION, IMPROPER VENUE, FORUM NON CONVENIENS OR ANY SIMILAR BASIS. THE BORROWER SHALL NOT BE ENTITLED IN ANY SUCH ACTION OR PROCEEDING TO ASSERT ANY DEFENSE GIVEN OR ALLOWED UNDER THE LAWS OF ANY STATE OTHER THAN THE LAWS OF THE STATE OF NEW JERSEY UNLESS SUCH DEFENSE IS ALSO GIVEN OR ALLOWED BY THE LAWS OF THE STATE OF NEW JERSEY. NOTHING IN THIS NOTE SHALL AFFECT OR IMPAIR IN ANY MANNER OR TO ANY EXTENT THE RIGHT OF THE BANK TO COMMENCE LEGAL PROCEEDINGS OR OTHERWISE PROCEED AGAINST AN OBLIGOR IN ANY OTHER JURISDICTION OR TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW.

16. WAIVER OF JURY TRIAL. THE BORROWER, AND THE BANK, BY ITS ACCEPTANCE HEREOF, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, HEREBY KNOWINGLY, INTENTIONALLY, IRREVOCABLY, UNCONDITIONALLY AND VOLUNTARILY, WITH AND UPON THE ADVICE OF COMPETENT COUNSEL, WAIVE, RELINQUISH AND FOREVER FORGO THE RIGHT TO A TRIAL BY JURY AND ALL RIGHTS TO ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES IN ANY ACTION OR PROCEEDING BASED UPON, ARISING OUT OF, OR IN ANY WAY RELATING TO THIS NOTE OR ANY CONDUCT, ACT OR OMISSION OF THE BANK OR THE BORROWER, OR ANY OF THEIR DIRECTORS, OFFICERS, PARTNERS, MEMBERS, EMPLOYEES, AGENTS OR ATTORNEYS, OR ANY OTHER PERSONS AFFILIATED WITH THE BANK OR THE BORROWER, IN EACH OF THE FOREGOING CASES, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE.

17. LOAN NOT ASSUMABLE. The Bank and the Borrower acknowledge and agree that the Loan, and the obligations and/or liabilities of the Borrower thereunder, are not assumable.

18. CONSENT TO ELECTRONIC DELIVERY. The Borrower hereby explicitly consents to the electronic delivery of the terms of the transaction evidenced by this Note. The Borrower agrees that its present intent to be bound by this Note may be evidenced by transmission of digital images of signed signature pages via facsimile, email, SMS, or other digital transmission and affirms that such transmission indicates a present intent to be bound by the terms of this Note and is deemed to be valid execution and delivery as though an original ink or electronic signature. The Borrower shall deliver original executed signature pages to the Bank, but any failure to do so shall not affect the enforceability of this Note. An electronic image of this Note (including signature pages) shall be as effective as an original for all purposes.

[NO FURTHER TEXT ON THIS PAGE. SIGNATURE PAGE TO FOLLOW.]

IN WITNESS WHEREOF, the Borrower has executed this Note as of the date first above written.

BORROWER:

LINCOLN TECHNICAL INSTITUTE, INC.,
a New Jersey corporation

By: */s/ David B. Shaw*
Name: David B. Shaw
Title: Senior Vice President, Finance

Signature Page to Promissory Note

RECORDATION REQUESTED BY:
Provident Bank
10 Woodbridge Center Drive,
3rd Floor,
Woodbridge, New Jersey 07095

WHEN RECORDED MAIL TO:
Matthew E. Mirett, Esq.
Sherman Atlas Sylvester
& Stamelman LLP
210 Park Avenue
Suite 200
Florham Park, New Jersey 07932

FOR RECORDER’S USE ONLY

MORTGAGE, ASSIGNMENT OF RENTS AND LEASES,
SECURITY AGREEMENT AND FIXTURE FINANCING STATEMENT

THIS MORTGAGE, ASSIGNMENT OF RENTS AND LEASES, SECURITY AGREEMENT AND FIXTURE FINANCING STATEMENT (together with all extensions, renewals, amendments, modifications, substitutions, and restatements thereof, this “Mortgage”), dated as of July 7, 2026, is made by **LINCOLN TECHNICAL INSTITUTE, INC.**, a New Jersey corporation, having a mailing address of 14 Sylvan Way, Suite A, Parsippany, New Jersey 07054 (the “Mortgagor”), in favor of **PROVIDENT BANK**, the address of which is 10 Woodbridge Center Drive, 3rd Floor, Woodbridge, New Jersey 07095 (the “Mortgagee” or the “Bank”).

WITNESSETH:

WHEREAS, for the purpose of securing, such order of priority as the Mortgagee may elect, the full and prompt payment, observance and performance when due, of all present and future obligations and indebtedness of the Mortgagor to the Mortgagee, whether at the stated time, by acceleration or otherwise, howsoever created, arising or evidenced, whether direct or indirect, absolute or contingent, whether or not of the same or similar class or of like kind to any indebtedness incurred contemporaneously with the execution of this Mortgage, and whether now or hereafter existing, or due or to become due, including without limitation, the following:

(a) Obligations under Promissory Note. Payment of any and all amounts owed by the Mortgagor under, in connection with and/or pursuant to the indebtedness evidenced by that certain Promissory Note of even date herewith, in the original principal sum of Fifteen Million Forty Thousand and 00/100 Dollars ($15,040,000.00) (the “Note”), with interest thereon according to the provisions thereof, and all obligations of the Mortgagor under, in connection with and/or pursuant to this Mortgage granted by the Mortgagor as security for payment of the foregoing indebtedness; and

(b) All Sums in Connection with Note and Mortgage. All sums advanced or expenses or costs paid or incurred (including without limitation reasonable attorneys' fees and other legal expenses) by the Mortgagee pursuant to or in connection with the Note or this Mortgage, plus any interest on such sums, expenses or costs; and

(c) Any Changes to Note. Any extensions, amendments, modifications, changes, substitutions, restatements, renewals or increases or decreases to the Note and all other indebtedness secured by this Mortgage; and

(d) [Reserved]

(e) Any and All Other Indebtedness. All other indebtedness, obligations and liabilities of any kind, of the Mortgagor to the Mortgagee arising under the Loan Documents.

WHEREAS, this Mortgage shall secure all of such obligations up to the maximum principal amount of Fifteen Million Forty Thousand and 00/100 Dollars ($15,040,000.00) and such amount may be advanced and repaid in whole or in part and again advanced and repaid in whole or in part from time to time without affecting the existence or priority of the lien of this Mortgage and this total shall limit only the total amount of principal which may be secured by this Mortgage at any one time. The Mortgagor stands to benefit from the commercial mortgage loan evidenced by the Note (the "Loan") and is the legal and beneficial owner of the Mortgaged Property. It is a condition precedent to the obligation of the Mortgagee to make the Loan that the Mortgagor shall have executed and delivered this Mortgage to the Mortgagee.

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES, AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, AND INCORPORATING THE ABOVE RECITALS BY REFERENCE AS IF SPECIFICALLY RESTATED, THE MORTGAGOR HEREBY IRREVOCABLY GRANTS, MORTGAGES, GIVES, BARGAINS, SELLS, ALIENATES, CONVEYS, CONFIRMS, PLEDGES, ASSIGNS AND HYPOTHECATES TO MORTGAGEE WITH WARRANTY COVENANTS:

All that certain property and all buildings and all other improvements now thereon or hereafter constructed thereon situated in the County of Cook, State of Illinois, described in Schedule A attached hereto and made a part hereof by reference, (the "Premises");

TOGETHER WITH all of the following which, with the Premises, are herein collectively called the "Mortgaged Property" or "Property":

(a) All appurtenances and all estate and rights of the Mortgagor in and to the Premises;

(b) All water and water rights, ditch and ditch rights, reservoir and reservoir rights, stock or interests in irrigation or ditch companies, royalties, minerals, oil and gas rights, lease or leasehold interests owned by the Mortgagor, now or hereafter used or useful in connection with, appurtenant to or related to the Premises;

(c) All right, title and interest of the Mortgagor in and to all streets, roads and public places, opened or proposed, and all easements and rights of way, public or private, now or hereafter used in connection with the Premises;

(d) All improvements and all fixtures owned by the Mortgagor that constitute part of the Premises under applicable law, and all replacements thereof and substitutions therefor that also constitute fixtures forming part of the Premises; and

(e) All awards, payments or other amounts, including interest thereon, which may be made with respect to the Mortgaged Property as a result of injury to or decrease in the value of the Mortgaged Property or as a result of the exercise of the power of condemnation or eminent domain.

(f) All rights to the rents, issues and profits of the Mortgaged Property as well as the fees, charges, accounts, or other payments for the use or occupancy of rooms and other public facilities (provided, however, that the Mortgagor shall be entitled to collect and retain the above until an Event of Default has occurred and is continuing hereunder). Notwithstanding anything to the contrary contained herein, the Mortgaged Property does not include equipment that does not constitute a fixture, inventory, accounts other than rents arising from the Mortgaged Property, deposit accounts, intellectual property, general intangibles other than leases affecting the Mortgaged Property, chattel paper, instruments, documents, investment property, swap rights, books and records or any other personal property that does not constitute a fixture forming part of the Mortgaged Property under applicable law.

The Mortgagor covenants as follows:

A. PROVISIONS RELATING TO THE MORTGAGED PROPERTY

1. Taxes and Governmental Claims and Other Liens. The Mortgagor agrees to pay or cause to be paid, prior to the date they would become delinquent if not paid, all taxes, assessments and governmental charges whatsoever levied upon or assessed or charged against the Mortgaged Property (hereinafter collectively referred to as “Taxes”), including, without limitation, all water and sewer taxes, assessments and other charges, taxes, impositions and rents, if any. The Mortgagor shall not be entitled to any credit against payments due hereunder or under the Loan by reason of the payment of any Taxes thereon. The Mortgagor shall give to the Mortgagee a receipt or receipts, or certified copies thereof, evidencing every such payment by the Mortgagor, not later than forty-five (45) days after such payment is made but not later than forty-five (45) days after such payment would become delinquent if not paid. The Mortgagor also agrees to promptly and faithfully pay, satisfy, and obtain the release of all other claims, liens, encumbrances, and contracts, affecting or purporting to affect the title to, or which may be or appear to be liens on, the Mortgaged Property or any part thereof, other than Permitted Encumbrances, and all costs, charges, interest and penalties on account thereof, including, without limitation, the claims of all persons supplying labor or materials to the Mortgaged Property and to give the Mortgagee, upon demand, evidence satisfactory to the Mortgagee of the payment, satisfaction or release thereof.

2. Tax and Insurance Escrow. If required by the Bank upon the occurrence and during the continuance of an Event of Default hereunder, together with the regular monthly payments due to the Bank under the Note, the Mortgagor shall pay to the Bank one-twelfth (1/12th) of the sum of: (a) the Taxes for the current fiscal year; and (b) the aggregate of the premiums on insurance on the Property, including, but not limited to, flood insurance, which the Bank estimates will become payable within the next succeeding twelve months. If, in the Bank's opinion, the amount in such reserve is more than is reasonably required, the Bank shall credit the excess against subsequent monthly escrow payments; however, if, in the Bank's opinion, the amount in such reserve is less than is reasonably required, then, on demand by the Bank, the Mortgagor shall pay any deficiency to the Bank. The Bank shall apply the moneys in such reserve to the payment of Taxes and insurance premiums as they become payable. If the Bank waives any escrow requirement described in this Section, the Mortgagor shall furnish receipted tax and premium bills to the Bank no later than thirty (30) days after the due date thereof. If permitted by law, the deposits and funds retained by the Bank shall bear no interest and may be commingled with other funds of the Bank. If the indebtedness evidenced by the Note shall be declared immediately due and payable by the Bank, all such deposits may, at the option of the Bank, be applied to such indebtedness. The Mortgagor shall not receive any credit on or make any deduction from the interest or principal of the Note by reason of its deposit with the Bank of the sums necessary for payment of any Taxes or insurance.

