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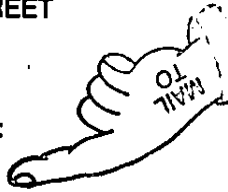
2004/0164 47 002 Page 1 of 22  
2002-10-01 11:02:11  
Cook County Recorder 66.50



RECORDATION REQUESTED BY:  
THE NORTHERN TRUST  
COMPANY  
50 SOUTH LASALLE STREET  
CHICAGO, IL 60675



WHEN RECORDED MAIL TO:  
THE NORTHERN TRUST  
COMPANY  
50 SOUTH LASALLE STREET  
CHICAGO, IL 60675



COOK COUNTY  
RECORDER  
EUGENE "GENE" MOORE  
BRIDGEVIEW OFFICE

Property of Cook County Clerk's Office

[Space Above This Line For Recording Data]

This Mortgage prepared by:

Catherine French, BA-1  
THE NORTHERN TRUST COMPANY  
50 SOUTH LASALLE STREET  
CHICAGO, IL 60675

**MORTGAGE**

**MAXIMUM LIEN.** At no time shall the principal amount of indebtedness secured by the Mortgage, not including sums advanced to protect the security of the Mortgage, exceed the note amount of \$240,000.00.

THIS MORTGAGE dated September 26, 2002, is made and executed between George H. Spoerl and Barbara L. Spoerl, husband and wife, whose address is 2266 Royal Ridge Drive, Northbrook, IL 60062 (referred to below as "Grantor") and THE NORTHERN TRUST COMPANY, whose address is 50 SOUTH LASALLE STREET, CHICAGO, IL 60675 (referred to below as "Lender").

**GRANT OF MORTGAGE.** For valuable consideration, Grantor mortgages, warrants, and conveys to Lender all of Grantor's right, title, and interest in, to and under the Lease described below of the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation any rights Grantor later acquires in the fee simple title to the land, subject to the Lease, and all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in Cook County, State of Illinois:

SEE LEGAL DESCRIPTION ATTACHED AND MADE A PART OF HEREIN

The Real Property or its address is commonly known as 2266 Royal Ridge Drive, Northbrook, IL 60062. The Real Property tax identification number is 04-14-301-152-0000

Grantor presently assigns to Lender all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS

\*MARRIED TO GEORGE H. SPOERL

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AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTE, THE RELATED DOCUMENTS, AND THIS MORTGAGE. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

**PAYMENT AND PERFORMANCE.** Except as otherwise provided in this Mortgage, Grantor shall pay to Lender all amounts secured by this Mortgage as they become due and shall strictly perform all of Grantor's obligations under this Mortgage.

**POSSESSION AND MAINTENANCE OF THE PROPERTY.** Grantor agrees that Grantor's possession and use of the Property shall be governed by the following provisions:

**Possession and Use.** Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property.

**Duty to Maintain.** Grantor shall maintain the Property in good condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

**Compliance With Environmental Laws.** Grantor represents and warrants to Lender that: (1) During the period of Grantor's leasehold interest in the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) except as previously disclosed to and acknowledged by Lender in writing, (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Mortgage. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Mortgage or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Mortgage, including the obligation to indemnify, shall survive the payment of the indebtedness and the satisfaction and reconveyance of the lien of this Mortgage and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

**Nuisance, Waste.** Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, gravel or rock products without Lender's prior written consent.

**Removal of Improvements.** Grantor shall not demolish or remove any improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such improvements with improvements of at least equal value.

**Lender's Right to Enter.** Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Grantor's compliance with the terms and conditions of this Mortgage.

**Compliance with Governmental Requirements.** Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

**Duty to Protect.** Grantor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

**Compliance with Lease.** Grantor will pay all rents and will strictly observe and perform on a timely basis all other terms, covenants, and conditions of the Lease. Grantor will indemnify and hold Lender harmless against all losses, liabilities, actions, suits, proceedings, costs including attorneys' fees claims, demands, and damages whatsoever which may be incurred by reason of Grantor's failure to pay rents or strictly observe or perform under the Lease.

**Other Agreements Relating to the Lease.** Grantor further agrees (1) not to surrender, terminate, or cancel the Lease, and (2) not to modify, change, supplement, alter, or amend the Lease, either orally or in writing, without Lender's prior written consent. Any attempt by Grantor to do any of the foregoing without Lender's prior written consent will be void and of no force and effect. At Lender's option, Grantor will deposit with Lender as further security all original documents relating to the Lease and the leasehold interest in the Property. Unless Grantor is in breach or default of any of the terms contained in this Mortgage, Lender will have no right to cancel, modify, change, supplement, alter or amend the leasehold interest. No estate in the Property, whether fee title to the leasehold premises, the leasehold estate, or any subleasehold estate, will merge without Lender express written consent; rather these estates will remain separate and distinct, even if there is a union of these estates in the landlord, Grantor, or a third party who purchases or otherwise acquires the estates. Grantor further agrees that if Grantor acquires all or a portion of the fee simple title, or any other leasehold or subleasehold title to the Property, that title will, at Lender's option, immediately become subject to the terms of this Mortgage, and Grantor will execute, deliver and record all documents necessary or appropriate to assure that such title is secured by this Mortgage.

