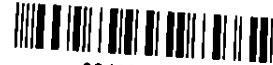


UNOFFICIAL COPY 0010943719

6690/0028 43 005 Page 1 of 7
2001-10-11 09:55:03
Cook County Recorder 33.50

PREPARED BY AND WHEN
RECORDED RETURN TO:

ROYAL AMERICAN BANK
SANDRA BELVEDERE
1604 COLONIAL PARKWAY
INVERNESS, IL 60067



0010943719

COOK COUNTY
RECORDER
EUGENE "GENE" MOORE
ROLLING MEADOWS

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on **September 10, 2001**. The mortgagor is **Mark L. Hine** ("Guarantor") and **Lorna B. Hine**.

Whereas Royal American Bank ("Lender") and Civiltech Engineering, Inc. are parties to that certain Security Agreement dated April 7, 1997, pursuant to which the Bank has made a loan to Civiltech Engineering, Inc. including a \$250,000.00 Non-Revolver Note dated September 10, 2001 and any extensions, renewals and modifications thereof.

Whereas Guarantor is guaranteeing all Civiltech Engineering, Inc.'s obligations to the Lender.

Whereas the Security Agreement dated April 7, 1997 requires additional collateral to be pledged by Guarantor under certain events.

Now, therefore, this Security Instrument is given to **Royal American Bank**, which is organized and existing under the laws of the State of Illinois, and whose address is 1604 Colonial Parkway, Inverness, Illinois ("Lender") as additional collateral required under the Security Agreement dated April 7, 1997 and Guaranty dated March 21, 1996. This security instrument secures to Lender to the extent of **\$50,000**: (a) the repayment of the debt in the amount of \$250,000.00 (b) all of the obligations under a certain guarantee dated March 21, 1996 ("Guaranty"); (c) the payment of all other sums, with interest, advanced under paragraph 5 to protect the security of this Security Instrument; (d) the performance of Guarantor's covenants and agreements under this Security Instrument and the Guaranty and (e) any and all debt now or hereafter owing by Civiltech Engineering, Inc. For this purpose, Guarantor does hereby mortgage, grant and convey to Lender the following described property located in **Cook County, Illinois**:

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LOT 2 IN WILDWOOD PARK FIRST ADDITION, BEING A SUBDIVISION OF PARTS OF LOTS 54 AND 55 IN OGDEN AND JONES SUBDIVISION OF BRONSON'S PART OF CALDWELL'S RESERVATION IN TOWNSHIPS 40 AND 41 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

TAX I.D. 10-32-213-025

which has the address of **6880 N. Loron Avenue, Chicago, Illinois, 60646** ("Property Address");

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property".

GUARANTOR COVENANTS that Guarantor is lawfully seised of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Guarantor warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

COVENANTS. Guarantor and Lender covenant and agree as follows:

1. **Payment of Amount Guaranteed.** Guarantor shall promptly pay on demand the Obligations under the guaranty.

2. **Charges; Liens.** Guarantor shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Guarantor shall pay them on time directly to the person owed payment. Guarantor shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. Guarantor shall promptly furnish to Lender receipts evidencing the payments.

Guarantor shall promptly discharge any lien unless Guarantor: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Guarantor a notice identifying the lien. Guarantor shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

3. **Hazard or Property Insurance.** Guarantor shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Guarantor subject to Lender's approval which shall not be unreasonably withheld. If Guarantor fails to maintain coverage described above, Lender may, at Lender's option,

obtain coverage to protect Lender's rights in the Property in accordance with paragraph 5.

All insurance policies and renewals shall be acceptable to lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Guarantor shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Guarantor.

