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0321129176

Eugene "Gene" Moore Fee: \$60.00
Cook County Recorder of Deeds
Date: 07/30/2003 11:50 AM Pg: 1 of 19

MORTGAGE

LOAN ID: 1301032573

19

THIS MORTGAGE made this **May 30, 2003**, is between **Donald Hall a/k/a Donald D. Hall** with an address of **8327 South Tripp, Chicago, IL 60652** (each jointly and severally, if more than one person, and hereinafter referred to as "Mortgagor") and **American Business Credit, Inc.** the mortgagee ("Lender"), with a mailing address of **111 Presidential Blvd., Ste. 127, Bala Cynwyd, PA 19004**.

In consideration for and to secure payment and performance to Lender of all of the Obligations, as that term is defined in subparagraphs (a) through (d) below, Mortgagor has granted, bargained, sold, conveyed, released, assigned, transferred, pledged, mortgaged and confirmed, and by these presents does hereby grant, bargain, sell, convey, release, assign, transfer, pledge, mortgage and confirm unto Lender, its successors and assigns, forever:

ALL THAT CERTAIN real estate situated in the County of Cook, State of Illinois, known and designated as **5940-5944 South Ashland Avenue, City of Chicago, Tax Parcel: 20-18-407041-0000** conveyed to Mortgagor by Deed dated **September 05, 1995** duly recorded in the office for recording of deeds in said County of Cook on **September 8, 1995** at Instrument **95601584** as the Premises are therein described and, if necessary, as more particularly described on Exhibit "A" attached hereto and made a part hereof (hereinafter the "Premises");

THE PREMISES SHALL INCLUDE all right, title and interest of Mortgagor in and to all present and future structures, buildings and improvements located thereon, together with all common areas, streets, lanes, alleys, passageways, passages, ways, water courses, strips and gores of land, easements, estates, rights, titles, interests, liberties, privileges, tenements, hereditaments and appurtenances, whatsoever thereunto belonging to or in any way made appurtenant thereto; all leases and subleases of all or any part of the Premises and rights of payment thereunder; the air space above and right to use the air space above, and the drainage, crops, timber, agricultural, horticultural, mineral, water, oil and gas rights with respect to the Premises, at law or in equity, all machinery, apparatus, equipment, furniture, fixtures, including, without (Remainder of page intentionally left blank)

TICOR TITLE INSURANCE

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limitation, trade fixtures, goods, appliances and other property of every kind, nature and description whatsoever, now or hereafter located in, on or about, or attached to or used in connection with, the Premises, together with any and all replacements and substitutions thereof and all accessories, parts or accessions thereto now or hereafter owned by the Mortgagor or in which Mortgagor has or may obtain any interest, and all awards, damages, payments and/or claims arising out of any eminent domain or condemnation proceeding, damage or injury to any part of the Premises and/or any buildings, structures or improvements thereon (the Premises, together with all of the foregoing, is hereinafter referred to as the "Mortgaged Property");

TO HAVE AND TO HOLD the Mortgaged Property hereby conveyed or mentioned and intended so to be, unto Lender, to its own use, forever.

PROVIDED, ALWAYS, that this instrument is upon the express condition that, if Mortgagor promptly satisfies all of the Obligations, as hereinafter defined, in accordance with the provisions of the Loan Documents, as hereinafter defined, and this Mortgage, at the times and in the manner specified, without deduction, fraud or delay, and if all the agreements, conditions, covenants, provisions and stipulations contained therein and in this Mortgage and in the Loan Documents are fully performed and complied with, then this Mortgage and the estate hereby granted shall cease, determine and become void.

As used in this Mortgage, "Obligations" means any or all of the following:

(a) The indebtedness, liabilities and obligations of Mortgagor to Lender arising out of a certain surety agreement dated **May 30, 2003**, as now or hereafter as amended ("Surety Agreement") pursuant to which the Mortgagor became unconditional surety for the Obligations (as such term is defined in the certain promissory note of **Donald D. Hall Fashions, Inc.** (the "Obligor") in the original principal amount of **Eighty Seven Thousand Five Hundred And Zero/100 DOLLARS (\$87,500.00)** dated **May 30, 2003**, which, as now or hereafter amended, being hereafter referred to as the "Note") plus all amounts due under the Note and all other liabilities of Mortgagor to Lender described in any agreements, documents and instruments executed in connection therewith (all of which, now and as amended, being hereafter collectively referred to as the "Loan Documents");

(b) All other existing and future indebtedness, liabilities and obligations of Obligor to Lender whether sole, joint or several, matured or unmatured, direct or indirect, absolute or contingent, of any nature whatsoever, and out of what ever transactions arising, including, without limitation, any debt, liability or obligation owing from Mortgagor to others which Lender may obtain by assignment or otherwise, excepting only any indebtedness constituting "Consumer Credit" as that term is defined in Regulation Z, 12 C.F.R. § 226.1 et seq.;

(c) All amounts advanced by Lender for or on behalf of Mortgagor (i) to pay taxes, charges, assessments or other amounts assessed against the Mortgaged Property not paid by Mortgagor when due, or (ii) to keep the Mortgaged Property continuously insured if Mortgagor fails to maintain all insurance coverage required hereunder; and the costs of curing any Event of Default set forth in the Note, this Mortgage or in the Loan Documents which the Lender elects to cure; and

(d) The reasonable costs and expenses, including attorneys' fees incurred by Lender in preserving, protecting and/or enforcing any of the obligations of Mortgagor specified in (a), (b) and (c) above.