3. Insurance. The Mortgagor shall comply with the following insurance requirements with respect to the Property:

(a) All insurance policies required hereby shall be (i) issued by companies which shall have an A.M. Best Rating Guide Stability Rating of "A" or better, and a Financial Rating of VI or better, (ii) on forms, in amounts, and with deductibles, all of which are consistent with the policies provided to the Bank in advance of closing or are otherwise reasonably acceptable to the Bank and (iii) maintained throughout the term of the Loan, without cost to the Bank. All policies shall be deposited with the Bank (if required by the Bank), and shall contain such provisions as the Bank deems necessary or desirable to protect its interest, including, without limitation, a provision that such policy shall not be cancelled unless the Bank is given thirty (30) days prior written notice, or ten (10) days prior written notice in the case of cancellation for non-payment of premium, in each case to the extent such notice is provided by the applicable insurer. The Mortgagor shall provide the Bank with prompt written notice of any material alteration, limitation or reduction in coverage under any policy required hereunder.

(b) The Mortgagor shall keep in effect a Commercial Property Insurance policy covering the Property and fixtures constituting part of the Mortgaged Property, for a limit of insurance equal to one hundred percent (100%) of the replacement cost for the Property covering hazards of risk on an open perils basis (commonly known as "Special Causes of Loss" Form). The coinsurance provision of the policy should be eliminated or suspended by the inclusion of the agreed value provision. Loss payment should be adjusted and made based on replacement cost valuation and should include provisions for adjustment inflation and additional costs associated with the enforcement of federal, state, and local building codes and ordinance to the Property.

(c) The Commercial Property Insurance policy shall include business income coverage (including, but not limited to, loss of rental value) for a limit to cover at least twelve (12) months continuing business operations.

(d) The Mortgagor shall keep in effect boiler and machinery insurance covering the Property and fixtures constituting part of the Mortgaged Property, for a limit of insurance equal to one hundred percent (100%) of the replacement cost for the Property.

(e) All such policies to be written for the full insurable value of the Property (without deduction for depreciation or obsolescence) or fixtures constituting part of the Mortgaged Property and shall name the Bank as First Mortgagee under a Standard Mortgagee Clause with respect to the improvements and Lender Loss Payee under a Lenders' Loss Payable Clause with respect to fixtures constituting part of the Mortgaged Property. If a blanket policy is issued, a certified copy of said policy shall be furnished together with an endorsement indicating that the Bank is the First Mortgagee and Lender Loss Payee under said policy in the proper designated amount. The Mortgagor shall also carry such other insurance as may reasonably be required by the Bank.

(f) The Mortgagor shall also keep in effect a Commercial General Liability insurance policy, insuring the Mortgagor and naming the Bank as Additional Insured covering any liability arising out of any accident, injury or operations occurring in or about the Property. Such liability coverage shall be in the minimum amounts of $1,000,000.00 per occurrence and $2,000,000.00 in the aggregate, with the general aggregate applying on a "per location basis" if the Commercial General Liability Insurance is provided by a policy covering more than one location. The Mortgagor shall also maintain umbrella or excess liability coverage with limits of not less than $10,000,000.00 per occurrence and in the aggregate. The umbrella or excess liability policy shall not be required to include an endorsement amending the aggregate to apply on a "per location basis."

(g) If the Property is required to be insured pursuant to the Flood Disaster Protection Act of 1973 or the National Flood Insurance Act of 1968, and the regulations promulgated thereunder, because it is located in an area which has been identified by the Secretary of Housing and Urban Development as a Flood Hazard Area, then, the Mortgagor shall obtain a flood insurance policy covering the Property in an amount not less than the outstanding principal balance of the Note or the maximum limit of coverage available from FEMA, whichever is less. Such policy shall name the Bank as First Mortgagee under a Standard Mortgagee Clause with respect to the improvements and Lender Loss Payee with respect to fixtures constituting part of the Mortgaged Property.

(h) The Mortgagor shall maintain Workers' Compensation/Employer Liability Coverage as required by applicable law.

4. Damage, Destruction, and Condemnation.

(a) If all or any part of the Property shall be damaged or destroyed, or if title to or the temporary use of the whole or any part of the Property shall be taken or condemned by a governmental authority for any public use or purpose, there shall be no abatement or reduction in the amounts payable by the Mortgagor hereunder or under the Note, and the Mortgagor shall continue to be obligated to make such payments.

(b) If the Property or any part thereof is partially or totally damaged or destroyed by fire or any other cause, the Mortgagor shall give prompt written notice thereof to the Bank. The Mortgagor hereby authorizes and directs any affected insurance company to make payment of such proceeds directly to the Bank. The Bank shall have the option, in its sole discretion, of paying or applying all or any part of the insurance proceeds (i) to reduce any outstanding sums due under the Note or this Mortgage or (ii) to the repair, restoration, replacement and rebuilding of the Property in accordance with the Bank's construction loan disbursement conditions and requirements. If the Bank elects to apply said proceeds to restore the Property and, in the Bank's judgment, said proceeds are insufficient to complete the restoration, the Mortgagor shall deposit with the Bank such amounts as are necessary, in the Bank's sole judgment, to complete such restoration of the Property.

(c) Immediately upon obtaining knowledge of the institution of any proceedings for the condemnation of the Property, or any portion thereof, the Mortgagor shall notify the Bank of the pendency of such proceedings. The Bank may participate in any such proceedings and the Mortgagor shall from time to time deliver to the Bank all instruments requested by it to permit such participation. The Mortgagor shall, at its sole cost and expense, diligently prosecute any such proceeding and shall consult with the Bank, its attorneys and experts and cooperate with it in any defense of any such proceedings. The Mortgagor shall not, without the Bank's prior express written consent, enter into any agreement for the taking or conveyance in lieu thereof of the Property, or any part thereof, with anyone authorized to acquire the same by eminent domain, condemnation or like power or proceeding. Upon the occurrence of any condemnation or taking or agreement in lieu thereof with respect to a portion of the Property, the Bank shall have the option, in its sole discretion, of paying or applying all or any part of the condemnation proceeds (i) to reduce any amounts due under the Note, or (ii) to the repair, restoration, replacement and rebuilding of the Property in accordance with the Bank's standard construction loan disbursement conditions and requirements.

(d) Nothing in this Section shall relieve the Mortgagor of its duty to repair, restore, rebuild or replace the Property following damage or destruction by fire or other casualty or partial condemnation in the event that no or inadequate proceeds of insurance or condemnation awards are available to defray the cost of such repairing, restoring, rebuilding or replacement, subject to Paragraph A.5.

(e) Notwithstanding anything herein to the contrary, in case of loss or damage by casualty, the Mortgagor shall, if no Event of Default then exists, have the sole and exclusive right to settle, compromise, or adjust any claim under, and receive, for the purpose of rebuilding and restoration, the proceeds arising from any and all losses payable under, insurance policies to the extent the amount thereof does not exceed Two Hundred Fifty Thousand Dollars ($250,000.00) (hereinafter referred to as the "Threshold Amount"), and all claims for losses in excess of said Threshold Amount shall be settled, compromised, or adjusted only with the mutual agreement of the Mortgagor and the Bank, which agreement shall not be unreasonably withheld, conditioned or delayed, and the proceeds paid as hereinafter provided. In the event insurance proceeds in excess of the Threshold Amount are payable or if an Event of Default exists, then, in either of such events, the Bank is hereby authorized to collect and receive any such insurance proceeds. Insurance proceeds collected by the Bank, after deducting therefrom any reasonable third-party expenses incurred in collection, shall be made available to the Mortgagor for the purpose of paying the cost of rebuilding or restoring the Mortgaged Property if (i) the Mortgaged Property is reasonably capable of being restored to that condition which existed immediately prior to the damage or loss, (ii) the insurance proceeds, together with all other funds provided by the Mortgagor, are sufficient to restore the Mortgaged Property, (iii) the restoration of the Mortgaged Property can be completed no less than six (6) months prior to the maturity date of the Loan, and (iv) no Event of Default then exists. If the Bank makes said proceeds available to the Mortgagor to pay the cost of rebuilding or restoration, then such proceeds shall be made available in the manner and under the conditions the Bank may reasonably require to assure proper application thereof. The Mortgaged Property shall be restored or rebuilt so as to be of at least equal value and substantially the same character as prior to such damage or destruction subject to requirements of applicable law. If the projected cost of rebuilding or restoration exceeds the Threshold Amount, then insurance proceeds shall not be made available to the Mortgagor unless and until the Bank has approved plans and specifications therefor, which approval shall not be unreasonably withheld. If the proceeds are to be made available by the Bank to the Mortgagor, then any surplus remaining out of said insurance proceeds after payment of the costs of rebuilding or restoring the Mortgaged Property shall, provided no Event of Default is then outstanding, be paid to the Mortgagor. No interest shall be allowed to the Mortgagor on any proceeds of insurance held by the Bank.

5. Condition of Mortgaged Property.

(a) The Mortgagor agrees to properly care for and keep the Mortgaged Property in good condition and repair. Without the prior written consent of the Mortgagee, the Mortgagor agrees not to cause or permit any building or improvement which constitutes a part of the Premises to be removed, demolished or structurally altered, in whole or in part, or any fixture which constitutes a portion of the Mortgaged Property to be removed (other than in the ordinary course of the Mortgagor's business), damaged or destroyed. The Mortgagee consents to the removal and replacement of fixtures and if such fixtures are simultaneously replaced with fixtures of equal or greater value, that are subject only to Permitted Encumbrances, and if the value of the Mortgaged Property is not diminished thereby. All alterations, replacements, renewals or additions made pursuant to this Section shall automatically become and constitute a part of the Property and shall be covered by the lien of this Mortgage. The Mortgagor agrees not to abandon the Premises or leave the Premises unprotected, unguarded, vacant or deserted, and not to cause or permit any waste to the buildings, improvements or fixtures constituting any portion of the Mortgaged Property. The Mortgagor agrees (i) to repair, restore and reconstruct in good and workmanlike manner to the condition required hereby any improvement which constitutes a part of the Mortgaged Property which may be damaged or destroyed, in accordance with the provisions of Paragraph A.4 hereof (provided however, the Mortgagor shall not be required to so repair, restore or reconstruct if the insurance proceeds are not made available therefor, and further provided, if the Mortgagee elects to use such proceeds to reimburse the Mortgagor for the costs of such repair, restoration or reconstruction; (ii) not to permit any lien of mechanics or materialmen to attach to the Mortgaged Property, provided, however, that the filing of any such lien shall not constitute a default hereunder if the Mortgagor shall provide an adequate bond with respect to any such lien, in accordance with applicable law or shall provide indemnification with respect to such lien with security therefor acceptable to the Mortgagee in the Mortgagee's reasonable discretion; (iii) to comply with all laws, ordinances, regulations or governmental orders affecting the Mortgaged Property or requiring any alterations or improvements thereto; (iv) not to commit, suffer or permit any act with respect to the Mortgaged Property in violation of law or of any covenants, prior encumbrances, conditions or restrictions affecting the Mortgaged Property; (v) to make or cause to be made from time to time all needed or proper replacements, repairs and renewals; (vi) to perform all obligations and pay all amounts as and when required to protect the Mortgagor's interest in the Premises; and (vii) to do any other act or acts, all in a timely and proper manner which from the character or use of the Mortgaged Property may be reasonably necessary to protect and preserve the value of the Mortgaged Property.

(b) The Mortgagee may, during normal business hours and upon reasonable notice to the Mortgagor and subject to the provisions of applicable leases, enter and inspect or protect the Mortgaged Property, in person or by agent, in such manner and to such extent as it may deem necessary. In the event that an Event of Default exists due to the Mortgagor's failure to maintain the Mortgaged Property in the manner specified herein, the Mortgagee may, at its option, undertake such repairs or maintenance, for the account of the Mortgagor, as the Mortgagee deems necessary. The reasonable cost of any such repairs or maintenance undertaken by the Mortgagee shall become immediately due and payable by the Mortgagor to the Mortgagee and the Mortgagee shall be reimbursed therefor in accordance with the provisions of Paragraph B.2 hereof. The right of the Mortgagee to undertake such repairs or maintenance shall be optional, shall not impose any duties on the Mortgagee, and shall not be deemed to cure any Default under this Mortgage for failure to maintain the Mortgaged Property in accordance with the covenants herein.