**Notices Relating to the Lease.** Grantor will promptly notify Lender in writing:

- (1) if Grantor is in default in the performance or observance of any of the terms, covenants, or conditions which Grantor is to perform or observe under the Lease;
- (2) if any event occurs which would constitute a default under the Lease;
- (3) if any notice of default is given to Grantor by the landlord under the Lease;
- (4) if, pursuant to the Lease, any proceeds received for the Property are deposited with someone other than Lender, whether received from any insurance on the Property or from the taking of any or all of the Property by eminent domain; and
- (5) if any arbitration or appraisal proceedings are requested or instituted pursuant to the Lease.

Grantor agrees to provide Lender promptly with a copy of all written materials relating to any of the above and to provide Lender with such other information as Lender may reasonably request. Grantor agrees that promptly after the execution and delivery of this Mortgage, Grantor will notify the landlord under the Lease in writing of the execution and delivery of this Mortgage and of the name and address of Lender and will deliver a copy of this Mortgage to the landlord.

**Option to Cure Lease Default.** Upon Lender's receipt of any written notice of Grantor's default under the Lease, Lender may, at Lender's option, cure such default, even though Grantor, or any party on behalf of Grantor, questions or denies the existence of such default or the nature of the default. Grantor expressly grants to Lender the absolute and immediate right to enter upon the Property to such extent and as often as Lender in its sole discretion deems necessary or desirable in order to prevent or cure any such default by Grantor.

**4. Transfer of the Property or a Beneficial Interest in Grantor.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Grantor is sold or transferred and Grantor is not a

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**Application of Proceeds.** Grantor shall promptly notify Lender of any loss or damage to the Property if the

the loan.  
Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, for the full unpaid principal balance of the loan and the Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and the Property is located in a special flood hazard area, if available, within 45 days after notice is given by Lender that obtain and maintain Federal Flood Insurance, if available, within 45 days after notice is given by Lender that Director of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to or default of Grantor or any other person. Should the Real Property be located in an area designated by the endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or disclaimer of the insurer's liability for failure to give such notice. Each insurance policy also shall include an amount of coverage from each insurer containing a stipulation that coverage will not be cancelled or diminished without a minimum of ten (10) days' prior written notice to Lender and not containing any certificates of coverage acceptable to Lender. Grantor shall deliver to Lender and not be cancelled or companies and in such form as may be reasonably acceptable to Lender. Policies shall be written by such insurance and with a standard mortgagee clause in favor of Lender. Policies shall be written by such insurance improvements on the Real Property in an amount sufficient to avoid application of any insurance clause, extended coverage endorsements on a replacement basis for the full insurance value covering all improvements on the Real Property in an amount sufficient to avoid application of any insurance clause, Maintenance of Insurance. Grantor shall procure and maintain policies of the insurance with standard

**PROPERTY DAMAGE INSURANCE.** The following provisions relating to insuring the Property are a part of this Mortgage:

to Lender that Grantor can and will pay the cost of such improvements.  
exceeds \$1,000.00. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory materials' lien, or other lien could be asserted on account of the work, services, or materials and the cost any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced,

time a written statement of the taxes and assessments against the Property.  
taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the

proceedings.  
Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorneys' fees, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a Right to Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good

the lien of taxes and assessments not due as further specified in the Right to Contest paragraph.  
Lender under this Mortgage, except for those liens specifically agreed to in writing by Lender, and except for Property. Grantor shall maintain the Property free of any liens having priority over or equal to the interest of and shall pay when due all claims for work done on or for services rendered or material furnished to the taxes, assessments, water charges and sewer service charges levied against or on account of the Property, Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special

**TAXES AND LIENS.** The following provisions relating to the taxes and liens on the Property are part of this Mortgage:

on Grantor.  
period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand all sums secured by this Security Instrument. If Grantor fails to pay these sums prior to the expiration of this a period of not less than 30 days from the date the notice is delivered or mailed within which Grantor must pay If Lender exercises this option, Lender shall give Grantor notice of acceleration. The notice shall provide exercise is prohibited by federal law as of the date of this Security Instrument.  
full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if (natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in

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estimated cost of repair or replacement exceeds \$1,000.00. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed Improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Mortgage. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Mortgage, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. If Lender holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear.

**LENDER'S EXPENDITURES.** If Grantor fails (A) to keep the Property free of all taxes, liens, security interests, encumbrances, and other claims, (B) to provide any required insurance on the Property, or (C) to make repairs to the Property then Lender may do so. If any action or proceeding is commenced that would materially affect Lender's interests in the Property, then Lender on Grantor's behalf may, but is not required to, take any action that Lender believes to be appropriate to protect Lender's interests. All expenses incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Mortgage also will secure payment of these amounts. The rights provided for in this paragraph shall be in addition to any other rights or any remedies to which Lender may be entitled on account of any default. Any such action by Lender shall not be construed as curing the default so as to bar Lender from any remedy that it otherwise would have had.