MORTGAGOR REPRESENTS, COVENANTS AND WARRANTS to and with Lender that, until the Obligations secured hereby are fully paid and performed: (Remainder of page intentionally left blank)

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- 1. Payment and Performance.** Mortgagor shall pay to Lender in accordance with the terms of the Note, the Surety Agreement, this Mortgage and the Loan Documents, the principal, interest and other sums therein and herein set forth and shall perform and comply with all the agreements, conditions, covenants, provisions and stipulations of the Note, this Mortgage and the Loan Documents.
- 2. Warranty of Title.** Mortgagor warrants that Mortgagor possesses good and marketable fee simple title to the Premises, and has all power and authority to mortgage the Mortgaged Property to Lender and to grant a security interest therein in the manner set forth herein.
- 3. Maintenance of Mortgaged Property.** Mortgagor shall keep and maintain or cause to be kept and maintained the Mortgaged Property, including all buildings and improvements now or at any time hereafter erected on the Premises and the sidewalks and curbs abutting them, in good order and condition and repair and shall abstain from and shall not permit the commission of waste of, in or about the Mortgaged Property.
- 4. Insurance.** Mortgagor shall keep the Mortgaged Property continuously insured against fire and such other hazards in such amounts as may be required by Lender from time to time. All policies of insurance shall be issued by companies acceptable to Lender, and shall contain a standard mortgagee clause, in favor of Lender, and shall provide for at least thirty (30) days prior written notice of cancellation or reduction in coverage to Lender, all of which policies are hereby assigned to Lender as additional security for the Obligations. If Lender shall become the owner of the Mortgaged Property or any part thereof by foreclosure or otherwise, such policies, including all right, title and interest of Mortgagor thereunder, shall become the property of Lender. At least thirty (30) days prior to the expiration date of any insurance policy, Mortgagor shall deliver to Lender satisfactory evidence of the renewal of such insurance and the payment of all premiums therefor. In the event of any loss, Mortgagor will give immediate notice thereof to Lender and Lender may make proof of loss on behalf of Mortgagor. Each insurance company concerned is hereby authorized and directed to make payments under any such policies directly to Lender, instead of Lender and Mortgagor jointly, and Mortgagor hereby irrevocably appoints Lender as Mortgagor's attorney-in-fact to endorse in Mortgagor's name any checks or drafts issued thereon. Lender shall have the right to retain and apply the proceeds of any such insurance, at its reasonable election, to reduction of the Obligations, or to restoration and repair of the property damaged.
- 5. Taxes and Other Charges.** Mortgagor shall pay when due and before interest or penalties shall accrue thereon, all taxes, charges, assessments and other governmental charges of any kind whatsoever including electricity, water and sewer rents, levied or assessed against the Mortgaged Property and will deliver receipts therefore to Lender upon request, and shall pay when due all amounts secured by any prior lien on the Mortgaged Property.
- 6. Inspection.** Lender and any persons authorized by Lender shall have the right at any time, upon reasonable notice to Mortgagor, to enter the Premises at a reasonable hour to inspect and photograph its condition and state of repair.
- 7. Declaration of No Set-Off.** Within one (1) week after request to do so by Lender, Mortgagor shall certify to Lender or to any assignee or proposed assignee of this Mortgage, in writing duly acknowledged, the amount of principal, interest and other charges then owing on the Obligations and on any obligations secured by prior liens upon the Mortgaged Property, if any, and whether there are any set-offs or defenses against them.
- 8. Required Notices.** Mortgagor shall notify Lender promptly of the occurrence of any of the following:
 - (a) a fire or other casualty causing damage to all or any part of the Mortgaged Property;
 - (b) receipt of notice of eminent domain proceedings or condemnation of all or any part of the Mortgaged Property and Mortgagee hereby grants Lender an irrevocable power of attorney to appear and act for and on behalf of Mortgagor in any and all such proceedings;
 - (c) receipt of notice from any governmental authority relating to the structure, use or occupancy of the Mortgaged Property or any real property adjacent to the Mortgaged Property;
 - (d) a change in the occupancy of the Mortgaged Property;

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- (e) receipt of any notice from the holder of any lien or security interest in all or any part of the Mortgaged Property; or
- (f) commencement of any litigation affecting the Mortgaged Property.