(c) The Mortgagee shall have the right to appraise the Mortgaged Property at any time during the term of this Mortgage, which shall be at the Mortgagor's reasonable expense no more than once every other year, or if an Event of Default exists. The Mortgagor agrees to provide any information reasonably requested by the Mortgagee in order to perform the appraisal and permit the Mortgagee's designated appraiser access to the Property at any reasonable time for the purpose of conducting the appraisal.

6. Alterations and Additions. The Mortgagor agrees that, as to any alteration, addition, construction or improvement to be made upon the Premises, all plans and specifications therefor shall be prepared by or on behalf of the Mortgagor and shall be subject to the Mortgagee's reasonable written approval in advance of the commencement of work; once commenced, all work thereunder shall be prosecuted with due diligence; all construction thereof will be in substantial accordance with the plans and specifications so approved and will comply with all laws, ordinances or regulations made or promulgated by any governmental agency or other lawful authority and with the rules of the applicable National Fire Protection Association. Should the Mortgagor at any time fail to comply with any notice or demand by any governmental agency, which alleges a failure to comply with any such plan, specification, law, ordinance or regulation, such failure shall, at the Mortgagee's option, constitute a default hereunder.

7. Status of Title. The Mortgagor represents and warrants that, upon the recording of the deed conveying the Premises to the Mortgagor, it is the lawful owner of the Mortgaged Property in fee simple, subject to the Permitted Encumbrances. The Mortgagor represents and warrants that it has full right, power and authority to convey and mortgage the Mortgaged Property and to execute this Mortgage. The Mortgagor also agrees to protect, preserve and defend its interest in the Mortgaged Property and title thereto, including full performance of any prior claim or lien; to appear and defend this Mortgage in any action or proceeding affecting or purporting to affect the Mortgaged Property, the lien of this Mortgage thereon or any of the rights of the Mortgagee hereunder, and to pay all reasonable costs and expenses incurred by the Mortgagee in connection with any such action or proceeding, including, without limitation, reasonable attorneys' fees, whether any such action or proceeding progresses to judgment and whether brought by or against the Mortgagee, the Mortgagor, or the Mortgaged Property. The Mortgagee shall be reimbursed for any such costs and expenses in accordance with the provisions of Paragraph B.2 hereof. The Mortgagee may, but shall not be under any obligation to, appear or intervene in any such action or proceeding and retain counsel therein and defend the same or otherwise take such action therein as it may reasonably deem advisable or may settle or compromise the same and, for any of such purposes, may expend and advance such sums of money as it may reasonably deem necessary, and the Mortgagee shall be reimbursed therefor in accordance with the provisions of Paragraph B.2 hereof.

8. Security Interest in Fixtures. This Mortgage shall cover, and the Mortgagor hereby grants to the Mortgagee a security interest in, all fixtures now or hereafter affixed or attached to or incorporated into the Mortgaged Property, including without limitation all furnaces, heating equipment, air conditioners, fans, water heaters, pipes, ducts, wiring and electrical fixtures, conduits, plumbing, sinks, partitions, restroom fixtures, light fixtures, windows and window coverings, and floor, ceiling and wall coverings, and all replacements thereof and substitutions therefor, which, to the fullest extent permitted by law shall be deemed fixtures and a part of the real property. This Mortgage grants to the Mortgagee a security interest solely in the Mortgagor's right, title and interest in fixtures that constitute part of the Mortgaged Property under applicable law, together with replacements of and additions to such fixtures that also constitute fixtures forming part of the Mortgaged Property and identifiable insurance and condemnation proceeds thereof. No security interest is granted in any non-fixture personal property. The Mortgagor shall execute such fixture financing statements, amendments and continuation statements as the Mortgagee may reasonably request solely to perfect or continue the security interest expressly granted by this Section, provided that no such filing shall expand the collateral covered by this Mortgage. The security interest granted by this Section is subject to the Permitted Encumbrances. This Mortgage constitutes a security agreement solely with respect to the fixtures expressly included in the Mortgaged Property.

9. Severability. Should any term, provision, covenant or condition of this Mortgage be held to be void or invalid, the same shall not affect any other term, provision, covenant or condition of this Mortgage, but the remainder hereof shall be effective as though such term, provision, covenant or condition had not been contained herein.

10. Usury Disclaimer. Any provision contained herein or in the Note or in any other instrument now or hereafter evidencing, securing or otherwise relating to any indebtedness secured by this Mortgage to the contrary notwithstanding, neither the Mortgagee nor the holder of any such indebtedness shall be entitled to receive or collect, nor shall the Mortgagor be obligated to pay, interest on any of the secured indebtedness in excess of the maximum rate of interest at the particular time in question, if any, which, under applicable law, the Mortgagee is then permitted to charge the Mortgagor (herein the "Maximum Rate") provided that the Maximum Rate shall be automatically increased or decreased as the case may be, without notice to the Mortgagor from time to time as of the effective time of each change in the Maximum Rate, and if any provision herein or in the Note or in such other instrument shall ever be construed or held to permit the collection or to require the payment of any amount of interest in excess of that permitted by applicable law, the provisions of this Paragraph A.10 shall control and shall override any contrary or inconsistent provision herein or in the Note or in such other instrument. The intention of the parties being to conform strictly to the usury limitations under applicable law, the Note, this Mortgage, and each other instrument now or hereafter evidencing or relating to any indebtedness secured by this Mortgage shall be held subject to reduction to the maximum amount allowed under said applicable law as now or hereafter construed by the courts having jurisdiction, and any payment by the Mortgagor over the Maximum Rate shall be applied to reduce the principal amount due and owing to the Mortgagee.

11. Environmental Representations and Warranties. The respective rights, obligations, representations, warranties, releases and indemnities of the Mortgagor and the Mortgagee concerning environmental matters shall be governed by the Environmental Indemnity Agreement executed in connection with the Loan. In the event of any conflict between this Mortgage and the Environmental Indemnity Agreement concerning environmental matters, the Environmental Indemnity Agreement shall control.

12. Time of the Essence. Time of each payment and performance of each of the Mortgagor's obligations pursuant to the Note, this Mortgage, and each other instrument or obligation of the Mortgagor secured by this Mortgage or given in connection with this Mortgage is specifically declared to be of the essence.

13. No Further Encumbrances. At no time throughout the term of this Mortgage shall the Mortgagor create, incur, assume or suffer to exist any mortgage, lien, security interest, encumbrance, attachment, levy, distraint or other judicial process of any kind on or with respect to any portion of the Property or any interest therein other than Permitted Encumbrances.

14. No Transfer of Title. At no time throughout the term of this Mortgage shall the Mortgagor sell, convey, transfer or alienate any interest in the Property or any part thereof, or permit or effect any other transfer of title to the Property or any interest therein, except as expressly permitted under the Loan Agreement.

15. Inspection of Books/Records. The Bank shall have the right, upon five (5) days prior written notice to the Mortgagor, to inspect and make copies of the Mortgagor's books and records regarding the Property.

B. GENERAL PROVISIONS.

1. Non-Waiver. The Mortgagee's acceptance of any sum after the same is due shall not constitute a waiver of the right either to require prompt payment, when due, of all other sums hereby secured or to declare an Event of Default as herein provided. The acceptance by the Mortgagee of any sum in an amount less than the sum then due shall be deemed an acceptance on account only and upon condition that it shall not constitute a waiver of the obligation of the Mortgagor to pay the entire sum then due, and the Mortgagor's failure to pay said entire sum then due shall be and continue to be a default notwithstanding such acceptance of such amount on account, as aforesaid, and the Mortgagee shall be at all times thereafter and until the entire sum then due shall have been paid, and notwithstanding the acceptance by the Mortgagee thereafter of further sums on account, or otherwise, entitled to exercise all rights in this Mortgage conferred upon the Mortgagee, upon the occurrence of a default, and the right to proceed with a sale under any notice of default and election to sell shall in no way be impaired, whether any of such amounts are received prior or subsequent to such notice. Consent by the Mortgagee to any transaction or action which is subject to consent or approval of the Mortgagee hereunder shall not be deemed a waiver of the right to require such consent or approval to future or successive transactions or actions.

2. Substitute Performance by the Mortgagee. Should an Event of Default exist as a result of the Mortgagor's failure to pay or perform when required hereunder any obligation of the Mortgagor hereunder, the Mortgagee may, but shall not be obligated to, without regard to the adequacy of its security, make such appearances, disburse such sums or take such actions as the Mortgagee reasonably deems necessary to protect the Mortgagee's interest, including, but not limited to disbursement of reasonable attorneys' fees and entry upon the Mortgaged Property to make repairs without further notice or demand to or upon the Mortgagor. The Mortgagor hereby grants to the Mortgagee an easement to enter upon the Property at any time during the existence of an Event of Default, which easement shall continue for the duration of this Mortgage. The payment by the Mortgagee of any delinquent tax, assessment or governmental charge, or any lien or encumbrance which the Mortgagee in good faith believes may be prior to the lien of this Mortgage, or any insurance premium for insurance which the Mortgagor is obligated to provide hereunder but which the Mortgagee in good faith believes has not been supplied, shall be conclusive between the Mortgagor and the Mortgagee as to the propriety and amount so paid. The Mortgagee shall be subrogated to all rights, equities and liens discharged by any such expenditure. After any Default hereunder and whether or not any action is instituted to enforce any provision of this Mortgage or the Note, the Mortgagor promises to pay to the Mortgagee, as incurred, all reasonable sums incurred by the Mortgagee for attorneys' fees and costs to enforce this Mortgage or the Note or to defend any claims arising from this Mortgage or the Note. Any amounts so paid pursuant to this Paragraph B.2, or the cost of such performance, together with all costs and expenses incurred by the Mortgagee in connection with such payment or performance, and any amounts for which the Mortgagor is specifically obligated to reimburse the Mortgagee pursuant to provisions hereof, including reasonable attorneys' fees and interest on all such amounts at the default rate, as described in the Note, from the date paid by the Mortgagee until repaid to the Mortgagee, shall be payable by the Mortgagor to the Mortgagee immediately upon notice to the Mortgagor of the amount owing, without further demand, shall be secured by this Mortgage and shall be added to the judgment in any suit brought by the Mortgagee against the Mortgagor. Failure to pay any such amount within ten (10) business days after notice to the Mortgagor of the amount owing shall constitute an Event of Default hereunder and the Mortgagee may, at its option, accelerate and demand full payment of all amounts secured hereby.

3. Relief from Bankruptcy Stay. The Mortgagor agrees that, in the event that the Mortgagor, any Guarantor or any of the persons or parties constituting the Mortgagor or a Guarantor shall: (a) file with any bankruptcy court of competent jurisdiction; (b) be the subject of any order for relief entered under the Bankruptcy Code; (c) file any petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any present or future federal or state act or law relating to bankruptcy, insolvency, or other relief for debtors; (d) have sought or consented to or acquiesced in the appointment of any trustee, receiver, conservator, or liquidator; (e) be the subject of any order, judgment, or decree entered by any court of competent jurisdiction approving a petition filed against such party for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any present or future federal or state act or law relating to bankruptcy, insolvency, or relief for debtors, or (f) be the subject of any petition under the Bankruptcy Code that is not dismissed or stayed within sixty (60) days, then the Bank shall thereupon be entitled and the Mortgagor irrevocably consents to immediate and unconditional relief from any automatic stay imposed by Section 362 of the Bankruptcy Code, or otherwise, on or against the exercise of the rights and remedies otherwise available to the Bank as provided for herein, in the Note, other Loan Documents and as otherwise provided by law, and the Mortgagor hereby irrevocably waives any right to object to such relief and will not contest any motion by the Bank seeking relief from the automatic stay and the Mortgagor will cooperate with the Bank, in any manner requested by the Bank, in its efforts to obtain relief from any such stay or other prohibition.

4. Powers of the Mortgagee. At any time or from time to time, without liability therefor and without notice, without affecting the personal liability of any person or entity for the payment of the indebtedness secured hereby and without affecting the lien of this Mortgage upon the Mortgaged Property for the full amount of all amounts secured hereby, the Mortgagee may (a) release all or any part of the Mortgaged Property, (b) consent to the making of any map or plat thereof, (c) join in granting any easement thereon or in creating any covenants or conditions restricting use or occupancy thereof, or (d) join in any extension agreement or in any agreement subordinating the lien or charge hereof.