Unless Lender and Guarantor otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Guarantor. If Guarantor abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

If under paragraph 15 the Property is acquired by Lender, Guarantor's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

4. Occupancy, Preservation, Maintenance and Protection of the Property; Guarantor's Loan Application; Leaseholds. Guarantor shall occupy, establish, and use the Property as Guarantor's principal residence within sixty days after the execution of this Security Instrument and shall continue to occupy the Property as Guarantor's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Guarantor's control. Guarantor shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Guarantor shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Guarantor may cure such a default and reinstate, by causing the action or proceeding to be dismissed with a ruling that, in Lender's good faith determination, precludes forfeiture of the Guarantor's interest in the Property or other material impairment of the lien created by this Security Instrument or Lender's security interest. Guarantor shall also be in default if Guarantor, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Guarantor's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, borrower shall comply with all the provisions of the lease. If Guarantor acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

5. Protection of Lender's Rights in the Property. If Guarantor fails to perform the covenants and agreements contained in this Security

Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 5, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 5 shall become additional debt of Guarantor secured by this Security Instrument. Unless Guarantor and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the prime rate announced and in effect by the Wall Street Journal, and shall be payable, with interest, upon notice from Lender to Guarantor requesting payment.

6. Inspection. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Guarantor notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

7. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Guarantor. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Guarantor and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Guarantor. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Guarantor and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Guarantor, or if, after notice by Lender to Guarantor that the condemnor offers to make an award or settle a claim for damages, Guarantor fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

8. Guarantor Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Guarantor shall not operate to release the liability of the original Guarantor or Guarantor's successors in

interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Guarantor or Guarantor's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

9. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Guarantor, subject to the provisions of paragraph 17. Guarantor's covenants and agreements shall be joint and several. Any Guarantor who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Guarantor's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Guarantor may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Guarantor's consent.

10. Loan Charges. If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Guarantor which exceed permitted limits will be refunded to Guarantor. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Guarantor. If a refund reduces principal, the reduction will be treated as partial prepayment without any prepayment charge under the Note.

11. Notices. Any notice to Guarantor provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Guarantor designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Guarantor. Any notice provided for in this Security Instrument shall be deemed to have been given to Guarantor or Lender when given as provided in this paragraph.

12. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provisions or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

13. Transfer of the Property or a Beneficial Interest in Guarantor. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Guarantor is sold or transferred and Guarantor is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument.

However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Guarantor notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Guarantor must pay all sums secured by this Security Instrument. If Guarantor fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Guarantor.

14. Hazardous Substances. Guarantor shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Guarantor shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Guarantor shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Guarantor has actual knowledge. If Guarantor learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Guarantor shall promptly take all necessary remedial actions in accordance with Environmental Law.

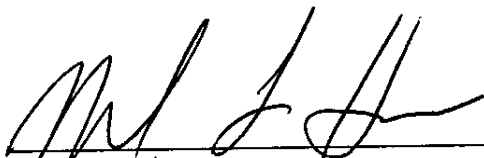
As used in this paragraph 14, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 14, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental production.

15. If Lender shall have made demand under the Guaranty and Guarantors have failed to pay all amounts demanded within 5 days of such demand, Lender at its option may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 15, including, but not limited to, reasonable attorney's fees and costs of title evidence.


16. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Guarantor, Guarantor shall pay any recordation costs.

17. Waiver of Homestead. Guarantor waives all right of homestead exemption in the Property.

BY SIGNING BELOW, Guarantor accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Guarantor and recorded with it.



Mark L. Hine
Individually



Lorna B. Hine
Individually

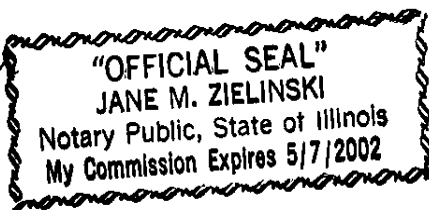
STATE OF ILLINOIS)
) SS
COUNTY OF DuPage)

I, the undersigned, a Notary Public in and for said county and state, DO HEREBY CERTIFY that **Mark L. Hine and Lorna B. Hine**, personally known to me to be the same person(s) whose name(s) are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed and delivered the said instrument as a free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial seal, this 10th day of September, 2001.

My Commission Expires:


Notary Public



Property of Cook County Clerk's Office