9. Mortgage and Liens. Without the prior written consent of Lender, Mortgagor will not create or permit to be created or filed against the Mortgaged Property, any mortgage lien or other lien or security interest superior or inferior to the lien of this Mortgage, or in any way modify or amend any prior lien on the Mortgaged Property.

10. No Transfer. Without the prior written consent of Lender, Mortgagor will not cause nor permit any transfer of legal or equitable title to, beneficial interest in, or any estate or interest in the Mortgaged Property, or any part thereof, voluntarily or by operation of law, whether by sale, exchange, lease, conveyance, merger, consolidation, the granting of any lien or security interest or otherwise, or any agreement to do any of the foregoing.

11. Events of Default. Any one or more of the following events shall constitute an Event of Default hereunder:

- (a) Failure of Mortgagor or Obligor to make any payment of principal or interest or any other sum promptly when due on any of the Obligations;
- (b) Mortgagor's or Obligor's nonperformance of or noncompliance in any material respect with any other agreements, conditions, covenants, provisions or stipulations contained in the Note, the Surety Agreement, this Mortgage or any of the Loan Documents;
- (c) Any signature, statement, representation or warranty made in the Note, the Surety Agreement, this Mortgage, or any of the Loan Documents, or in any financial statement, certificate, application, request or other document furnished to Lender by Mortgagor at any time prior to, now or hereafter, is not true and correct in any material respect when made or delivered;
- (d) The occurrence of any default under the Note, the Surety Agreement or any of the Loan Documents or under any other agreement binding upon the Mortgagor or Obligor or their property;
- (e) The commencement by or against any Mortgagor or Obligor of any proceeding under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, the making by any Mortgagor or Obligor of any general assignment for the benefit of creditors, the failure of any Mortgagor or Obligor generally to pay debts as such debts become due, or the taking of action by any Mortgagor or Obligor in furtherance of any of the foregoing; or
- (f) The transfer or sale of any part of the Mortgaged Property or any interest therein, without the Lender's prior written consent.

12. Remedies of Lender.

- (a) Upon the occurrence of any Event of Default, the entire unpaid balance of the Obligations, including interest as has accrued and as may thereafter accrue thereon, and all other sums secured by this Mortgage, shall become immediately due and payable, at the option of Lender, without notice to or demand upon Mortgagor or any other person; and thereupon, in addition to all other rights or remedies available under the Note, the Surety Agreement or any of the Loan Documents, or at law or in equity, Lender may:
 - (i) forthwith bring an action of mortgage foreclosure hereon, and may proceed to judgment and execution to recover the balance due on the Obligations and any other sums that may be due thereunder, including attorneys fees, costs of suit and costs of sale to the extent, if any, provided in the Obligations and permitted by law; and
 - (ii) enter into possession of Premises, with or without legal action, lease the same, collect all rents and profits therefrom and, after deducting all costs of collection and administrative expenses, apply the net rents and profits to the payment of taxes and other necessary maintenance and operational costs (including agents' fees and attorneys' fees) or on account of the Obligations, in such order and in such amounts as Lender in its sole discretion may elect, and Lender shall be liable to account only for rents and profits actually received by Lender; and

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(b) Any real estate sold hereunder or on any other judicial proceedings, may be sold in one parcel as an entity or in such parcels and in such order and manner as Lender, in its sole discretion, may elect.

13. Rights and Remedies Cumulative. The rights and remedies of Lender as provided in the Note, the Surety Agreement, this Mortgage and the Loan Documents shall be cumulative and concurrent, may be pursued separately, successively or together against Mortgagor, against the Mortgaged Property, or any other person liable hereunder or thereunder, at the sole discretion of Lender, and may be exercised as often as occasion thereof shall arise. The failure of Lender to exercise any right or remedy on any one or more occasions shall in no event be construed as a waiver or release thereof.

14. Mortgagor's Waivers. Mortgagor hereby waives and releases to the extent permitted by law:

- (a) All errors, defects and imperfections in any proceeding instituted by Lender under the Note, the Surety Agreement or this Mortgage, and/or the Loan Documents;
- (b) All benefits that might accrue to Mortgagor by virtue of any present or future law exempting the Mortgaged Property, or any part of the proceeds arising from any sale thereof, from attachment, levy or sale on execution, or providing for any stay of execution, exemption from civil process or extension of time for payment; and
- (c) Unless specifically required herein, all notices of Mortgagor's default or of Lender's election to exercise, or Lender's actual exercise of any option under the Note, the Surety Agreement or this Mortgage.

15. Future Advances. Without limiting any other provisions of this Mortgage, this Mortgage shall also secure additional loans or advances hereafter made by Lender to or on behalf of Obligor. Nothing contained herein shall impose any obligation on the part of Lender to make any such additional loan(s) to Obligor.