5. Certain Definitions. The term “Mortgagee” means the original Mortgagee hereunder, its successors or assigns, and any future owner and holder, including pledgee, of the Note. All obligations of each Mortgagor hereunder are joint and several, and this Mortgage in all its parts applies to and binds the heirs, personal representatives, administrators, executors, successors and assigns of all and each of the parties hereto. If the Mortgagor is two or more entities or persons, the term “Mortgagor” as used herein shall refer to them collectively, as well as individually.

The term “Permitted Encumbrances” means (a) the title exceptions shown in the final lender’s title policy and accepted by the Mortgagee at closing, (b) liens created in favor of the Mortgagee pursuant to the Loan Documents, liens and security interests arising under the Fifth Third Loan Documents, (c) general real estate taxes and assessments and special real estate taxes and assessments, if any, and (d) other liens expressly permitted under the Loan Agreement.

The term “Fifth Third Loan Documents” has the meaning assigned to such term in the Loan Agreement.

6. Amendment. No alteration, amendment or waiver of this Mortgage, or the Note shall be effective unless in writing and signed by the parties sought to be charged or bound thereby.

7. Governing Law. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, THIS MORTGAGE WAS NEGOTIATED IN THE STATE OF NEW JERSEY (THE "STATE"), AND MADE BY MORTGAGOR AND ACCEPTED BY MORTGAGEE IN THE STATE, AND THE PROCEEDS OF THE NOTE WERE DISBURSED FROM THE STATE, WHICH STATE THE PARTIES AGREE HAS A SUBSTANTIAL RELATIONSHIP TO THE PARTIES AND TO THE UNDERLYING TRANSACTION EMBODIED HEREBY, AND IN ALL RESPECTS, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, THIS MORTGAGE AND THE OBLIGATIONS ARISING HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE, APPLICABLE TO CONTRACTS MADE AND PERFORMED IN THE STATE (WITHOUT REGARD TO PRINCIPLES OF CONFLICT LAWS) AND ANY APPLICABLE LAW OF THE UNITED STATES OF AMERICA, EXCEPT THAT IF THE PROPERTY IS LOCATED IN A JURISDICTION OTHER THAN THE STATE, THEN AT ALL TIMES THE PROVISIONS FOR THE CREATION, PERFECTION, AND ENFORCEMENT OF THE INTERESTS CREATED PURSUANT HERETO AND PURSUANT TO THE OTHER LOAN DOCUMENTS WITH RESPECT TO THE PROPERTY SHALL BE GOVERNED BY AND CONSTRUED ACCORDING TO THE LAW OF THE JURISDICTION IN WHICH THE PROPERTY IS LOCATED. TO THE FULLEST EXTENT PERMITTED BY LAW, MORTGAGOR HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVES ANY CLAIM TO ASSERT THAT THE LAW OF ANY OTHER JURISDICTION GOVERNS THIS MORTGAGE AND THE NOTE.

Nothing in this Mortgage, the Note or in any other Loan Documents between Mortgagor and Mortgagee shall require Mortgagor to pay, or Mortgagee to accept, interest in an amount which would subject Mortgagee to any penalty or forfeiture under applicable law. In the event that the payment of any charges, fees or other sums due hereunder or under the Note or any other Loan Documents, which are or could be held to be in the nature of interest and which would subject Mortgagee to any penalty or forfeiture under applicable law, then, ipso facto, the obligations of Mortgagor to make such payment shall be reduced to the highest rate authorized under applicable law. Should Mortgagee receive any payment which is or would be in excess of the highest rate authorized under law, such payment shall have been, and shall be deemed to have been, made in error, and shall automatically be applied to reduce the outstanding principal balance of the indebtedness secured hereby.

All covenants hereof shall be construed as affording to Mortgagee rights additional to and not exclusive of the rights conferred under the provisions of the laws of the State of New Jersey and the State of Illinois (as applicable), or any other applicable law.

8. Waiver of Jury Trial. The parties mutually, expressly, irrevocably and unconditionally waive trial by jury in any action arising out of or in connection with this Mortgage.

9. Statement Fee. For any statement requested by the Mortgagor regarding the obligations and indebtedness secured by this Mortgage, or regarding the amounts held in any impound or reserve fund established hereunder, the Mortgagee may charge a reasonable fee, not to exceed any maximum amount provided by any applicable law at the time of the request therefor.

10. Notices.

(a) All notices required or permitted to be given hereunder shall be delivered in person or by United States mail, postage prepaid, registered or certified with return receipt requested. If any written notice is mailed, it shall be deemed effective on the earlier of actual receipt or on the third (3rd) calendar day following the date of mailing. Notice given in person shall be effective only if, and when, received. The addresses of the parties for delivery of notices shall be the addresses set forth above.

(b) Any party may change its address for notice hereunder to any other location within the continental United States by giving ten (10) days notice to other parties in the manner set forth above.

11. Representations and Warranties of the Mortgagor. The Mortgagor hereby represents and warrants as follows:

(a) That this Mortgage, the Note and all other documents executed and delivered to the Mortgagee in connection herewith were executed in accordance with the requirements of law and are valid, binding and enforceable in accordance with their terms.

(b) That the execution of this Mortgage, the Note and any other document executed and delivered to the Mortgagee in connection herewith, and the full and complete performance of the provisions hereof and thereof, will not result in any breach of, or constitute a default under any indenture, mortgage, bank loan or credit agreement or other agreement or instrument to which the Mortgagor is a party or by which the Mortgagor is bound, and will not result in the creation of any lien, charge or encumbrance other than the Mortgage and the Permitted Encumbrances upon any property or assets of the Mortgagor.

(c) That upon the recording of the deed conveying the Premises to the Mortgagor, the Mortgagor is the owner of the Mortgaged Property.

(d) To the Mortgagor's knowledge and based upon the zoning report and other property diligence delivered to the Mortgagee, the existing improvements and the intended use of the Premises comply in all material respects with applicable zoning, planning, building, subdivision and other governmental requirements, except as disclosed in writing to the Mortgagee.

(e) The Premises are composed of one or more whole tax parcels with a separate tax assessment, independent of any land or improvements not encumbered by this Mortgage.

(f) There is no litigation pending or, to the best of the Mortgagor's knowledge, threatened against the Mortgaged Property. There is no litigation pending or, to the best of the Mortgagor's knowledge, threatened against the Mortgagor, which might, so far as the Mortgagor can now reasonably foresee, have a material adverse effect on the Mortgagor's ability to repay the Note or to perform the provisions of this Mortgage or of any other document delivered to the Mortgagee in connection herewith. The Mortgagor has disclosed all litigation pending and threatened against the Mortgagor to the Mortgagee in writing, and will disclose all future such litigation to the Mortgagee in writing within thirty (30) days of its receipt of notice thereof.

(g) The Mortgaged Property complies with all applicable subdivision laws, ordinances, regulations, rules and other requirements.

(h) The Mortgagor is not in default with respect to any existing indebtedness or obligation.

(i) The Mortgagor has the power and authority to enter into and perform all terms and conditions of this Mortgage, the Note, and all other documents executed in connection with this transaction, and to incur the obligations herein and therein provided for.

(j) Unless previously disclosed to the Mortgagee in writing, the Mortgagor has not made any agreement or taken any action which may cause anyone to become entitled to a commission or finder's fee as a result of the making of any loan to the Mortgagor by the Mortgagee.

These representations and warranties may be relied upon by the Mortgagee with or without investigation by the Mortgagee and they shall survive any such investigation, and shall continue and may be relied upon by the Mortgagee until all obligations secured by this Mortgage have been paid in full.

12. Extensions and Modifications. From time to time, without affecting the obligation of the Mortgagor or the Mortgagor's successors or assigns to pay the sums secured by this Mortgage and to observe the obligations of the Mortgagor contained herein, without affecting the guaranty of any person, corporation, partnership or other entity for payment of the indebtedness secured hereby, and without affecting the lien or priority of lien hereof on the Mortgaged Property, the Mortgagee may, at the Mortgagee's option, without giving notice to or obtaining the consent of the Mortgagor, the Mortgagor's successors or assigns or of any other lienholders or guarantors, and without liability on the Mortgagee's part, extend the time for payment of said indebtedness or any part thereof, reduce the payments thereon, release anyone liable on any of said indebtedness, accept a renewal note or notes therefor, modify the terms and time of payment of said indebtedness, release from this Mortgage any part of the Mortgaged Property, take or release other or additional security, reconvey any part of the Mortgaged Property, consent to the granting of any easement or dedication, join in any extension or subordination agreement and agree in writing with any person obligated to pay the same to modify the rate of interest or period of amortization of any indebtedness secured hereby or change the amount of the installments payable thereon. The Mortgagor shall pay the Mortgagee a reasonable service charge, together with such title insurance premiums and attorneys' fees as may be incurred by the Mortgagee in connection with any such action. the priority of the lien of this Mortgage with respect to any and all modifications (as so defined) shall relate back to and remain as it was at time of the recording of this Mortgage (as if such modification were originally included in this Mortgage or as if the modification occurred at the time of the recording of this Mortgage), as provided in such statute.

13. Waiver by the Mortgagor. The Mortgagor waives any requirement of presentment, demand for payment, notice of nonpayment or late payment, protest, notice of protest, notice of dishonor, and all other formalities. The Mortgagor waives all rights and/or privileges it might otherwise have to require the Mortgagee to proceed against or to pursue any remedy available to the Mortgagee in any particular manner or order as to any particular collateral, person or entity under any legal or equitable doctrine or principle including, without limitation, marshalling of assets and/or suretyship principles, and further agrees that the Mortgagee may proceed against the Mortgaged Property and any other Collateral expressly granted to the Mortgagee under the Loan Documents in the event of Default in such order and manner as the Mortgagee in its sole discretion may determine. Any Mortgagor that has signed this Mortgage as a surety or accommodation party, or that has subjected its property to this Mortgage to secure the indebtedness of another, hereby expressly waives any defense arising by reason of the cessation from any cause whatsoever of the liability of the Mortgagor, and waives the benefit of any statutes of limitation affecting the enforcement hereof.

14. Corrections. The Mortgagor will, upon request of the Mortgagee, promptly correct any defect, error or omission which may be discovered in the contents of this Mortgage or in the execution or acknowledgement hereof, and will execute, acknowledge and deliver such further documents and do such further acts as may be necessary or as may be reasonably requested by the Mortgagee to carry out more effectively the purposes of this Mortgage, and to perfect and maintain the liens and security interests expressly granted herein; provided that no such document or act shall expand the collateral covered by this Mortgage.

15. Mortgagee Indemnification. The Mortgagor shall and does hereby agree to indemnify and to hold the Mortgagee and the Mortgagee's affiliates and parent companies, and all of its and their respective officers, directors, employees and agents (the "Indemnified Parties"), harmless from and against all claims, demands, liabilities, losses or damages (including all related costs, expenses, and reasonable attorney's fees) asserted against, imposed on or incurred by the Indemnified Parties in connection with or as a result of this Mortgage or the exercise of any rights or remedies under this Mortgage or by reason of any alleged obligations or undertakings of the Mortgagee to perform or discharge any of the terms, covenants or agreements contained in this Mortgage. Should the Mortgagee incur any such liability, the amount thereof, together with interest thereon at the Default Rate stated in the Note, shall be secured hereby and the Mortgagor shall reimburse the Mortgagee therefor immediately upon demand.

16. Registration and Recording Fees. The Mortgagor will pay all filing, registration or recording fees, taxes and other charges, and all costs and expenses incident to the execution, acknowledgment, delivery and recording and/or filing of this Mortgage, the other Loan Documents, any mortgage supplemental hereto, any other security instrument with respect to fixtures constituting part of the Mortgaged Property, and any instrument of further assurance, and all Federal, state, county and municipal stamp taxes and other taxes, duties, impositions, assessments and charges arising out of or in connection with the execution and delivery of the Note, this Mortgage or any mortgage supplemental hereto, any security instrument with respect to fixtures constituting part of the Mortgaged Property, any other Loan Document or any instrument of further assurance.