**WARRANTY; DEFENSE OF TITLE.** The following provisions relating to ownership of the Property are a part of this Mortgage:

**Title.** Grantor warrants that: (a) Grantor holds good and marketable title of record to the leasehold interest in the Property pursuant to the Lease, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Mortgage, and (b) Grantor has the full right, power, and authority to execute and deliver this Mortgage to Lender.

**Defense of Title.** Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Lender under this Mortgage, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

**Compliance With Laws.** Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

**Survival of Promises.** All promises, agreements, and statements Grantor has made in this Mortgage shall survive the execution and delivery of this Mortgage, shall be continuing in nature and shall remain in full force and effect until such time as Grantor's Indebtedness is paid in full.

**CONDEMNATION.** The following provisions relating to condemnation proceedings are a part of this Mortgage:

**Proceedings.** If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

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**Application of Net Proceeds.** If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Lender in connection with the condemnation.

**IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES.** The following provisions relating to governmental taxes, fees and charges are a part of this Mortgage:

**Current Taxes, Fees and Charges.** Upon request by Lender, Grantor shall execute such documents in addition to this Mortgage and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Mortgage, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Mortgage.

**Taxes.** The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (2) a specific tax on Grantor which Grantor is authorized or required to deduct from payments on the indebtedness secured by this type of Mortgage; (3) a tax on this type of Mortgage chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the indebtedness or on payments of principal and interest made by Grantor.

**Subsequent Taxes.** If any tax to which this section applies is enacted subsequent to the date of this Mortgage, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

**SECURITY AGREEMENT; FINANCING STATEMENTS.** The following provisions relating to this Mortgage as a security agreement are a part of this Mortgage:

**Security Agreement.** This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

**Security Interest.** Upon request by Lender, Grantor shall execute financing statements and take whatever other action is requested by Lender to perfect and continue Lender's security interest in the Personal Property. In addition to recording this Mortgage in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Mortgage as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

**Addresses.** The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Mortgage may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Mortgage.

**FURTHER ASSURANCES; ATTORNEY-IN-FACT.** The following provisions relating to further assurances and attorney-in-fact are a part of this Mortgage:

**Further Assurances.** At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refilled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Grantor's obligations under the Note, this Mortgage, and the Related Documents, and (2) the liens and security interests created by this Mortgage as first and prior liens on the Property, whether now owned or hereafter acquired by Grantor.

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Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

**Attorney-in-Fact.** If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

**FULL PERFORMANCE.** If Grantor pays all the Indebtedness, including without limitation all future advances, when due, and otherwise performs all the obligations imposed upon Grantor under this Mortgage, Lender shall execute and deliver to Grantor a suitable satisfaction of this Mortgage and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Grantor will pay, if permitted by applicable law, any reasonable termination fee as determined by Lender from time to time.

**REINSTATEMENT OF SECURITY INTEREST.** If payment is made by Grantor, whether voluntarily or otherwise, or by guarantor or by any third party, on the Indebtedness and thereafter Lender is forced to remit the amount of that payment (A) to Grantor's trustee in bankruptcy or to any similar person under any federal or state bankruptcy law or law for the relief of debtors, (B) by reason of any judgment, decree or order of any court or administrative body having jurisdiction over Lender or any of Lender's property, or (C) by reason of any settlement or compromise of any claim made by Lender with any claimant (including without limitation Grantor), the Indebtedness shall be considered unpaid for the purpose of enforcement of this Mortgage and this Mortgage shall continue to be effective or shall be reinstated, as the case may be, notwithstanding any cancellation of this Mortgage or of any note or other instrument or agreement evidencing the Indebtedness and the Property will continue to secure the amount repaid or recovered to the same extent as if that amount never had been originally received by Lender, and Grantor shall be bound by any judgment, decree, order, settlement or compromise relating to the Indebtedness or to this Mortgage.

**EVENTS OF DEFAULT.** At Lender's option, Grantor will be in default under this Mortgage if any of the following happen:

**Payment Default.** Grantor fails to make any payment when due under the Indebtedness.

**Default on Other Payments.** Failure of Grantor within the time required by this Mortgage to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

**Break Other Promises.** Grantor breaks any promise made to Lender or fails to perform promptly at the time and strictly in the manner provided in this Mortgage or in any agreement related to this Mortgage.

**False Statements.** Any representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Mortgage or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished.

**Defective Collateralization.** This Mortgage or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

**Death or Insolvency.** The death of Grantor, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

**Taking of the Property.** Any creditor or governmental agency tries to take any of the Property or any other of Grantor's property in which Lender has a lien. This includes taking of, garnishing of or levying on Grantor's accounts, including deposit accounts, with Lender. However, if Grantor disputes in good faith whether the claim on which the taking of the Property is based is valid or reasonable, and if Grantor gives Lender written notice of the claim and furnishes Lender with monies or a surety bond satisfactory to Lender to satisfy the claim, then this default provision will not apply.

**Lease Default.** Grantor defaults under the terms of the Lease, or any other event (whether or not Grantor's fault) results in the termination or cancellation of Grantor's leasehold rights.