16. Communications. All communications required or permitted to be given under this Mortgage, to be effective, shall be in writing, and shall be hand delivered or sent by registered mail, postage prepaid, return receipt requested, addressed to the addresses set forth above or at such other address as the addressee may hereafter designate in writing in the manner herein provided.

17. Severability. If for any reason whatsoever any part of this Agreement shall be declared void or invalid, by operation of law or otherwise, in any jurisdiction, then as to such jurisdiction only, such part shall be void and the remaining provisions of this Mortgage shall remain in all other respects valid and enforceable, and such invalidity shall not invalidate or render unenforceable such provision in any other jurisdiction.

18. Binding Effect - Amendment. This Mortgage is binding upon and shall inure to the benefit of Mortgagor and Lender, and their respective successors and assigns. This Mortgage may not be changed or amended except by agreement in writing signed by the party against whom enforcement of the change or amendment is sought. This Mortgage contains the entire agreement among the parties with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements, statements and representations, whether written or oral, with respect thereto.


19. Applicable Law. The validity, construction, meaning and effect of the provisions of this Mortgage shall be governed and determined by and under the laws of the State of Illinois.

(Signatures begin on next page)

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AS WITNESS the hand and seal of the Grantor hereto as of the date first above written. This instrument is intended to be a sealed instrument.


[L.S.] _____ [L.S.]
Donald Hall a/k/a Donald D. Hall,
Individual
DO NOT SIGN

_____ [L.S.] _____ [L.S.]
DO NOT SIGN
DO NOT SIGN

_____ [L.S.] _____ [L.S.]
DO NOT SIGN
DO NOT SIGN

Witness:

Witness:

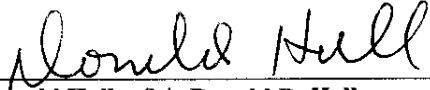
The undersigned, being authorized to do so, hereby certifies that the precise address of the within named Mortgagee is **111 Presidential Blvd., Ste. 127, Bala Cynwyd, PA 19004.**

BY: _____

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The undersigned hereby acknowledges receipt, without cost, of a true and correct copy of the within instrument.

 [L.S.] _____ [L.S.]
Donald Hall a/k/a Donald D. Hall,
Individual **DO NOT SIGN**

_____ [L.S.] _____ [L.S.]
DO NOT SIGN **DO NOT SIGN**

_____ [L.S.] _____ [L.S.]
DO NOT SIGN **DO NOT SIGN**

Property of Cook County Clerk's Office

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EXHIBIT A

Description of Premises

5940-5944 South Ashland Avenue, City of Chicago, County of Cook, State of Illinois

Property of Cook County Clerk's Office

A large, thick, black scribble or signature is written over the diagonal watermark text. The scribble consists of several overlapping, irregular loops and lines, completely obscuring the text it passes over.

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ACKNOWLEDGMENT

STATE OF Illinois :
 : SS
COUNTY OF Cook :

On this 30th day of MAY, 2003 before me, the undersigned, personally appeared
Donald Hall a/k/a Donald D. Hall

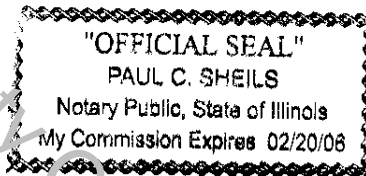
known to me or satisfactorily proven to me to be the person(s) whose name(e) is/are subscribed to the within instrument and acknowledged:

that he/she/they executed the same for the purposes therein contained and desire that it be recorded as such;

IN WITNESS WHEREOF, I have hereunto set my hand
and official seal.

My Commission Expires:

Paul C. Sheils
Notary Public



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American Business Credit, Inc.
Bala Cynwyd, PA 19004

ASSIGNMENT OF LESSOR'S INTEREST IN LEASES

LOAN ID: 1301032573

THIS ASSIGNMENT ("Assignment") is made this **May 30, 2003** by **Donald Hall a/k/a Donald D. Hall** if more than one, (jointly and severally, "Assignor"), with a mailing address of **8327 South Tripp, Chicago, IL 60652** to **American Business Credit, Inc.** herein called "Lender"), a Pennsylvania corporation with an office at **111 Presidential Blvd., Ste. 127, Bala Cynwyd, PA 19004**.

Lender has agreed to lend up to **\$87,500.00** (the "Loan") to **Donald D. Hall Fashions, Inc.** which Loan is evidenced by note of even date herewith as now or hereafter amended ("Note"). The Note is guaranteed by, among other things, a certain surety agreement of even date herewith (the "Surety Agreement") among Assignor and Lender. Assignor's obligations under the Surety Agreement are secured by, among other things, a mortgage ("Mortgage") on those certain premises situate in **City of Chicago County of Cook, State of Illinois**, known and designated as **5940-5944 South Ashland Avenue** as more fully described in Exhibit "A" attached hereto and made a part hereof (collectively the Premises"). As a condition to making the Loan, Lender has required the execution and delivery of this Assignment.