17. Late Payment Charge. The Mortgagor acknowledges that late payment to the Mortgagee will cause the Mortgagee to incur costs not contemplated by this Mortgage. Such costs include, without limitation, processing and accounting charges. Therefore, any late payment shall be subject to a late charge as set forth in the Note. The parties agree that this late charge represents a reasonable sum considering all of the circumstances existing on the date of this Mortgage and represents a fair and reasonable estimate of the costs that the Mortgagee will incur by reason of the late payment. The parties further agree that proof of actual damages would be costly or inconvenient. Acceptance of any late charge shall not constitute a waiver of the Default with respect to the overdue amount, and shall not prevent the Mortgagee from exercising any of the other rights and remedies available to the Mortgagee.

18. Fifth Third Loan Documents. The Mortgagee acknowledges and agrees that the Loan and the related guaranties and liens contemplated by the Loan Documents are intended to constitute Indebtedness, Contingent Obligations and Liens permitted under the Fifth Third Credit Agreement. The Mortgagee acknowledges and agrees that the existence, continuation and performance of the indebtedness, guaranties, liens, security interests and other obligations arising under the Fifth Third Loan Documents, and the exercise by Fifth Third Bank, National Association, as Agent, of its rights and remedies thereunder, shall not constitute a breach, default or Event of Default under this Mortgage or any other Loan Document and to the extent any representation or covenant herein or in any Loan Document is inconsistent with the provisions of the Fifth Third Credit Agreement, such representation or covenant is hereby deemed modified so as to conform thereto. Nothing in this Mortgage or any other Loan Document shall require the Mortgagor or any Guarantor to grant any lien or security interest, make any pledge, or take or omit any other action that would violate the Fifth Third Loan Documents.

C. DEFAULT PROVISIONS.

1. Events of Default. The occurrence of any Event of Default as defined in the Loan Agreement shall constitute an Event of Default under this Mortgage.

2. Remedies Upon Default. Upon the occurrence and during the continuance of an Event of Default hereunder, the Mortgagee may, at its option, declare all indebtedness secured by this Mortgage immediately due and payable, and collectible without notice, regardless of maturity, and irrespective of whether the Mortgagee exercises such option, and regardless of (i) the Mortgagee’s delay in exercising such option, (ii) the Mortgagee’s failure to exercise such option on the occasion of any prior Default or (iii) the adequacy of the Mortgagee’s security, the Mortgagee may, at its option and in its sole discretion, without prior notice or demand to or upon the Mortgagor, do any one or more of the following:

(a) Declare the Loan to be immediately due and payable, and thereupon the same shall become immediately due and payable, together with any and all other sums owing to the Bank pursuant to the Note, the Loan Agreement, this Mortgage and/or any other Loan Document;

(b) Recover judgment against the Mortgagor for the indebtedness outstanding; and neither the recovery of judgment nor the levy of execution on the Property, shall affect the Bank's rights hereunder or the lien hereof;

(c) Enter upon and take possession of the Property with all process under applicable law, or have a receiver of the rents, issues and profits thereof appointed (the appointment of which is hereby consented to by the Mortgagor), without proof of depreciation in the value of the Property, inadequacy of the Property, or insolvency of the Mortgagor; and the Bank or the receiver may lease the Property, in the name of the Mortgagor, the Bank or the receiver, and may receive the rents, issues and profits and apply the same:

(i) To the payment of expenses of leasing, operating, maintaining, repairing and improving the Property, including renting commissions and rental collection commissions paid to an agent of the Bank or of the receiver; and/or

(ii) On account of the indebtedness owed to the Bank, in such order and in such amounts as the Bank or the receiver determines; but while in possession of the Property, the Bank or the receiver shall be liable to account only for the rents, issues and profits actually received.

Without limiting the generality of the foregoing, the Bank shall have all right, power, authority and duties as provided in the Illinois Mortgage Foreclosure Law, as amended (Illinois Compiled Statutes 735 ILCS 5/15 1001, et. seq.) (the "IMF Law"). Nothing herein contained shall be construed as constituting the Bank as mortgagee-in-possession in the absence of the actual taking of possession by the Bank of the Property.

(d) Take such other action to protect and enforce the Bank's rights hereunder and the lien hereof, as the Bank deems advisable, including:

(i) The foreclosure hereof and, in any proceeding to enforce any liability for the Loan, the Mortgagor shall not assert, as a defense, that the Bank failed to foreclose any such rights or that any such rights adversely affected the value of the Property;

(ii) The sale of the Property, in a foreclosure proceeding, in one or several parcels, at the Bank's option and without obligation to have the Property marshalled;

(iii) The exercise by the Bank of all rights under the Loan Documents; and

(iv) Set off immediately without notice or other action any money owed by the Bank in any capacity to the Mortgagor against any of the Mortgagor's liability to the Bank, whether due or not, and the Bank shall be deemed to have exercised such right of setoff and to have made a charge against any such money immediately upon the occurrence of such event of default, even though the actual book entries may be made at some time subsequent thereto.

(e) To the extent permitted by law, the Mortgagor hereby waives presentment, demand, protest and all other notices of any kind. To the extent permitted by law, the Mortgagor hereby further expressly waives and covenants not to assert any stay, extension, redemption or similar laws, now or at any time hereafter in force which might delay, prevent or otherwise impede the performance or enforcement of this Mortgage, the Note and/or any other Loan Document.

(f) The Mortgagee may take any other appropriate action permitted by applicable law.

3. Deficiency; Liabilities and Rights After Default. To the extent permitted by law, the Mortgagor shall be and remain liable for any deficiency remaining after sale either pursuant to the Uniform Commercial Code, judicial proceedings, or otherwise. Upon the occurrence and during the continuance of an Event of Default or the occurrence of an event which after the passage of time or giving of notice, or both, could become an Event of Default, the Mortgagor shall pay the Mortgagee's reasonable attorneys' fees, the Mortgagee's fees and its reasonable costs and expenses incurred as a result of said Event of Default or other such event, and if suit is brought, all costs of suit, all of which sums shall be secured by this Mortgage. The Mortgagor's statutory rights of reinstatement, if any, are expressly conditioned upon the Mortgagor's payment of all sums required under the applicable statute and performance of all required acts.

4. Right of Setoff. In addition to any rights now or hereafter granted under applicable law and not by way of limitation of any such rights, the Mortgagee is hereby authorized by the Mortgagor at any time or from time to time, without notice to the Mortgagor, any guarantor or endorser of the Note or any other indebtedness or obligation secured by this Mortgage, or any other person, any such notice being hereby expressly waived, to set off any obligations or liabilities any time held or owing by the Mortgagee to or for the credit or the account of the Mortgagor or any such guarantor or endorser against the obligations and liabilities of the Mortgagor or any such guarantor or endorser to the Mortgagee, including, but not limited to, all claims of any nature or description arising out of or connected with this Mortgage, the Note or any other indebtedness or obligation secured by this Mortgage, irrespective of whether or not (a) the Mortgagee shall have made any demand hereunder or (b) the Mortgagee shall have declared the principal of and interest on the Note to be due and owing and although said obligations and liabilities, or any of them, shall be contingent and unmatured.

5. Foreclosure Procedure. The Mortgagor hereby expressly waives, to the extent permitted by law, any right which it may have to direct the order in which any of the Mortgaged Property shall be sold in the event of any sale or sales pursuant hereto.

6. Foreclosure Purchase. Upon any sale of the Mortgaged Property, if the holder of the Note is a purchaser at such sale, it shall be entitled to use and apply all or any portion of the indebtedness then secured by this Mortgage for or in settlement or payment of all or any portion of the purchase price of the Mortgaged Property purchased.

7. Cumulative Remedies. No remedy herein conferred upon or reserved to the Mortgagee is intended to be exclusive of any other remedy herein or by law provided, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy given by this Mortgage to the Mortgagee, or to which it may be otherwise entitled, may be exercised from time to time and as often as may be deemed expedient by the Mortgagee, and the Mortgagee may pursue inconsistent remedies. The unenforceability of any provision in this Mortgage shall not affect the enforceability of any other provision herein. If there exists additional security for the performance of the obligations secured hereby, the Mortgagee, at its sole option, and without limiting or affecting any rights or remedies hereunder, may exercise any of the rights and remedies to which it may be entitled hereunder either concurrently with whatever other rights it may have in connection with such other security or in such order as it may determine.

8. Marshalling of Assets. The Mortgagor agrees that all of the Mortgaged Property constitutes equal security for all of the obligations secured hereby, and the Mortgagor agrees that the Mortgagee shall be entitled to sell, retain or otherwise deal with any or all of the Mortgaged Property, in any order or simultaneously as the Mortgagee shall determine in its sole and absolute discretion, free of any requirement for the marshalling of assets or other restriction upon the Mortgagee in dealing with the Mortgaged Property.

9. Use and Occupancy. In addition to the rights which the Bank may have herein, upon the occurrence and during the continuance of any Event of Default, the Bank, at its option, may require the Mortgagor to pay monthly in advance to the Bank, or any receiver appointed to collect the Rents, the fair and reasonable rental value for the use and occupancy of such part of the Mortgaged Property as may be occupied by the Mortgagor or may require the Mortgagor to vacate and surrender possession of the Mortgaged Property to the Bank or to such receiver and, in default thereof, the Mortgagor may be evicted by summary proceedings or otherwise.

10. Actions and Proceedings. The Bank has the right to appear in and defend any action or proceeding brought with respect to the Mortgaged Property and to bring any action or proceeding, in the name and on behalf of the Mortgagor, which the Bank, in its sole discretion, decides should be brought to protect its interest in the Mortgaged Property. The Bank shall, at its option, be subrogated to the lien of any mortgage or other security instrument discharged in whole or in part by the indebtedness owed to the Bank, and any such subrogation rights shall constitute additional security for the payment of the indebtedness owed to the Bank.

D. SECURITY INTERESTS; FIXTURE FINANCING STATEMENT.

This Mortgage creates a security interest in only those fixtures owned by the Mortgagor that constitute part of the Mortgaged Property under applicable law and constitutes a “Security Agreement” as defined in revised Article 9 of the Illinois Uniform Commercial Code solely with respect to such fixtures. From the date of its recording, this Mortgage shall be effective as a fixture financing statement with respect to all goods constituting part of the Property which are or are to become fixtures related to the real estate described herein. For this purpose, the following information is set forth:

(a) Name and Address of Debtor:

LINCOLN TECHNICAL INSTITUTE, INC.
14 Sylvan Way, Suite A
Parsippany, New Jersey 07054

(b) Name and Address of Secured Party:

Provident Bank
10 Woodbridge Center Drive, 3rd Floor
Woodbridge, New Jersey 07095

The Mortgagor shall execute and file such other financing statements as the Bank shall reasonably require from time to time solely to perfect or continue the Bank's security interest in such fixtures. The Bank may file continuation statements and amendments that do not add collateral or otherwise expand the security interest granted herein. The Mortgagor agrees to pay any and all filing and recording fees or other charges with respect to such documents.

E. MISCELLANEOUS.

1. Mortgagor shall execute and deliver to the appropriate governmental authority any affidavit, instrument, document and/or filing required pursuant to any applicable statute, ordinance, rule and/or regulation in connection with the Property, the Note and other Loan Documents and/or the business and affairs of Mortgagor.

2. Mortgagor expressly covenants and agrees to pay in full the reasonable fees and expenses of the Bank's counsel, promptly upon the receipt of a statement therefor, which are incurred, to the extent not prohibited under law, prior to and after the date hereof and which fees and expenses arise in connection with any matter incidental to the Loan that is evidenced by the Note and secured by this Mortgage and those fees and expenses that are incurred after the date hereof which fees and expenses arise in connection with the enforcement of any document executed in connection with the Loan.

3. The Mortgagor shall pay any and all taxes, charges, fees and/or levies by reason of Mortgagee's ownership of and interest in the Note, this Mortgage or the other Loan Documents and/or resulting from the exercise by Mortgagee of any of its rights and/or remedies provided for under this Mortgage, except for income taxes. The obligations assumed by Mortgagor pursuant to this Section shall survive the exercise by Mortgagee of any of its rights and/or remedies under this Mortgage.

4. Mortgagor acknowledges and agrees that the total principal amount of the Loan secured hereby shall not exceed the original principal amount stated in the Note, which shall not exceed Fifteen Million Forty Thousand and 00/100 Dollars ($15,040,000.00).