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**Breach of Other Agreement.** Any breach by Grantor under the terms of any other agreement between Grantor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Grantor to Lender, whether existing now or later.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

**RIGHTS AND REMEDIES ON DEFAULT.** Upon the occurrence of an Event of Default and at any time thereafter, Lender, at Lender's option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

**Accelerate Indebtedness.** Lender shall have the right at its option without notice to Grantor to declare the entire indebtedness immediately due and payable, including any prepayment penalty which Grantor would be required to pay.

**UCC Remedies.** With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

**Collect Rents.** Lender shall have the right, without notice to Grantor, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

**Mortgagee in Possession.** Lender shall have the right to be placed as mortgagee in possession or to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the indebtedness. The mortgagee in possession or receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

**Judicial Foreclosure.** Lender may obtain a judicial decree foreclosing Grantor's interest in all or any part of the Property.

**Deficiency Judgment.** If permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this section.

**Other Remedies.** Lender shall have all other rights and remedies provided in this Mortgage or the Note or available at law or in equity.

**Sale of the Property.** To the extent permitted by applicable law, Grantor hereby waives any and all right to have the Property marshalled. In exercising its rights and remedies, Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

**Notice of Sale.** Lender will give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

**Election of Remedies.** All of Lender's rights and remedies will be cumulative and may be exercised alone or together. An election by Lender to choose any one remedy will not bar Lender from using any other remedy.

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If Lender decides to spend money or to perform any of Grantor's obligations under this Mortgage, after Grantor's failure to do so, that decision by Lender will not affect Lender's right to declare Grantor in default and to exercise Lender's remedies.

**Attorneys' Fees; Expenses.** If Lender institutes any suit or action to enforce any of the terms of this Mortgage, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees and title insurance, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

**NOTICES.** Any notice required to be given under this Mortgage, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Mortgage. All copies of notices of foreclosure from the holder of any lien which has priority over this Mortgage shall be sent to Lender's address, as shown near the beginning of this Mortgage. Any person may change his or her address for notices under this Mortgage by giving formal written notice to the other person or persons, specifying that the purpose of the notice is to change the person's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors. It will be Grantor's responsibility to tell the others of the notice from Lender.

**MISCELLANEOUS PROVISIONS.** The following miscellaneous provisions are a part of this Mortgage:

**Amendments.** What is written in this Mortgage and in the Related Documents is Grantor's entire agreement with Lender concerning the matters covered by this Mortgage. To be effective, any change or amendment to this Mortgage must be in writing and must be signed by whoever will be bound or obligated by the change or amendment.

**Caption Headings.** Caption headings in this Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of this Mortgage.

**Governing Law.** This Mortgage will be governed by and interpreted in accordance with federal law and the laws of the State of Illinois. This Mortgage has been accepted by Lender in the State of Illinois.

**Choice of Venue.** If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of COOK County, State of Illinois.

**Joint and Several Liability.** All obligations of Grantor under this Mortgage shall be joint and several, and all references to Grantor shall mean each and every Grantor. This means that each Grantor signing below is responsible for all obligations in this Mortgage.

**No Waiver by Lender.** Grantor understands Lender will not give up any of Lender's rights under this Mortgage unless Lender does so in writing. The fact that Lender delays or omits to exercise any right will not mean that Lender has given up that right. If Lender does agree in writing to give up one of Lender's rights, that does not mean Grantor will not have to comply with the other provisions of this Mortgage. Grantor also understands that if Lender does consent to a request, that does not mean that Grantor will not have to get Lender's consent again if the situation happens again. Grantor further understands that just because Lender consents to one or more of Grantor's requests, that does not mean Lender will be required to consent to any of Grantor's future requests. Grantor waives presentment, demand for payment, protest, and notice of dishonor.

**Severability.** If a court finds that any provision of this Mortgage is not valid or should not be enforced, that

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fact by itself will not mean that the rest of this Mortgage will not be valid or enforced. Therefore, a court will enforce the rest of the provisions of this Mortgage even if a provision of this Mortgage may be found to be invalid or unenforceable.

**Merger.** There shall be no merger of the interest or estate created by this Mortgage with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

**Successors and Assigns.** Subject to any limitations stated in this Mortgage on transfer of Grantor's interest, this Mortgage shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Mortgage and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Mortgage or liability under the Indebtedness.

**Time is of the Essence.** Time is of the essence in the performance of this Mortgage.

**Waiver of Homestead Exemption.** Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Illinois as to all Indebtedness secured by this Mortgage.

**DEFINITIONS.** The following words shall have the following meanings when used in this Mortgage:

**Borrower.** The word "Borrower" means George H. Spoel and Barbara L. Spoel, and all other persons and entities signing the Note.

**Environmental Laws.** The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

**Event of Default.** The words "Event of Default" mean any of the events of default set forth in this Mortgage in the events of default section of this Mortgage.

**Grantor.** The word "Grantor" means George H. Spoel and Barbara L. Spoel.

**Guaranty.** The word "Guaranty" means the guaranty from guarantor, endorser, surety, or accommodation party to Lender, including without limitation a guaranty of all or part of the Note.

**Hazardous Substances.** The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

**Improvements.** The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

**Indebtedness.** The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Lender to enforce Grantor's obligations under this Mortgage, together with interest on such amounts as provided in this Mortgage.