NOW, THEREFORE, for value received and intending to be legally bound hereby, Assignor agrees as follows:

1. As security for (a) the prompt payment as and when due of all amounts owing under the Surety Agreement, including any extensions and/or renewals thereof, together with all other existing and future (Remainder of page intentionally left blank)

Assignment of Leases by Surety

ABC_HAC39 (CT, DE, IL, IN, MA, MI, NJ, NY, OH, PA, RI, SC, VT) (0303)

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liabilities and Obligations as that term is defined in the Mortgage and Surety Agreement, whether matured or unmatured, absolute or contingent, direct or indirect, joint or several, of any nature whatsoever and out of whatever transactions arising from the documents, agreements, and instruments executed in connection herewith (hereinafter collectively the "Loan Documents"); and (b) the performance and discharge of each and every obligation, covenant and agreement contained herein and in the Loan Documents, (said payment and performance under the Loan Documents shall hereinafter be collectively referred to as the "Obligations" herein). Assignor hereby assigns, transfers, sets over and grants to Lender a continuing lien on and security interest in all of the following whether now owned or hereafter acquired: (i) all of its rights, title, privilege and interest as lessor, by assignment or otherwise, in, to and under any and all leases now or hereafter affecting all or any part of the Premises, a true and correct listing of which is set forth on Exhibit "B", attached hereto and made a part hereof, together with any and all amendments, extensions, modifications thereof, and renewals, replacements and substitutions therefore (collectively referred to herein as the "Leases"); (ii) all rents, income, profits, accounts receivable of every kind and description and other rights of payment, security or deposits existing or arising in connection with any of the Leases and all other rights of payment from any other income producing facility now or hereafter situate on the Premises, a true and correct listing of which as of the date hereof is attached hereto as Exhibit "C", (iii) all guarantees of and security for any lessee's or other persons' obligations thereunder now or hereafter in force; (iv) all insurance proceeds, including rental loss coverage and business interruption coverage as to the Leases; (v) all awards or proceeds from any condemnation of the Premises or any part thereof; and (vi) all judgments or settlements of claims in favor of Assignor arising out of the Leases or any of the foregoing, or in any proceeding, including any bankruptcy, reorganization, insolvency or debtor proceeding. This Assignment includes, without limitation, the right to receive, upon the occurrence of any Event of Default as that term is defined herein, all rents, issues and profits, accounts receivable of any kind or description, security deposits, and other amounts payable under or in connection with each of the Leases and any other income producing facility now or hereafter situated on the Premises. Upon the payment and satisfaction in full of the Obligations, this Assignment shall terminate and be of no further force or effect.

2. The receipt by Lender of any rents, issues and profits and any other accounts receivable or other income from any other income producing facility now or hereafter situated on the Premises under any of the Leases or otherwise, after the institution of foreclosure proceedings under the Mortgage, shall not cure any default nor affect such proceedings or any sale pursuant thereto.

3. Assignor represents, warrants and covenants that:

- (a) Assignor has full right and title to assign the Leases and all other rights and property described in paragraph 1 hereof and all rights to received payments thereunder;
- (b) The Leases shall be subordinate in estate, lien, operation and effect to the Mortgage in favor of Lender on the Premises;
- (c) Assignor has not made and will not make any other assignment of the Leases or any right of payment described herein;
- (d) There are no leases or agreements to lease all or any part of the Premises now in effect except Leases listed in Exhibit "B" attached hereto;
- (e) Assignor will promptly submit a copy of all proposed leases and sub-leases (other than transient leases) of all or any part of the Premises to Lender for Lender's prior written approval and shall not execute a lease or agreement to lease without Lender's prior written approval. Upon due execution by a lessee, such lease shall be considered a Lease and shall be subject to and in conformity with the provisions herein contained;
- (f) The Assignor will not execute any lease (which term shall also include subleases as the context may require) of all or substantial portion of the Premises except for actual occupancy by the lessee thereunder, and will at all times promptly and faithfully perform, or cause to be performed, all of the covenants, conditions and agreements contained in all Leases now or hereafter existing, on the part of the lessor thereunder to be kept and performed and will at all times do all things necessary to compel performance by the lessee under each Lease of all

Assignment of Leases by Surety

ABC_HAC39 (CT, DE, IL, IN, MA, MI, NJ, NY, OH, PA, RI, SC, VT) (0303)

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obligations, covenants and agreements by such lessee to be performed thereunder. Within ten (10) days after request by Lender, Assignor shall furnish to Lender satisfactory evidence of compliance with this paragraph together with a statement of all lease deposits and securities deposited by the tenants and copies of all leases not theretofore delivered to Lender, certified as true, correct and complete by the Assignor;

