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Prepared by and
Return to:

KEVIN G. KATSIS, ESQ.
7346 W. MADISON ST.
FOREST PARK, IL 60130

LOAN NO 3390-B.

MORTGAGE

THIS MORTGAGE made this 27th day of NOVEMBER, 2000, between the Mortgagor(s) MICHAEL A. JARMEY and BETTY K. JARMEY, his wife, hereinafter referred to as the Borrower(s), and the Mortgagee, NILES TOWNSHIP SCHOOLS CREDIT UNION, hereinafter referred to as Lender, whose address is 9440 KENTON AVENUE, SKOKIE, IL 60076-1397.

WHEREAS, BORROWER(S) is indebted to LENDER in the principal sum of SEVENTY FIVE THOUSAND AND NO 100THS (\$75,000.00) DOLLARS (Borrower's "Credit Limit") which indebtedness is evidenced by BORROWER(S) Note dated NOVEMBER 27, 2000.

SECURITY: This Mortgage secures to Lender:

a) The repayment of the debt evidenced by the Note and future advances made pursuant to the Note to the same extent as if such future advances were made on the date hereof and regardless of whether or not any advance has been made as of the date of this Mortgage or whether there is outstanding indebtedness at the time of any future advances; interest in accordance with the terms of the Note, and all renewals, extensions and modifications;

b) The payment of all other sums, with interest, advanced under paragraph 1 to protect the security of this Mortgage; and

c) The performance of Borrower's covenant and agreements under this Mortgage and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to the Lender the following described Property located in Cook County, Illinois.

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Box 370

ATGF, INC.

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LEGAL DESCRIPTION:

LOT 23 (EXCEPT THE WEST 5 FEET THEREOF) IN ANDERSON AND COLLINS' SKOKIE ESTATES BEING A SUBDIVISION IN THE NORTH WEST QUARTER OF OF SECTION 28, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PERMANENT TAX INDEX NUMBER: 10-28-116-034

PROPERTY ADDRESS: 5442 HARVARD TERRACE, SKOKIE, IL 60077

TITLE: BORROWER(S) covenant that BORROWER(S) has title to the property and has a right to mortgage, grant and convey the property, except for encumbrances of record, municipal and zoning ordinances, current taxes and assessments not yet due.

SECURED DEBT: This Mortgage secures repayment of the secured debt and the performance of the covenants and agreements contained in this Mortgage and any other document incorporated herein. Secured debt, as used in this Mortgage, includes any amounts BORROWER(S) owe under this Mortgage or under any instrument secured by this Mortgage.

This agreement is evidenced by the LOAN VARIABLE INTEREST RATE PROMISSORY NOTE, dated the 27TH day of NOVEMBER, 2000, with an initial interest rate of 9.5 %. All amounts owed under this Agreement are secured even though not all amounts may yet to be contemplated and will be secured and have priority to the same extent as if made on the date this mortgage was executed.

This above obligation is due and payable on DECEMBER 10, 2015, if not paid earlier.

The total unpaid balance secured by this Mortgage at any one time shall not exceed a maximum principal amount of SEVENTY FIVE THOUSAND AND NO/100THS (\$75,000.00) DOLLARS.

VARIABLE RATE: The interest on the obligation secured by this Mortgage may vary according to the terms of that agreement. A copy of the loan agreement containing the terms under which the interest rate may vary has been provided to you at the initial loan application.

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TERMS AND COVENANTS: BORROWER(S) agree to the terms and covenants contained in this mortgage and in any riders attached thereto.

COVENANTS

1. **PAYMENTS:** I agree to make all payments on the secured debt when due. Unless we agree otherwise, any payments you receive from me or for my benefit will be applied first to any amounts I owe on the secured debt (exclusive of interest or principal), secondly, to interest, and thirdly to principal. If partial prepayment of the secured debt occurs for any reason, it will excuse any subsequently scheduled payments until the secured debt is paid in full.

2. **CLAIMS AGAINST TITLE:** I will pay all taxes, assessments, liens, and encumbrances on the property when due and will defend title to the property against all claims which would impair the lien of this mortgage. You may require me to assign any rights, claims, or defenses which I may have against parties who supply labor or materials to improve or maintain the property.