**Lease.** The word "Lease" means the lease of the Property dated November 22, 1996, between as follows: (A) That certain ground lease dated as of November 22, 1996, by and between Cole Taylor Bank, as successor-trustee to Harris Trust and Savings Bank under Trust Agreement dated April 29, 1991 and known as Trust No. 94707, as lessor ("lessor"), and assignor/grantor, as lessee, and recorded in the office of the

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Recorder of Deeds of Cook County, Illinois on December 9, 1996 as document no. 96927871, as amended by that certain first amendment to ground lease dated as of January 6, 1997 by and between lessor and assignor/grantor, and recorded in the office of the Recorder of Deeds of Cook County, Illinois on February 28, 1997 as document no. 97141059, as amended by that certain joinder to ground lease dated as of November 7, 1997 by The Royal Ridge Homeowners Association, an Illinois not for profit corporation, and recorded in the office of the Recorder of Deeds of Cook County, Illinois on November 12, 1997 as document no. 97846934, and as further amended from time to time, (B) Ownership of the buildings and improvements located on the land., Landlord and Grantor.

**Lender.** The word "Lender" means THE NORTHERN TRUST COMPANY, its successors and assigns. The words "successors or assigns" mean any person or company that acquires any interest in the Note.

**Mortgage.** The word "Mortgage" means this Mortgage between Grantor and Lender.

**Note.** The word "Note" means the promissory note dated September 26, 2002, in the original principal amount of \$240,000.00 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. The interest rate on the Note is a variable interest rate based upon an index. The index currently is 1.780% per annum. Payments on the Note are to be made in accordance with the following payment schedule: 60 monthly consecutive principal and interest payments in the initial amount of \$1,325.29 each, beginning November 1, 2002, with interest calculated on the unpaid principal balances at an initial interest rate of 5.250% per annum; and 300 monthly consecutive principal and interest payments in the initial amount of \$1,233.04 each, beginning November 1, 2007, with interest calculated on the unpaid principal balances at an interest rate based on the the weekly average yield on United State Treasury Securities (currently 1.780%), plus a margin of 2.750%, resulting in an initial interest rate of 4.530%. Grantor's final payment will be due on October 1, 2032 and will be for all principal and accrued interest not yet paid, together with any other unpaid amounts under this Mortgage. If the index increases, the payments tied to the index, and therefore the total amount secured hereunder, will increase. Any variable interest rate tied to the index shall be calculated as of, and shall begin on, the commencement date indicated for the applicable payment stream. Notwithstanding the foregoing, the variable interest rate or rates provided for in this Mortgage shall be subject to the following maximum rate. NOTICE: Under no circumstances shall the interest rate on this Mortgage be more than the lesser of 9.530% per annum or the maximum rate allowed by applicable law. The maturity date of this Mortgage is October 1, 2032.

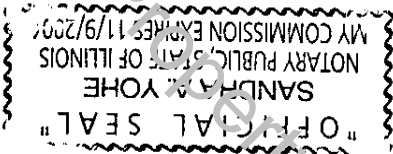
**Personal Property.** The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

**Property.** The word "Property" means collectively the Real Property and the Personal Property.

**Real Property.** The words "Real Property" mean the real property, interests and rights, as further described in this Mortgage.

**Related Documents.** The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

**Rents.** The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.



\*MARRIED TO GEORGE H. SPOERT

My commission expires \_\_\_\_\_

Notary Public in and for the State of ILLINOIS

Residing at \_\_\_\_\_

By [Signature]

Given under my hand and official seal this \_\_\_\_\_ day of September, 2007

On this day before me, the undersigned Notary Public, personally appeared George H. Spoert and Barbara L. Spoert, to me known to be the individuals described in and who executed the Mortgage, and acknowledged that they signed the Mortgage as their free and voluntary act and deed, for the uses and purposes therein mentioned.

STATE OF ILLINOIS  
COUNTY OF Cook  
)  
) SS  
)

INDIVIDUAL ACKNOWLEDGMENT

[Signature] Barbara L. Spoert, Individually

George H. Spoert, Individually - signing for the sole purpose of WAIVING HOMESTEAD RIGHTS

[Signature] George H. Spoert (his atty-in-fact)

GRANTOR:

GRANTOR AGREES TO ITS TERMS.

EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE, AND EACH

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State of Illinois

County of Cook

I, the undersigned, a notary of public in and for said county and state aforesaid, do hereby certify that Barbara L. Spoerl married to George H. Spoerl, who is personally known to me to be the same person who executed the within instrument as the Attorney in Fact of George H. Spoerl married to Barbara L. Spoerl, appeared before me this day in person and acknowledged that she signed, sealed, and delivered the said instrument, as the attorney in fact, as the free and voluntary act of herself and of said

Given under by hand and notarial seal, this

22th day of September, 2002

My commission expires:

Sandra A. Yohe  
Notary Public

" OFFICIAL SEAL "  
SANDRA A. YOHE  
NOTARY PUBLIC, STATE OF ILLINOIS  
MY COMMISSION EXPIRES 11/9/2004



TICOR TITLE INSURANCE COMPANY

ORDER NUMBER: 2000 000493469 OC  
STREET ADDRESS: 2266 ROYAL RIDGE DR  
CITY: NORTHBROOK COUNTY: COOK COUNTY  
TAX NUMBER: 04-14-301-152-0000