- (g) Upon Lender's request, and in any event within ninety (9) days after the end of each fiscal year of Assignor, Assignor will deliver to Lender an occupancy report stating as of the date of delivery thereof with respect to each of the Leases, the lessee's name, the date of each of the Leases, the premises demised, the term, the rent, the security deposits, any advance rent payments and any default by the lessee or Assignor in respect thereof.
4. The acceptance of this Assignment and the collection of rents or other payments under the Leases or in connection with any income producing facility shall not constitute a waiver of any rights of Lender under the terms of any of the Loan Documents. Except as otherwise provided herein, until the occurrence of an Event of default, as that term is defined herein, Assignor shall have the right to collect all rent and other amounts due to Assignor under the Leases, and the income producing facility and to retain, use and enjoy the same.
5. Assignor will: (a) fulfill or perform every condition and covenant of the Leases to be fulfilled or performed by it; (b) deliver to Lender, upon written demand, a statement and accounting specifying the rents and profits derived or received from the leases and the amounts delivered or received in connection with the income producing facility for the period specified in such demand, the disbursements made for such periods and the names of all lessees of the Premises, and persons with whom Assignor has entered into an arrangement with respect to any income producing facility, if any, together with true and correct copies of such arrangements and all Leases for which rent is so accrued; and (c) maintain records and accounts for all security deposits in accordance with applicable law, and provide an accounting therefore as requested by Lender.
6. Should Assignor fail to make any payment or to do any act as herein provided, Lender may, in its sole discretion, without notice to or demand of Assignor and without releasing Assignor from any obligation herein, make or do the same, including without limitation, appearing in and defending any action purporting to affect the security hereof or the rights or powers of Lender, perform any obligation of the Assignor under the Leases and, in exercising any such powers, pay necessary costs and expenses, including without limitation, attorney's fees. Assignor will promptly pay, upon demand, all sums expended by Lender under the authority hereof, together with the interest thereon; such sums, together with interest thereon, shall be secured by the collateral security described herein and in the Loan Documents.
7. Notwithstanding anything to the contrary contained herein, Assignor hereby assigns to Lender any award made hereafter to it in any court proceeding involving any of the lessees (whether under any Lease or any right, including any right of payment, under or in connection with any income producing facility) in any condemnation, bankruptcy, insolvency, or reorganization proceedings in any state or Federal court, and any and all payments made under or in connection with such income producing facility. Assignor hereby appoints Lender as its irrevocable attorney-in-fact to appear in any action and/or to collect any such award or payment.
8. Lender shall not be obligated to perform or discharge any obligation or duty to be performed or discharged by Assignor under any of the Leases, or any arrangement in connection with any income producing facility and the Assignor hereby agrees to and does indemnify and defend Lender against, and to save it harmless from, any and all liability, loss, damage or expense (including attorneys' fees) of any nature arising in any manner from or in connection with any of the Leases, any income producing facility, or the providing or failure to provide any services thereunder or from this Assignment, and this Assignment shall not place responsibility for the control, care, management or repair of the Premises or any income producing facility upon Lender, or make Lender responsible or liable for any negligence in the management, operation, upkeep, repair or control of the Premises including, without limitation any income producing facility, resulting in loss or injury or death to Assignor or to any lessee, tenant, licensee, employee or other person.

Assignment of Leases by Surety

ABC_HAC39 (CT, DE, IL, IN, MA, MI, NJ, NY, OH, PA, RI, SC, VT) (0303)

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9. Each of the following shall constitute an "Event of Default" hereunder: (a) the assignment of any of the Leases or any right of payment thereunder or under any income producing facility to any party other than Lender; (b) the leasing of all or any part of the Premises (except in the ordinary course of business) without the prior written approval of Lender; (c) the failure of Assignor to observe or perform any agreements covenants or representations hereunder; (d) the breach of any warranty or the untruth of any representation of Assignor contained herein; (e) the entry against Assignor of any judgment based or premised upon any of the Leases or income producing facility; (f) the occurrence of any Event of Default set forth in the Surety Agreement, the Mortgage or any of the other Loan Documents whether or not Lender elects to enforce such default; and (g) the occurrence of any default by Assignor under any of the Leases or any arrangement concerning the income producing facility.