5. Mortgagor acknowledges and agrees that upon or at any time after the filing of any complaint to foreclose the lien of this Mortgage, the court may appoint upon petition of Mortgagee, and at Mortgagee's sole option, a receiver of the Property pursuant to the IMF Law subject to compliance with the IMF Law. Such appointment may be made either before or after sale, without notice; without bond being required of the applicant if permitted under applicable law; and Mortgagee hereunder or any employee or agent thereof may be appointed as such receiver. Such receiver shall have all powers and duties prescribed by the IMF Law, including the power to take possession, control and care of the Property and to collect all rents, issues, deposits, profits and avails thereof during the pendency of such foreclosure suit and apply all funds received toward the indebtedness secured by this Mortgage, and in the event of a sale and a deficiency where Mortgagor has not waived its statutory rights of redemption, during the full statutory period of redemption, as well as during any further times when Mortgagor or its devisees, legatees, administrators, legal representatives, successors or assigns, except for the intervention of such receiver, would be entitled to collect such rents, issues, deposits, profits and avails, and shall have all other powers that may be necessary or useful in such cases for the protection, possession, control, management and operation of the Property during the whole of any such period. To the extent permitted by law, such receiver may extend or modify any then existing leases and make new leases of the Property or any part thereof, which extensions, modifications and new leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the maturity date of the Loan, it being understood and agreed that any such leases, and the options or other such provisions to be contained therein, shall be binding upon Mortgagor and all persons whose interests in the Property are subject to the lien hereof, and upon the purchaser or purchasers at any such foreclosure sale, notwithstanding any redemption from sale, discharge of indebtedness, satisfaction of foreclosure decree or issuance of certificate of sale or deed to any purchaser.

6. To the full extent permitted by law, Mortgagor hereby expressly waives any and all rights of redemption under the IMF Law, on its own behalf, on behalf of all persons claiming or having an interest (direct or indirect) by, through or under Mortgagor and on behalf of each and every person acquiring any interest in or title to the Property subsequent to the date hereof, it being the intent hereof that any and all such rights of redemption of Mortgagor and such other persons, are and shall be deemed to be hereby waived to the full extent permitted by applicable law. To the full extent permitted by law, Mortgagor hereby agrees that no action for the enforcement of the lien or any provision hereof shall be subject to any defense which would not be good and valid in an action at law upon the Note. Mortgagor acknowledges that the Property do not constitute agricultural real estate as defined in Section 5/15-1201 of the IMF law or residential real estate as defined in Section 5/15-1219 of the IMF Law. Mortgagor covenants that the proceeds of the loan secured by this Mortgage will be used for business purposes and that the loan secured hereby constitutes a "business loan" within the meaning of subparagraph 1(c) contained in Section 205/4 of Chapter 815 of the Illinois Compiled Statutes, as amended, and to the fullest extent permitted by law, Mortgagor hereby voluntarily and knowingly waives its rights to reinstatement and redemption as allowed under Section 15-1601(b) of the IMF Law, and to the full extent permitted by law, the benefits of all present and future valuation, appraisement, homestead, exemption, stay, redemption and moratorium law, under any state or federal law.

7. Mortgagor acknowledges and agrees that:

   i. In the event that any provision in this Mortgage shall be inconsistent with any provisions of the IMF Law, the provision of the IMF Law, shall take precedence over the provisions of this Mortgage, but shall not invalidate or render unenforceable any other provision of this Mortgage that can be construed in a manner consistent with the IMF Law. If any provision in this Mortgage shall be inconsistent with any non-waivable provision of the IMF Law, the non-waivable provisions of the IMF Law shall take precedence over the provisions of this Mortgage, but shall not invalidate or render unenforceable any other provision of this Mortgage that can be construed in a manner consistent with the IMF Law. If any provision of this Mortgage shall grant to the Bank (including the Bank acting as a mortgagee-in-possession) or a receiver appointed pursuant to this Mortgage any powers, rights or remedies prior to, upon the occurrence and during the continuance of an Event of Default which are more limited than the powers, rights or remedies that would otherwise be vested in the Bank or in such receiver under the IMF Law in the absence of said provision, the Bank and such receiver shall be vested with the powers, rights and remedies granted in the IMF Law to the full extent permitted by law. Without limiting the generality of the foregoing, all expenses incurred by the Bank which are of the type referred to in Section 5/15-1510 or 5/15-1512 of the IMF Law, whether incurred before or after any decree or judgment of foreclosure, and whether or not enumerated in this Mortgage, shall be added to the Indebtedness and/or by the judgment of foreclosure.

   ii. Mortgagor and Mortgagee shall have the benefit of all of the provisions of the IMF Law, including all amendments thereto which may become effective from time to time after the date hereof. In the event any provision of the IMF Law which is specifically referred to herein may be repealed, to the extent permitted by applicable law, Mortgagee shall have the benefit of such provision as most recently existing prior to such repeal, as though the same were incorporated herein by express reference.

   iii. If any provision of this Mortgage shall grant to Mortgagee any rights or remedies upon default of Mortgagor which are more limited than the rights that would otherwise be vested in Mortgagee under the IMF Law in the absence of said provision, Mortgagee shall be vested with the rights granted in the IMF Law to the full extent permitted by law.

iv. Without limiting the generality of the foregoing, all expenses incurred by Mortgagee to the extent reimbursable under any provisions of the IMF Law, whether incurred before or after any decree or judgment of foreclosure shall be added to the indebtedness hereby secured or by the judgment of foreclosure.

8. To the extent Mortgagee receives any payment by or on behalf of Mortgagor, which payment or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to Mortgagor or its respective estate, trustee, receiver, custodian or any other party under any bankruptcy law, state or federal law, common law or equitable cause, then to the extent of such payment or repayment, the obligation or part thereof which has been paid, reduced or satisfied by the amount so repaid shall be reinstated by the amount so repaid and shall be included within the indebtedness hereby secured as of the date such initial payment, reduction or satisfaction occurred.

9. [Reserved]

10. If title to the Property or any part thereof is now or hereafter becomes vested in a trustee, any prohibition or restriction contained herein against the creation of any lien on the Property shall be construed as a similar prohibition or restriction against the creation of any lien on or security interest in the beneficial interest of such trust.

11. [Reserved]

12. The maturity date or due date of the Note is August 1, 2036.

[NO FURTHER TEXT ON THIS PAGE. SIGNATURE PAGE TO FOLLOW.]

IN WITNESS WHEREOF, the Mortgagor has executed this Mortgage as of the day and year set forth above.

MORTGAGOR:

Witness:

LINCOLN TECHNICAL INSTITUTE, INC.,
a New Jersey corporation

/s/ Dario Sousa
Name: Dario Sousa

By: */s/ David B. Shaw*
Name: David B. Shaw
Title: Senior Vice President, Finance

ACKNOWLEDGMENT

STATE OF NEW JERSEY)
) ss.:
COUNTY OF MORRIS)

I certify that on this 23rd day of June, 2026, personally appeared before me David B. Shaw who I am satisfied is the person who signed the within instrument as Senior Vice President, Finance of **LINCOLN TECHNICAL INSTITUTE, INC.**, a New Jersey corporation, and he/she acknowledged that the attached document was made by the corporation and sealed with its corporate seal, was signed, sealed and delivered by him/her as such officer and is the voluntary act of the corporation, made by virtue of authority from its Board of Directors.

Witness my hand and official seal, this 23rd day of June, 2026.

/s/ Karen Dempsey
Notary Public

SCHEDULE A

Description of Property

Parcel 1:

Lot 2 in final plat of H.S.A SUBDIVISION, being a subdivision of part of the Northeast 1/4 of Section 2, Township 39 North, Range 12 East of the Third Principal Meridian, according to the plat thereof recorded on December 29, 1994 as Document No. 04079303;

EXCEPTING THEREFROM the following:

Exception Number 1:

Commencing at the Southeast corner of said Lot 2, said corner being the South terminus point of the most Easterly line; THENCE NORTH 00 degrees 09 minutes 46 seconds West, along said Easterly line, 39.00 feet to the Point of Beginning; thence continuing North 00 degrees 09 minutes 46 seconds West, along said Easterly line, 33.00 feet to the Southeast corner of Lot 1 in SAID H.S.A. SUBDIVISION; thence South 89 degrees 50 minutes 14 seconds West, along the South line of said Lot 1, a distance of 110.00 feet; THENCE NORTH 69 degrees 35 minutes 46 seconds West, along the Southerly line of said Lot 1, a distance of 49.10 feet; thence South 24 degrees 35 minutes 46 seconds East 55.19 feet to a point 33.00 feet South of as measured perpendicular to the South line of said Lot 1; THENCE NORTH 89 degrees 50 minutes 14 seconds East, Parallel with said South line, 133.14 feet to the Point of Beginning,

Exception Number 2:

That part of Lot 2 in FINAL PLAT OF H.S.A. SUBDIVISION, being a subdivision of part of the Northeast 1/4 of Section 2, Township 39 North, Range 12, East of the Third Principal Meridian, according to the plat thereof recorded on December 29, 1994 as Document No. 040793-3, in Cook County, Illinois, further described as follows:

Beginning at the Northeast corner of said Lot 2, said corner being the East terminus point of the most Northerly line of said Lot 2: thence South 89 Degrees 49 minutes 58 seconds West, along said Northerly line, 86.90: thence South 25 degrees 40 minutes 00 seconds East 250.00; THENCE NORTH 65 degrees 24 minutes 14 seconds East 47.00 feet to the Northerly extension of the Easterly line of said Lot 2 in H.S.A. SUBDIVISION, said Easterly line bearing North 24 Degrees 35 minutes 46 seconds West 122.11 feet; thence South 24 degrees 35 minutes 46 seconds East, along said Northerly extension, 46.00 feet to the North terminus point of said Easterly line; THENCE NORTH 00 degrees 09 minutes 46 seconds West, along the Easterly line of said Lot 2, a distance of 70.00 feet; THENCE NORTH 25 degrees 02 minutes 11 seconds West, along the Easterly line of said Lot 2, 196.29 feet to the Point of Beginning.

{continued on following page}

Exception Number 3:

That part of Lot 2 in FINAL PLAT OF H.S.A. SUBDIVISION of part of the Northeast 1/4 of Section 2, Township 39 North, Range 12 East of the Third Principal Meridian, according to the plat thereof recorded on December 29, 1994 as Document No. 04079303, in Cook County, Illinois, further described as follows:

Beginning at the Southeast corner of said Lot 2, said corner being the South terminus point of the most Easterly line of said Lot 2; THENCE NORTH 00 degrees 09 minutes 46 seconds West, along said Easterly line, 39.00 feet to a point, said point being 33.00 feet to a point, said point being 33.00 feet South of as measured perpendicular to the original South line of Lot 1 in H.S.A. SUBDIVISION;

thence South 89 degrees 50 minutes 14 seconds West 133.14 feet; THENCE NORTH 24 degrees 35 minutes 46 seconds West 55.19 feet to the South line of Lot 1 in said H.S.A. Subdivision; THENCE NORTH 69 Degrees 35 minutes 46 seconds West along said South line, 5.90 feet; thence South 89 degrees 50 minutes 14 seconds West, along said South line, 12.99 feet to the South terminus point of the Easterly line of Lot 2 in SAID H.S.A. SUBDIVISION, said Easterly line bearing North 24 degrees, 35 minutes 46 seconds West 122.11 feet; thence South 24 degrees 35 minutes 46 seconds East, along the Southerly extension of said Easterly line of Lot 2, a distance of 178.13 feet to the Southeasterly line of said Lot 2; THENCE NORTH 54 degrees 44 minutes 05 seconds East, along said Southeasterly line, 123.22 feet to the Point of Beginning, all in Cook County, Illinois.