LEGAL DESCRIPTION:

PARCEL I:

AN UNDIVIDED 1/151 INTEREST IN (I) THAT CERTAIN GROUND LEASE DATED AS OF NOVEMBER 22, 1996 BY AND BETWEEN COLE TAYLOR BANK, AS SUCCESSOR-TRUSTEE TO HARRIS TRUST AND SAVINGS BANK UNDER TRUST AGREEMENT DATED APRIL 29, 1991 AND KNOWN AS TRUST NO. 94707, AS LESSOR ("LESSOR"), AND ASSIGNOR/GRANTOR, AS LESSEE, AND RECORDED IN THE OFFICE OF THE RECORDER OF DEEDS OF COOK COUNTY, ILLINOIS ON DECEMBER 9, 1996 AS DOCUMENT NO. 96927871, AS AMENDED BY THAT CERTAIN FIRST AMENDMENT TO GROUND LEASE DATED AS OF JANUARY 6, 1997 BY AND BETWEEN LESSOR AND ASSIGNOR/GRANTOR, AND RECORDED IN THE OFFICE OF THE RECORDER OF DEEDS OF COOK COUNTY, ILLINOIS ON FEBRUARY 18, 1997 AS DOCUMENT NO. 97141059, AS AMENDED BY THAT CERTAIN JOINDER TO GROUND LEASE DATED AS OF NOVEMBER 7, 1997 BY THE ROYAL RIDGE HOMEOWNERS ASSOCIATION, AN ILLINOIS NOT FOR PROFIT CORPORATION, AND RECORDED IN THE OFFICE OF THE RECORDER OF DEEDS OF COOK COUNTY, ILLINOIS ON NOVEMBER 12, 1997 AS DOCUMENT NO. 97846234, AND AS FURTHER AMENDED FROM TIME TO TIME (COLLECTIVELY, THE "GROUND LEASE"); AND (II) THE LEASEHOLD ESTATE IN THE PREMISES (THE "PREMISES") LEGALLY DESCRIBED AS:

LOT 1 IN ROYAL RIDGE SUBDIVISION, BEING A SUBDIVISION OF PART OF THE WEST HALF OF SECTION 14, TOWNSHIP 42 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN THE VILLAGE OF NORTHBROOK, COOK COUNTY, ILLINOIS, PURSUANT TO THE PLAT THEREOF RECORDED IN THE OFFICE OF THE RECORDER OF DEEDS OF COOK COUNTY, ILLINOIS ON NOVEMBER 3, 1997 AS DOCUMENT NO. 97818381.

COMMONLY KNOWN AS TECHNY PARCEL E-1 LOCATED ON THE EAST SIDE OF WAUKEGAN ROAD, SOUTH OF TECHNY ROAD, IN NORTHBROOK, ILLINOIS.

EACH WITH THE RESPECT SOLELY TO THE BUILDING SITE IDENTIFIED AND LEGALLY DESCRIBED AS FOLLOWS:

BUILDING SITE 145

THAT PART OF LOT 1 IN THE PLANNED UNIT DEVELOPMENT OF ROYAL RIDGE, BEING A SUBDIVISION OF PART OF THE WEST HALF OF SECTION 14, TOWNSHIP 42 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN TO THE PLAT THEREOF RECORDED NOVEMBER 3, 1997 AS DOCUMENT NUMBER 97818381, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID LOT 1; THENCE SOUTH 81 DEGREES 06 MINUTES 00 SECONDS WEST ALONG THE SOUTH LINE OF SAID LOT 1 A DISTANCE OF 238.08 FEET; THENCE NORTH 08 DEGREES 54 MINUTES 00 SECONDS WEST, 53.47 FEET TO THE EXTERIOR CORNER OF A CONCRETE FOUNDATION FOR A RESIDENCE (KNOWN AS 2269 AND 2273 ROYAL RIDGE DRIVE); THENCE SOUTH 81 DEGREES 08 MINUTES 03 SECONDS WEST, 4.00 FEET FOR A PLACE OF BEGINNING; THENCE ALONG A LINE FOLLOWING THE NEXT NINE COURSES AND DISTANCES COINCIDENT WITH THE EXTERIOR FOUNDATION WALL OF SAID

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## TICOR TITLE INSURANCE COMPANY

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ORDER NUMBER: 2000 000493469 OC  
STREET ADDRESS: 2266 ROYAL RIDGE DR  
CITY: NORTHBROOK COUNTY: COOK COUNTY  
TAX NUMBER: 04-14-301-152-0000