10. (a) After the occurrence of any Event of Default hereunder or after the election by Lender to accelerate the maturity of the Obligations pursuant to the provisions of the Surety Agreement, the Mortgage, or the Loan Documents, Lender, at its option, without notice and without regard to the adequacy of the security of the sums secured hereby, either in person or by agent, may in accordance with applicable law, do any one or more of the following: (a) enter upon, take possession of, and control of the Premises and shall have all of Assignor's rights and powers with respect thereto including without limitation, the power and right to let and re-let all or part of and operate the Premises including without limitation any income producing facility situate thereon; (b) make, enforce, modify and accept the surrender of any of the Leases or any rights of payment under or in connection with any income producing facility; (c) evict lessees; (d) fix and modify rents and other sums payable by any lessee under any Lease or any income producing facility; (e) cancel or terminate any management agreement or contract regarding the Premises or any income producing facility, and appoint such property manager for the Premises and any income producing facility as Lender deems appropriate; (f) either with or without taking possession of the Premises, in its own name or in the name of Assignor or both, sue for or otherwise collect and receive all rents, issues, revenue, earnings and profits, accounts receivable and other amounts payable in connection with the Leases and any income producing facility situate on the Premises, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorneys' fees, to the Obligations secured hereby in such order as Lender may determine; (g) notify any lessee of all or any part of the Premises or any person obligated to make payments under or in connection with any income producing facility to make payments thereon directly to Lender and to take control of the cash and non-cash proceeds of any Lease or such payment and all lessees and other persons are hereby authorized and directed to pay rent and other sums payable under the Lease and in connection with any income producing facility directly to Lender upon receipt of a written notice from Lender to do so.

(b) The rights and powers granted and accruing to Lender pursuant to the foregoing subparagraph (a) shall be deemed and construed in accordance with and as a supplement to any rights and powers granted and accruing to Lender pursuant to the Surety Agreement, Mortgage, or any other Loan Documents and shall in no event be deemed or construed to limit the rights and powers of Lender contained therein.

11. Without the prior written consent of Lender, Assignor will not cause or permit the leasehold estate under my Lease to merge with Assignor's reversionary or equitable interest, if any, in the Premises.

12. Assignor hereby irrevocable authorizes Lender to give written notice of this Assignment at any time to any present or future lessee or lessees of all or any part of the Premises and any person with whom Assignor has entered into an arrangement with respect to any income producing facility now or hereafter situate on the Premises.

13. Assignor will, upon Lender's request, execute and deliver to Lender or otherwise obtain for Lender's benefit such further assignments and other documents and do or cause to be done such acts or thing as Lender, in its reasonable discretion, may require to perfect, protect or continue this Assignment, to otherwise affect the transactions contemplated hereby or to vest or confirm any right or remedy herein granted.

14. If any provision hereof is found by a court of competent jurisdiction to be prohibited or unenforceable, it shall be ineffective only to the extent of such prohibition or unenforceability shall not invalidate the other

Assignment of Leases by Surety

ABC_HAC39 (CT, DE, IL, IN, MA, MI, NJ, NY, OH, PA, RI, SC, VT) (0303)

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provisions hereof, all of which shall be liberally construed in favor of Lender in order to effect the provisions hereof.

15. The acceptance by Lender of this Assignment with all of the rights, powers, privileges and authority so created, shall not, prior to entry upon and taking possession of the Premises by Lender, be deemed or construed to constitute Lender a "Mortgagee in Possession", nor thereafter or at any time or in any event obligate Lender to appear in or defend any action or proceeding relating to any of the Leases, any income producing facility or the Premises, to take any action hereunder, to expend any money, incur any expenses, or perform or discharge any obligation, duty or liability under any of the Leases or in connection with any such income producing facility, or to assume any of the Leases not assigned and delivered to Lender. Lender shall not be liable in any way for any injury or damage to person or property sustained by any person or persons, firm or corporation in or about the Premises (including specifically and without limitation with respect to any income producing facility and Assignor hereby indemnifies and holds Lender harmless with respect thereon.

16. The full payment and performance of the Obligations and the duly recorded release or reconveyance of the Premises described therein render this Assignment void.

17. The new proceeds collected by Lender under the terms of this Assignment shall be applied in such order as Lender may in its sole discretion elect, to payment of Lender's fees and expenses arising for the enforcement of the terms and conditions of the Loan Documents, Surety Agreement, Mortgage and this Assignment, to the complete satisfaction of all of the Obligations together with all interest thereon, and to repayment of maintenance, operating charges, taxes, assessments and disbursements made in connection with the operation and maintenance of the Premises.

18. Any notices, consents, or communications required or permitted by this Assignment shall be in writing and shall be deemed delivered if delivered in person or if sent by certified mail, postage prepaid, return receipt requested, or telegraph, as follows, unless such address is changed by written notice hereunder:

If to Assignor:
Donald Hall
8327 South Tripp, Chicago, IL 60652

If to Lender:
American Business Credit, Inc.
111 Presidential Blvd., Ste. 127
Bala Cynwyd, PA 19004

19. It is expressly agreed by Assignor that this Assignment shall not be construed or deemed made for the benefit of any third party or parties.

20. Whenever used herein and the context requires it, the singular number shall include the plural, the plural the singular, and any gender shall include all genders.

21. The parties agree that the laws of the **State of Illinois** shall govern the performance and enforcement of this Assignment.