3. **INSURANCE:** I will keep the property insured under the terms acceptable to you at my expense and for your benefit. You will be named as loss payee or as the insured on any such insurance policy. Any insurance proceeds may be applied, within your discretion, to either the restoration or repair of the damaged property or to the secured debt. If you require mortgage insurance, I agree to maintain such insurance as long as required.

4. **PROPERTY:** I will keep the property in good condition and make all reasonable repairs necessary.

5. **EXPENSES:** I agree to pay all your reasonable expenses, including reasonable attorneys' fees if I break any covenants under this mortgage, any prior mortgage or any obligation secured by the mortgage or the attached Note.

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6. **DEFAULT AND ACCELERATION:** If I fail to make any payment when due or if I break any covenants under this mortgage, any prior mortgage or any obligation secured by this mortgage, you may accelerate the maturity of the secured debt and demand immediate payment and exercise any remedy available to you. You may foreclose this mortgage in any manner provided by the law.

7. **WAIVER OF HOMESTEAD:** I hereby waive rights of homestead exemption in the property.

8. **LEASEHOLDS; CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS:** I agree to comply with the provisions of any lease, should this mortgage be on a leasehold. If this mortgage is on a condominium or a planned unit development, I will perform all the duties under the covenants, by-laws, or regulations of the condominium or planned unit development.

9. **AUTHORITY OF MORTGAGEE TO PERFORM FOR MORTGAGOR:** Should I fail to perform any of my duties under this mortgage, you may perform the duties or cause them to be performed. You may sign my name or any amount necessary for performance. If any construction on the property is discontinued or not carried on in a reasonable manner, you may do whatever necessary to protect your security interest in the property. This may include completing the construction.

Your failure to perform my duties will not preclude you from exercising any of your other rights under the law or this mortgage.

Any amounts paid by you to protect your security interest will be secured by this mortgage. Such amounts will be due on demand and will bear the interest from the date of the payment until paid in full at the interest rate in effect on the stated debt.

10. **INSPECTION:** You may enter the property to inspect provided that you give me notice prior to your entry. The notice must state the reasonable cause for your inspection.

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11. **CONDEMNATION:** I assign to you the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the property. Such proceeds will be applied as provided in **Covenant 1**. This assignment is subject to the terms of any prior security agreement.

12. **WAIVER:** By exercising any remedy available to you, you do not give up your rights to later use any other remedy. By you not exercising any remedy of I default, you do not waive your right to later consider the event a default should it happen again.

13. **JOINT AND SEVERAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND:** All duties under this mortgage are joint and several. If I co-sign this mortgage, but do not co-sign the underlying debt, I do so only to mortgage my interest in the property under the terms of this mortgage. I also agree that you and any party to this mortgage may extend, modify or make any other changes in the terms of this mortgage or secured debt without any consent. Such a change will not release me from the terms of this mortgage.

The duties and benefits of this mortgage shall bind and benefit the successors and assigns of either or both of us.

14. **ACCELERATION; REMEDIES:** Prior to electing to accelerate the indebtedness, Lender shall give notice to Borrower of any such breach, of any covenant or agreement in this Mortgage (but not prior to acceleration under paragraphs 14 and 15 herein unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured and

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(d) the failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Mortgage without further demand and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect all expenses included in pursuing the remedies provided in this paragraph 18, including but not limited to, reasonable attorney's fees and costs of title evidence.

15. LENDER IN POSSESSION: Upon acceleration under paragraph 14 or abandonment of the Property and at any time prior to the expiration of any period of redemption following judicial sale, Lender (in person, by agent, or by judicial appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be first applied to the payment of the costs of management of the Property and collection of rents, including but not limited to receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Mortgage.

16. PRIOR MORTGAGES: Borrower covenants and agrees to comply with all the terms and conditions and covenants of any Mortgage, trust deed, or Security Instrument affecting the Property which has or may have priority over this Mortgage, including specifically, but not limited to, timely making the payments of principal and interest due thereunder. Failure of Borrower to make such payments or keep such items, conditions and covenants as provided for in such prior mortgages, trust deeds or security agreements shall constitute a default under this Mortgage and Lender may invoke the remedy specified in Paragraph 14 herein.