### LEGAL DESCRIPTION:

RESIDENCE; 1) SOUTH 81 DEGREES 06 MINUTES 03 SECONDS WEST 4.00 FEET; 2) NORTH 08 DEGREES 53 MINUTES 57 SECONDS WEST, 2.00 FEET; 3) SOUTH 81 DEGREES 06 MINUTES 03 SECONDS WEST, 15.29 FEET; 4) NORTH 08 DEGREES 53 MINUTES 57 SECONDS WEST, 5.74 FEET; 5) SOUTH 81 DEGREES 06 MINUTES 03 SECONDS WEST 12.21 FEET; 6) NORTH 08 DEGREES 53 MINUTES 57 SECONDS WEST, 36.92 FEET; 7) NORTH 81 DEGREES 06 MINUTES 03 SECONDS EAST, 8.17 FEET; 8) NORTH 08 DEGREES 53 MINUTES 57 SECONDS WEST 19.33 FEET; 9) NORTH 81 DEGREES 06 MINUTES 03 SECONDS EAST, 23.24 FEET TO THE CENTERLINE OF A PARTY WALL; THENCE SOUTH 08 DEGREES 53 MINUTES 57 SECONDS EAST ALONG THE CENTERLINE OF THE PARTY WALL FOR 84.00 FEET TO THE PLACE OF BEGINNING, CONTAINING 1733 SQUARE FEET IN COOK COUNTY, ILLINOIS (THE "BUILDING SITE") BUILDING SITE COMMONLY KNOWN AS 2273 ROYAL RIDGE DRIVE, NORTHBROOK, ILLINOIS

### PARCEL II:

FEE SIMPLE TITLE IN AND TO THE BUILDING AND ALL IMPROVEMENTS (BUT EXCLUDING THE LAND) LOCATED ON THE BUILDING SITE LEGALLY DESCRIBED HEREIN (INCLUDING ANY PORTION OF SUCH BUILDING AND IMPROVEMENTS WHICH IS LOCATED ON PORTIONS OF THE COMMON AREA (AS DEFINED IN THAT CERTAIN DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, EASEMENTS AND RIGHTS FOR THE ROYAL RIDGE SUBDIVISION DATED AS OF NOVEMBER 3, 1997, AND RECORDED WITH THE OFFICE OF THE RECORDER OF DEEDS OF COOK COUNTY, ILLINOIS ON NOVEMBER 3, 1997 AS DOCUMENT NO. 97520006 (THE "DECLARATION"), WHICH IMPROVEMENTS CONSIST OF A DWELLING UNIT (AS DEFINED IN THE DECLARATION); SUBJECT TO THE TERMS AND PROVISIONS OF THE GROUND LEASE.

### PARCEL III:

EASEMENTS APPURTENANT TO PARCELS I AND II FOR THE BENEFIT OF SUCH PARCELS AS SET FORTH IN THE AFORESAID DECLARATION.

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Property of Cook County Clerk's Office



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## PLANNED UNIT DEVELOPMENT RIDER

THIS PLANNED UNIT DEVELOPMENT RIDER is made this 26<sup>th</sup> day of September, 2002, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date, given by the undersigned (the "Borrower") to secure Borrower's Note to THE NORTHERN TRUST COMPANY

(the "Lender") of the same date and covering the Property described in the Security Instrument and located at: 2266 Royal Ridge Drive, Northbrook, ILLINOIS 60062

[Property Address]

The Property includes, but is not limited to, a parcel of land improved with a dwelling, together with other such parcels and certain common areas and facilities, as described in THE COVENANTS, CONDITIONS AND RESTRICTIONS OF RECORD

(the "Declaration"). The Property is a part of a planned unit development known as Royal Ridge

[Name of Planned Unit Development]

(the "PUD"). The Property also includes Borrower's interest in the homeowners association or equivalent entity owning or managing the common areas and facilities of the PUD (the "Owners Association") and the uses, benefits and proceeds of Borrower's interest.

**PUD COVENANTS.** In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

**A. PUD Obligations.** Borrower shall perform all of Borrower's obligations under the PUD's Constituent Documents. The "Constituent Documents" are the (i) Declaration; (ii) articles of incorporation, trust instrument or any equivalent document which creates the Owners Association; and (iii) any by-laws or other rules or regulations of the Owners Association. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

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MULTISTATE PUD RIDER - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

Page 1 of 3

Initials

Form 2159 1/01

VMP-7R (0008)

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**B. Property Insurance.** So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy insuring the Property which is satisfactory to Lender and which provides insurance coverage in the amounts (including deductible levels), for the periods, and against loss by fire, hazards included within the term "extended coverage," and any other hazards, including, but not limited to, earthquakes and floods, for which Lender requires insurance, then: (i) Lender waives the provision in Section 3 for the Periodic Payment to Lender of the yearly premium installments for property insurance on the Property; and (ii) Borrower's obligation under Section 5 to maintain property insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

What Lender requires as a condition of this waiver can change during the term of the loan.

Borrower shall give Lender prompt notice of any lapse in required property insurance coverage provided by the master or blanket policy.

In the event of a distribution of property insurance proceeds in lieu of restoration or repair following a loss to the Property, or to common areas and facilities of the PUD, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender. Lender shall apply the proceeds to the sums secured by the Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.


**C. Public Liability Insurance.** Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

**D. Condemnation.** The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or any part of the Property or the common areas and facilities of the PUD, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Section 11.