Parcel 2:

Reciprocal easements for ingress and egress by vehicular and Pedestrian traffic, vehicular parking, utility lines and facilities, and retention facilities upon, over and across the common area as the same may from time to time be constructed for such use as set forth in the declaration of protective covenants, restrictions and easements dated November 18, 1994 and recorded December 20, 1994 as document 04079308 and by second amendment to declaration of protective covenants restrictions and easements recorded May 4, 1998 as Document No. 98363980, and as further amended by the third amendment to declaration of protective covenants restrictions and easements recorded November 22, 2000 as Document 00922252, rerecorded November 29, 2000 as Document 00935668, and as further amended by the fourth amendment to declaration of protective covenants, restrictions and easements recorded August 8, 2003 as Document Number 0322018140, and as further amended by the fifth amendment to declaration of protective covenants, restrictions and easements recorded October 2, 2003 as Document Number 0327501129.

Parcel 3:

As easement for sanitary sewer and water drainage purposes as set forth in that certain easement from Paul Peter Ott and Amelia Ott to Arrow Match Corporation dated September 4, 1947 and recorded as Document 15244757.

Exhibit 10.4

CONTINUING AGREEMENT OF GUARANTY AND SURETYSHIP

THIS CONTINUING AGREEMENT OF GUARANTY AND SURETYSHIP (together with all extensions, renewals, amendments, modifications, substitutions, and restatements thereof, this "Guaranty"), dated as of July 7, 2026, by **LINCOLN EDUCATIONAL SERVICES CORPORATION**, a New Jersey corporation, **NEW ENGLAND ACQUISITION, LLC**, a Delaware limited liability company, **NN ACQUISITION, LLC**, a Delaware limited liability company, and **NASHVILLE ACQUISITION, L.L.C.**, a Delaware limited liability company, each having an address at 14 Sylvan Way, Suite A, Parsippany, New Jersey 07054 (individually and collectively, the "Guarantor"), in favor of **PROVIDENT BANK**, having an office at 10 Woodbridge Center Drive, 3rd Floor, Woodbridge, New Jersey 07095 (the "Bank").

Capitalized terms used but not otherwise defined herein shall have the meanings assigned to them in the Loan Agreement.

RECITALS:

WHEREAS, the Bank has agreed to make a commercial mortgage loan to LINCOLN TECHNICAL INSTITUTE, INC., a New Jersey corporation (the "Borrower"), in the original principal sum of FIFTEEN MILLION FORTY THOUSAND and 00/100 DOLLARS ($15,040,000.00) (the "Loan"); and

WHEREAS, the Borrower's obligation to repay the Loan and all other amounts owing under the Loan Documents is evidenced by (a) that certain Promissory Note of even date herewith, made by the Borrower and payable to the order of the Bank (together with all extensions, renewals, amendments, modifications, substitutions, and restatements thereof, the "Note"); and (b) that certain Loan Agreement of even date herewith between the Borrower and the Bank (together with all extensions, renewals, amendments, modifications, substitutions, and restatements thereof, the "Loan Agreement"); and

WHEREAS, repayment of the Loan is secured by, among other things, a Mortgage, Assignment of Rents and Leases, Security Agreement and Fixture Financing Statement of even date herewith executed and delivered by the Borrower to the Bank (together with all extensions, renewals, amendments, modifications, substitutions, and restatements thereof, the "Mortgage"), which grants the Bank a lien on the Mortgaged Property and fixtures owned by the Borrower that constitute part of the Mortgaged Property under applicable law; and

WHEREAS, the Guarantors will receive material economic benefits as a result of the Loan; and

WHEREAS, the Bank requires as a condition to the making of the Loan that the Guarantors shall have executed and delivered this Guaranty for the benefit of the Bank.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt of which is hereby acknowledged, and in order to induce the Bank to make the Loan to the Borrower, the Guarantor hereby represents, warrants and covenants to Bank as follows:

1. Authorization and Enforceability of Loan Documents. The Note, the Loan Agreement, the Mortgage and the other Loan Documents to which the Borrower is a party have been duly authorized and executed by the Borrower and are legal, valid and binding instruments, enforceable against the Borrower in accordance with their respective terms subject to the effect of bankruptcy, insolvency, reorganization, moratorium or other legal or equitable principles now or hereafter in effect generally affecting creditors' rights and remedies.

2. Obligations Guaranteed. The Guarantor hereby absolutely and unconditionally guarantees to the Bank the following (collectively, the "Guaranteed Obligations"):

(a) Payment and Performance. The Guarantor hereby absolutely and unconditionally guarantees to the Bank the prompt payment, when due, whether by acceleration or otherwise, of all present and future obligations and/or liabilities of the Borrower to the Bank under the Note, whether now existing or arising after the date of this Guaranty, secured or unsecured, absolute or contingent, together with all modifications, extensions or renewals of such obligations and/or liabilities, and the due and prompt performance of all of the terms, agreements, covenants and conditions of the Note, the Loan Agreement, the Mortgage and other Loan Documents. This Guaranty covers all obligations and liabilities incurred by the Borrower in any capacity (including as maker, endorser, guarantors, accommodation party or otherwise) and also includes the amount of any payment made by the Borrower to the Bank which payment is rescinded or must otherwise be returned by the Bank upon the insolvency or bankruptcy of the Borrower. This Guaranty covers all obligations and liabilities incurred by the Borrower under any indemnification provisions set forth in the Note, the Loan Agreement, the Mortgage or any of the other Loan Documents.

(b) Collection/Enforcement Costs. Further, the Guarantor hereby unconditionally guarantees to the Bank payment in full of any and all reasonable, documented, and actually incurred out-of-pocket expenses that may be paid or incurred by the Bank in the collection of all or any portion of the Guarantor's obligations and liabilities hereunder or the exercise or enforcement of any one or more of the other rights, powers, privileges, remedies and interests of the Bank under the Loan Documents or hereunder, irrespective of the manner or success of any such collection, exercise or enforcement, and whether or not such expenses constitute part of the Borrower's obligations.

Notwithstanding anything to the contrary in this Guaranty, the Note or any of the other Loan Documents, the Bank shall not be deemed to have waived any right which the Bank may have under Section 506(a), 506(b), 1111(b) or any other provisions of the Bankruptcy Code to file a claim for the full amount of the Loan or to require that all Collateral shall continue to secure all of the Borrower's obligations and liabilities owing to the Bank in accordance with the Loan Documents, in each case subject to the Fifth Third Loan Documents and the collateral limitations set forth in the Loan Agreement.

3. Unconditional Guaranty. This Guaranty is an absolute, unconditional, present and continuing guaranty of payment and not of collection and is in no way conditioned or contingent upon any attempt to enforce the Bank's rights against the Borrower or to collect from the Borrower or upon any other condition or contingency; accordingly, the Bank shall have the right to proceed against the Guarantor immediately upon any Event of Default without taking any prior action or proceeding to enforce the Loan Documents or any of them or for the liquidation or foreclosure of any security the Bank may at any time hold pursuant thereto. The Guarantor hereby postpones and subordinates until the Loan shall have been paid in full any claim (within the meaning of 11 U.S.C. § 101) which the Guarantor may have against the Borrower arising from a payment made by the Guarantor under this Guaranty and agrees not to assert or take advantage of any subrogation rights of the Guarantor or any right of the Guarantor to proceed against the Borrower for reimbursement until the Loan shall have been paid in full. It is expressly understood that the waivers and agreements of the Guarantor constitute additional and cumulative benefits given to the Bank for its security and as an inducement for its extension of credit to the Borrower.

4. Liability Unimpaired. The Guarantor's liability hereunder shall in no way be limited or impaired by, and the Guarantor hereby consents to and agrees to be bound by, any renewal, amendment, or modification, provided that no such amendment, modification or renewal shall materially increase the principal amount of the Loan or materially increase the obligations of the Guarantor without the Guarantor's written consent, of the provisions of any of the Loan Documents or any other instrument made to or with the Bank by the Borrower or the Guarantor, or any person who succeeds the Borrower as owner of all or part of the Mortgaged Property prior to foreclosure of the Mortgage. In addition, each Guarantor's liability hereunder shall in no way be limited or impaired by (i) any extensions of time for performance required by any of said documents, (ii) any sale, assignment or foreclosure of the Note or Mortgage or any sale or transfer of all or part of the Mortgaged Property, (iii) any exculpatory provision in any of said instruments limiting the Bank's recourse to the Mortgaged Property or to any other security, or limiting the Bank's rights to a deficiency judgment against the Borrower, (iv) the release of the Borrower or any other person from performance or observance of any of the agreements, covenants, terms or conditions contained in any of said instruments by operation of law or otherwise, (v) the release or substitution in whole or in part of any security for the Loan, (vi) the Bank's failure to record the Mortgage or file any UCC financing statements (or the Bank's improper recording or filing of any thereof) or to otherwise perfect, protect, secure or insure any security interest or lien given as security for the Loan, (vii) the invalidity, irregularity or unenforceability, in whole or in part, of any of the Loan Documents, this Guaranty or any other instrument or agreement executed or delivered to the Bank or any of its agents in connection with the Loan, except to the extent that there is a final adjudication by a court of competent jurisdiction of a valid defense to the Borrower's obligations under the Loan Documents, (viii) the inaccuracy of any of the representations and warranties made by the Borrower in the Mortgage or any other Loan Document or (ix) any other action or circumstance whatsoever which constitutes, or might be construed to constitute, a legal or equitable discharge or defense (except full payment and satisfaction) of the Borrower for its obligations under any of the Loan Documents or of the Guarantor under this Guaranty, other than payment in full; and, in any such case, whether with or without notice to the Guarantor and with or without consideration.

5. Preservation of Loan Documents. To the extent within its control, the Guarantor will cause the Borrower to maintain and preserve the enforceability of the Loan Documents as the same may be modified and will not permit the Borrower to take or to fail to take actions of any kind, the taking of which or the failure to take which might be the basis for a claim that the Guarantor has a defense to the Guarantor's Guaranteed Obligations hereunder; provided that nothing in this Section shall require the Borrower or any Guarantor to take or omit to take any action that would violate the Fifth Third Loan Documents.

6. No Security Interest in Guarantor Property. Notwithstanding anything to the contrary contained herein, this Guaranty does not grant the Bank any lien on or security interest in any property of any Guarantor, including deposit accounts, securities, instruments, general intangibles, choses in action, funds or any other real, personal or mixed property. Nothing in this Guaranty shall require any Guarantor to grant any lien or security interest, make any pledge or take or omit any action that would violate the Fifth Third Loan Documents.

7. Indemnification; Payments; Certain Waivers. The Guarantor (i) waives any right or claim of right to cause a marshalling of the Borrower's assets or to cause the Bank to proceed against any of the security for the Loan or for the obligations guaranteed hereby before proceeding against the Guarantor, (ii) agrees that any payments required to be made by the Guarantor hereunder shall become due on demand in accordance with the terms of Section 2 hereof and without presentment to the Borrower, demand for payment or protest, or notice of non-payment or protest, and (iii) except as hereinafter provided, expressly waives and relinquishes all rights and remedies accorded by applicable law to guarantors. Without limiting the generality of the foregoing, the Guarantor hereby waives all rights (x) to participate in any claim or remedy the Bank may now or hereafter have against the Borrower or in any collateral which the Bank has or hereafter may acquire for the obligations guaranteed hereby and (y) except as provided below, to contribution, indemnification, set-off, exoneration or reimbursement, whether from the Borrower, any other Guarantor, or any other person now or hereafter primarily or secondarily liable for any of the Borrower's obligations to the Bank, and whether arising by contract or operation of law or otherwise by reason of the Guarantor's execution, delivery or performance of this Guaranty, the Guarantor does not waive and hereby retains all rights of subrogation, contribution, indemnification, set-off or reimbursement against the Borrower or any other guarantor that the Guarantor may have (the "Undersigned's Rights"); provided however that (i) this Guaranty shall neither be contingent upon the existence of the Undersigned's Rights nor subject to any claims or defenses whatsoever which may be asserted in connection with the enforcement or attempted enforcement of the Undersigned's Rights including, without limitation, any claim that the Undersigned's Rights were abrogated by any of the Bank's acts, and (ii) until the Loan shall have been paid in full, the Guarantor hereby postpones and subordinates (A) the exercise of any and all of the Undersigned's Rights to the Bank's rights against the Guarantor under this Guaranty or against the Borrower under any of the Loan Documents, and (B) any of the Undersigned's Rights to any collateral securing the Loan. The Guarantor hereby agrees that any debt of the Borrower to the Guarantor is expressly subordinate to the right of the Bank to payment of the Guaranteed Obligations, and that the Bank shall be entitled to full payment of all of the Guaranteed Obligations prior to the exercise by the Guarantor of any rights to payment or performance of any debt which the Borrower may owe the Guarantor. Until the Guaranteed Obligations have been paid in full, the Guarantor's rights to receive payment from the Borrower in any bankruptcy, receivership or insolvency proceeding shall be postponed and subordinated to the Bank's right to payment in full of the Guaranteed Obligations. Nothing in this Section grants the Bank a lien on or security interest in any property of any Guarantor.