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17. DEFAULT:

(a) The occurrence of any of the following events shall constitute a default by Borrower under this Mortgage; [1] failure to pay when due any sum of money due under the Note and Agreement or pursuant to this Mortgage, [2] If any action or inaction by Borrowers adversely affects the collateral or the lender's right in the collateral. [3] Lender receives actual knowledge that Borrower made any material misrepresentation or omitted any material information in the Agreement, Mortgage, the Security Agreement, or in Borrower's application for the Agreement.

(b) If Borrower is in default under the Agreement of this Mortgage, Lender may require Borrower to pay immediately the principal balance outstanding, any and all **FINANCE CHARGE**. Borrower may owe on that amount, together with all other fees, costs or premiums charged to Borrower's account. The principal balance outstanding under the Agreement after default shall continue to accrue **FINANCE CHARGE** until paid at the rate provided for in the Agreement as if no default had occurred.

18. EXPENSE OF LITIGATION: In any suit to foreclose the lien of this Mortgage or enforce any other remedy of the Lender under this Mortgage or the Note or the Credit Documents there shall be allowed and included, as additional indebtedness in the judgment or decree, all expenditures and expenses which may be paid or incurred by or on behalf of Borrower for attorney's fees, appraiser's fees, outlays for documentary, expert evidence, stenographer's charges, publication costs, survey costs. And costs (which may be estimated as to items to be expended after entry of the decree) of procuring all abstracts of title, title searches and examinations, title insurance policies, Torrens certificates, and similar data and assurances with respect to title as Lender may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or value of the Property. All expenditures and expenses of the nature in this paragraph mentioned, and such expenses and fees as may be incurred in the protection of said Property and the Maintenance of the lien of this Mortgage, including the fees of any attorney employed by Lender in any litigation or proceeding affecting this Mortgage, the Note or the Property or in preparation for the commencement or defense of any proceeding or threatened suit or proceeding shall be immediately due and payable by Borrower, with interest thereon at the rate from time to time in effect under the Note.

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19. RIDERS TO THIS MORTGAGE: If one or more riders are executed by Borrower and recorded together with this Mortgage, the covenants and agreements of each rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider(s) were a part of this Mortgage.

20. NOTICE: Unless otherwise required by law, any notice to me shall be given by delivering it or mailing it or by mailing it by certified mail addressed to me at the property address or any other mailing address that I tell you. I will give any notice to you by certified mail to your address on the front side of this mortgage, or to any other address which you have designated.

Any notice shall be deemed to have been given to either of us when given in the manner stated above.

21. TRANSFER OF PROPERTY OR A BENEFICIAL INTEREST IN THE MORTGAGOR: If all or any part of the property or any interest in it is sold or transferred without your prior written consent, you may demand immediate payment of the secured debt. You may also demand immediate payment if the mortgagor is not a natural person or a beneficial interest in the mortgagor is sold or transferred. However, you may not demand payment in the above situations if it is prohibited by federal law as of the date of this mortgage.

22. RELEASE: When I have paid the secured debt, you will discharge this mortgage.

Michael A. Jarney (SEAL)
MICHAEL A. JARNEY -BORROWER

Betty K. Jarney (SEAL)
BETTY K. JARNEY -BORROWER

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ACKNOWLEDGEMENT:

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

The undersigned, a notary public in and for said county and state, does hereby certify that MICHAEL A. JARMEY and BETTY K. JARMEY , personally known to me to be the same person(s) whose name(s) is/are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she/they signed and delivered the said instrument as his/her/their voluntary act, for the use and purposes herein set forth.

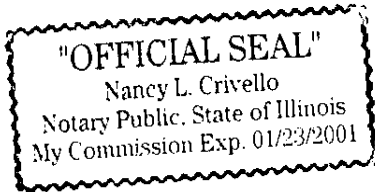
GIVEN under my hand and official seal this 27th day of NOVEMBER, 2000.

MY COMMISSION EXPIRES:

1-23-2001

Nancy L. Crivello

Notary Public



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