**E. Lender's Prior Consent.** Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to: (i) the abandonment or termination of the PUD, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain; (ii) any amendment to any provision of the "Constituent Documents" if the provision is for the express benefit of Lender; (iii) termination of professional management and assumption of self-management of the Owners Association; or (iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

**F. Remedies.** If Borrower does not pay PUD dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower secured by the Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

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 LMP-7R (0008)

Page 2 of 3

Initials: 

Form 3150 1/01



20214-02

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BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this PUD Rider.

*George L. Spoerl* <sup>(his atty. in fact)</sup> *Barbara L. Spoerl* *Barbara L. Spoerl*  
George L. Spoerl -SIGNING -Borrower Barbara L. Spoerl -Borrower

FOR THE SOLE PURPOSE OF WAIVING  
HOMESTEAD RIGHTS

\_\_\_\_\_(Seal) \_\_\_\_\_(Seal)  
-Borrower -Borrower

\_\_\_\_\_(Seal) \_\_\_\_\_(Seal)  
-Borrower -Borrower

\_\_\_\_\_(Seal) \_\_\_\_\_(Seal)  
-Borrower -Borrower

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WMP-7R (0008)

Page 3 of 3

Form 3150 1/01



20214-03

Property of Cook County Clerk's Office

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## FIXED/ADJUSTABLE RATE RIDER (One-Year Treasury Index - Rate Caps)

THIS FIXED/ADJUSTABLE RATE RIDER is made this 26th day of September, 2002, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Fixed/Adjustable Rate Note (the "Note") to THE NORTHERN TRUST COMPANY

("Lender") of the same date and covering the property described in the Security Instrument and located at:  
2266 Royal Ridge Drive, Northbrook, ILLINOIS 60062

[Property Address]

THE NOTE PROVIDES FOR A CHANGE IN BORROWER'S FIXED INTEREST RATE TO AN ADJUSTABLE INTEREST RATE. THE NOTE LIMITS THE AMOUNT BORROWER'S ADJUSTABLE INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE BORROWER MUST PAY.

**ADDITIONAL COVENANTS.** In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

### A. ADJUSTABLE RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial fixed interest rate of 5.2500%. The Note also provides for a change in the initial fixed rate to an adjustable interest rate, as follows:

### 4. ADJUSTABLE INTEREST RATE AND MONTHLY PAYMENT CHANGES

#### (A) Change Dates

The initial fixed interest rate I will pay will change to an adjustable interest rate on the first day of October, 2007, and the adjustable interest rate I will pay may change on that day every 12th month thereafter. The date on which my initial fixed interest rate changes to an adjustable interest rate, and each date on which my adjustable interest rate could change, is called a "Change Date."

2000495916

MULTISTATE FIXED/ADJUSTABLE RATE RIDER - ONE-YEAR TREASURY INDEX - Single Family -  
Fannie Mae Uniform Instrument

VMP-843R (0006).01 Form 31821/01

Page 1 of 4

Initials: *BLD*

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**(B) The Index**

Beginning with the first Change Date, my adjustable interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of one year, as made available by the Federal Reserve Board. The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index that is based upon comparable information. The Note Holder will give me notice of this choice.

**(C) Calculation of Changes**

Before each Change Date, the Note Holder will calculate my new interest rate by adding **Two and Three Fourths** percentage points

( **2.7500 %** ) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

**(D) Limits on Interest Rate Changes**

The interest rate I am required to pay at the first Change Date will not be greater than **7.2500 %** or less than **3.2500 %**. Thereafter, my adjustable interest rate will never be increased or decreased on any single Change Date by more than two percentage points from the rate of interest I have been paying for the preceding 12 months. My interest rate will never be greater than **11.2500 %**.

**(E) Effective Date of Changes**

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

**(F) Notice of Changes**

The Note Holder will deliver or mail to me a notice of any changes in my initial fixed interest rate to an adjustable interest rate and of any changes in my adjustable interest rate before the effective date of any change. The notice will include the amount of my monthly payment, any information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

**B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER**

1. Until Borrower's initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section A above, Uniform Covenant 18 of the Security Instrument shall read as follows:

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**Transfer of the Property or a Beneficial Interest in Borrower.** As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower 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 Borrower.

2. When Borrower's initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section A above, Uniform Covenant 18 of the Security Instrument described in Section B1 above shall then cease to be in effect, and the provisions of Uniform Covenant 18 of the Security Instrument shall be amended to read as follows:

**Transfer of the Property or a Beneficial Interest in Borrower.** As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender also may require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all

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sums secured by this Security Instrument. If Borrower 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 Borrower.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Fixed/Adjustable Rate Rider.

*George H. Spoerl* (his atty-in-fact) *Barbara L. Spoerl* *Barbara L. Spoerl*  
George H. Spoerl -SIGNING -Borrower Barbara L. Spoerl -Borrower


FOR THE SOLE PURPOSE OF WAIVING  
HOMESTEAD RIGHTS

\_\_\_\_\_(Seal) \_\_\_\_\_(Seal)  
-Borrower -Borrower

\_\_\_\_\_(Seal) \_\_\_\_\_(Seal)  
-Borrower -Borrower

\_\_\_\_\_(Seal) \_\_\_\_\_(Seal)  
-Borrower -Borrower

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