8. Reinstatement. This Guaranty shall continue to be effective, or be reinstated automatically, as the case may be, if at any time payment, in whole or in part, of any of the obligations guaranteed hereby is rescinded or otherwise must be restored or returned by the Bank (whether as a preference, fraudulent conveyance or otherwise) upon or in connection with the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Borrower, the Guarantor or any other person, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for the Borrower, the Guarantor or any other person or for a substantial part of the Borrower's, the Guarantor's or any of such other person's property, as the case may be, or otherwise, all as though such payment had not been made. The Guarantor further agrees that in the event any such payment is rescinded or must be restored or returned, all costs and reasonable, documented and actually incurred out-of-pocket expenses (including, without limitation, reasonable legal fees and expenses) incurred by or on behalf of the Bank in defending or enforcing such continuance or reinstatement, as the case may be, shall constitute costs of enforcement, the payment of which is guaranteed by the Guarantor pursuant to Section 2 hereof.

9. Litigation; Compliance with Judgments. The Guarantor represents and warrants that there are no actions, suits or proceedings pending or threatened in writing against or affecting any Guarantor, at law, in equity or before or by any governmental authorities and to the best of the Guarantor's knowledge, the Guarantor is not in default with respect to any order, writ, injunction, decree or demand of any court or governmental authorities which in either case would have a material adverse effect on any Guarantor's ability to perform its obligations hereunder.

10. No Conflicts. The Guarantor represents and warrants that the consummation of the transactions contemplated hereby and the performance of this Guaranty and the other Loan Documents to which the Guarantor is a party have not resulted and will not result in any breach of, or constitute a default under, any mortgage, deed of trust, lease, bank loan or credit agreement, corporate charter, by-laws, partnership agreement or other instrument to which the Guarantor is a party or by which the Guarantor may be bound or affected, after giving effect to the Fifth Third Loan Documents and any consent, acknowledgment, waiver, release or subordination delivered in connection with the Loan.

11. Compliance with Laws. The Guarantor represents and warrants that no Guarantor has received written notice from any governmental authority that it is not in compliance with any federal, state or local law, rule, regulation, ordinance, order, writ, judgment, injunction, decree, determination or award (hereinafter, "Laws") presently in effect having applicability to the Guarantor; the transactions contemplated by the Loan Documents and this Guaranty do not and will not violate any provision of Law or require any filing, registration, consent or approval under any Law; and agrees that the Guarantor will comply promptly with all Laws now or hereafter in effect having applicability to the Guarantor.

12. Accuracy of Information; Full Disclosure. The Guarantor represents and warrants that to its knowledge neither this Guaranty nor any documents, financial statements, reports, notices, schedules, certificates, statements or other writings furnished by or on behalf of the Guarantor to the Bank in connection with the negotiation of the Loan Documents or the consummation of the transactions contemplated thereby, or required herein or by the other Loan Documents to be furnished by or on behalf of the Guarantor, contains any untrue or misleading statement of a material fact; there is no fact known to Guarantor which the Guarantor has not disclosed to the Bank in writing which materially affects adversely any of the Mortgaged Property or the business affairs or financial condition of the Guarantor, or the ability of the Guarantor to perform this Guaranty and the other Loan Documents to which the Guarantor is a party.

13. Financial Statements. The Guarantor represents, warrants and covenants as follows:

(a) The most recent financial statements heretofore delivered by the Guarantor to the Bank, if any, are true and correct in all material respects, have been prepared in accordance with sound accounting principles consistently applied and fairly present the Guarantor's financial condition as of the date thereof, and no material adverse change has occurred in the financial condition reflected therein since the date thereof;

(b) Within 120 days after the end of each fiscal year, the Guarantor shall supply the Bank with consolidated annual audited financial statements of Lincoln Educational Services Corporation and its subsidiaries (including the Borrower) as of the last day of and for such fiscal period, prepared and reviewed by an independent certified public accountant reasonably acceptable to the Bank and prepared in accordance with generally accepted accounting principles consistently applied, all in form and content consistent with those delivered prior to closing or otherwise reasonably acceptable to the Bank;

(c) If requested by the Bank, the Guarantor shall supply the Bank with a written acknowledgment by the Guarantor's accountant, on a form to be provided by the Bank and reasonably acceptable to Guarantor's accountant, acknowledging the Bank's reliance upon the professional accounting services provided (and to be provided) by that accountant; and

(d) Promptly, each Guarantor shall supply the Bank with such further information regarding the business affairs and/or financial condition of the Borrower and any Guarantor as the Bank may reasonably require.

14. Non-Waiver; Remedies Cumulative. No failure or delay on the Bank's part in exercising any right, power or privilege under any of the Loan Documents, this Guaranty or any other document made to or with the Bank in connection with the Loan shall operate as a waiver of any such privilege, power or right or shall be deemed to constitute the Bank's acquiescence in any default by the Borrower or the Guarantor under any of said documents. A waiver by the Bank of any right or remedy under any of the Loan Documents, this Guaranty or any other document made to or with the Bank in connection with the Loan on any one occasion shall not be construed as a bar to any right or remedy which the Bank otherwise would have on any future occasion. The rights and remedies provided in said documents are cumulative, may be exercised singly or concurrently and are not exclusive of any rights or remedies provided by law. No action of the Bank permitted hereunder shall in any way affect, impair or release this Guaranty.

15. Transfers of Interests in Loan. The Guarantor recognizes that the Bank may sell and transfer interests in the Loan to one or more participants and/or assignees (collectively, "Participants") to the extent permitted under the Loan Agreement and that all documentation, financial statements, appraisals and other data, or copies thereof, relevant to the Borrower, the Guarantor or the Loan, may be exhibited or delivered on a confidential basis to and retained by any such Participant or prospective Participant, with a request to any prospective Participant to return such information if it does not become a Participant.

16. Separate Indemnity. The Guarantor acknowledges and agrees that the Bank's rights and the Guaranteed Obligations under this Guaranty shall be in addition to all of the Bank's rights and all Guaranteed Obligations under any indemnity agreement executed and delivered to the Bank by the Borrower and/or the Guarantor in connection with the Loan, and payments by the Guarantor under this Guaranty shall not reduce any of the Guarantor's obligations and liabilities under any such indemnity agreement.

17. Severability. Any provision of this Guaranty, or the application thereof to any person or circumstance, which, for any reason, in whole or in part, is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Guaranty (or the remaining portions of such provision) or the application thereof to any other person or circumstance, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision (or portion thereof) or the application thereof to any person or circumstance in any other jurisdiction.

18. Entire Agreement; Amendments. This Guaranty contains the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior oral or written agreements or statements relating to such subject matter, and none of the terms and provisions hereof may be waived, amended or terminated except by a written instrument signed by the person against whom enforcement of the waiver, amendment or termination is sought.

19. Successors and Assigns. This Guaranty shall be binding upon and shall inure to the benefit of the Bank and the Guarantor and their respective successors and/or assigns. This Guaranty may be assigned by the Bank in connection with an assignment of the Loan permitted under the Loan Agreement, and, when so assigned, the Guarantor shall be liable under this Guaranty to the assignee(s) of the portion(s) of the obligations guaranteed hereby so assigned without in any manner affecting the liability of the Guarantor hereunder to the Bank with respect to any portion of the obligations guaranteed hereby retained by the Bank.

20. WAIVER OF TRIAL BY JURY. THE GUARANTOR, AND BY ITS ACCEPTANCE HEREOF, THE BANK, EACH HEREBY AGREE NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND WAIVE ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST WITH REGARD TO THE LOAN DOCUMENTS, OR ANY CLAIM, COUNTERCLAIM OR OTHER ACTION ARISING IN CONNECTION THEREWITH. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY THE GUARANTOR AND THE BANK AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE. THE GUARANTOR AND THE BANK ARE EACH HEREBY AUTHORIZED TO FILE A COPY OF THIS SECTION IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER.

21. Governing Law; Submission to Jurisdiction. This Guaranty and the rights and obligations of the parties hereunder shall in all respects be governed by, and construed and enforced in accordance with, the laws of the State of New Jersey (without giving effect to New Jersey's principles of conflicts of law). The Guarantor, and the Bank by its acceptance hereof, hereby irrevocably submit to the nonexclusive jurisdiction of any New Jersey state or federal court sitting in Middlesex County, New Jersey, over any suit, action or proceeding arising out of or relating to this Guaranty, and the Guarantor hereby agrees and consents that, in addition to any methods of service of process provided for under applicable law, all service of process in any such suit, action or proceeding in any New Jersey state or federal court sitting in Middlesex County, New Jersey, may be made by certified or registered mail, return receipt requested, directed to the Guarantor at the address indicated above, and service so made shall be complete upon receipt or refusal of delivery as indicated on the return receipt.

22. Paragraph and Section Headings. Any paragraph or section headings and captions in this Guaranty are for convenience only and shall not affect the interpretation or construction hereof.

23. Liability Unaffected by Release. Any other person liable upon or in respect of any obligation hereby guaranteed, may be released without affecting the liability of the Guarantor hereunder.

24. Joint and Several Obligations. IF MORE THAN ONE PERSON COMPRISES THE GUARANTOR, THEN EACH SUCH PERSON'S OBLIGATIONS AND LIABILITY UNDER THIS GUARANTY SHALL BE JOINT AND SEVERAL.

25. Notices. All notices, or other communications required or permitted hereunder, shall be given in writing and shall be delivered in accordance with the Loan Agreement, and with respect to the Guarantor at the address(es) set forth above.

26. Counterparts. This Guaranty may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute together but one and the same agreement.

27. Consent to Electronic Delivery. The Guarantor hereby explicitly consents to the electronic delivery of the terms of the transaction evidenced by this instrument. The Guarantor agrees that its present intent to be bound by this instrument may be evidenced by transmission of digital images of signed signature pages via facsimile, email, SMS or other digital transmission and affirms that such transmission indicates a present intent to be bound by the terms of this instrument and is deemed to be valid execution and delivery as though an original ink or electronic signature. The Guarantor shall deliver original executed signature pages to the Bank, but any failure to do so shall not affect the enforceability of this instrument. An electronic image of this instrument (including signature pages) shall be as effective as an original for all purposes.

28. Fifth Third Loan Documents. Nothing in this Guaranty shall require the Borrower or any Guarantor to grant any lien or security interest, make any pledge or take or omit any action that would violate the Fifth Third Loan Documents. The existence, continuation and performance of the indebtedness, guaranties, liens, security interests and other obligations arising under the Fifth Third Loan Documents, and the exercise by Fifth Third Bank, National Association, as Agent, of its rights and remedies thereunder, shall not constitute a breach, default or Event of Default under this Guaranty.

[NO FURTHER TEXT ON THIS PAGE. SIGNATURE PAGE TO FOLLOW.]

IN WITNESS WHEREOF, and intending to be legally bound, the Guarantor has caused this Guaranty to be duly executed and delivered as of the date first above stated.

LINCOLN EDUCATIONAL SERVICES CORPORATION,
a New Jersey corporation

By: */s/ David B. Shaw*
Name: David B. Shaw
Title: Senior Vice President, Finance

NEW ENGLAND ACQUISITION, LLC,
a Delaware limited liability company

By: */s/ David B. Shaw*
Name: David B. Shaw
Title: Senior Vice President, Finance

NN ACQUISITION, LLC,
a Delaware limited liability company

By: */s/ David B. Shaw*
Name: David B. Shaw
Title: Senior Vice President, Finance

NASHVILLE ACQUISITION, L.L.C.,
a Delaware limited liability company

By: */s/ David B. Shaw*
Name: David B. Shaw
Title: Senior Vice President, Finance

Signature Page to Continuing Agreement of Guaranty and Suretyship