22. This Assignment shall inure to the benefit of the successors and assigns of Lender and shall bind Assignor's permitted successors and assigns.
 (Signatures begin on next page)

Assignment of Leases by Surety

ABC_HAC39 (CT, DE, IL, IN, MA, MI, NJ, NY, OH, PA, RI, SC, VT) (0303)

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EXECUTED THIS **May 30, 2003**

IN WITNESS WHEREOF, the Assignor has hereunto set his hand and seal the day and year first written. This instrument is intended to constitute an instrument under seal.

Donald Hall [L.S.]
Donald Hall a/k/a Donald D. Hall, Individual

_____[L.S.]
DO NOT SIGN

_____[L.S.]
DO NOT SIGN

_____[L.S.]
DO NOT SIGN

_____[L.S.]
DO NOT SIGN

_____[L.S.]
DO NOT SIGN

Undersigned hereby acknowledges and accepts the foregoing Assignment of Lessor's Interest in Leases.

American Business Credit, Inc.

By: _____

Assignment of Leases by Surety

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Property of Cook County Clerk's Office

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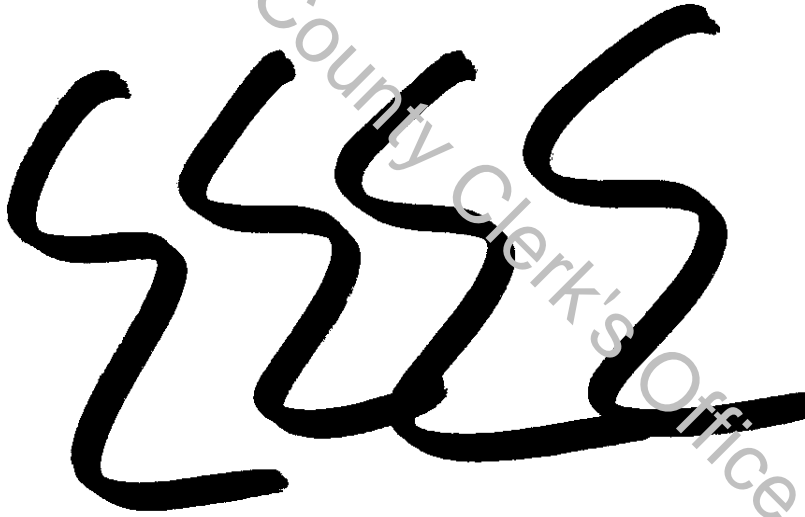
LOAN ID: 1301032573

EXHIBIT A

Description of Premises

5940-5944 South Ashland Avenue, City of Chicago, County of Cook, State of Illinois

Property of Cook County Clerk's Office



Assignment of Leases by Surety

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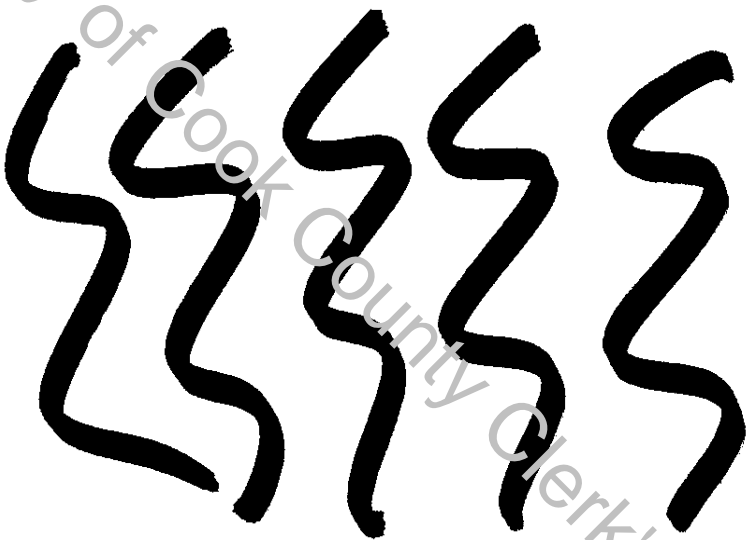
LOAN ID: 1301032573

EXHIBIT B

Existing Leases

All now existing or hereafter in existence leases of all or any part of the Premises.

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Assignment of Leases by Surety

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EXHIBIT C

List of Income Producing Facilities

NONE

Property of Cook County Clerk's Office

A large, thick, black scribble consisting of several overlapping, wavy, horizontal strokes that completely obscures the text 'Property of Cook County Clerk's Office' in the background.

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LOAN ID: 1301032573

EXHIBIT B

LOAN ID: 1301032573

ACKNOWLEDGMENT

STATE OF ILLINOIS : SS
COUNTY OF Cook

On May 30, 2003, before me, the undersigned, personally appeared
Donald Hall a/k/a Donald D. Hall

known to me or satisfactorily proven to me to be the person(s) whose name(e) is/are subscribed to the within instrument and acknowledged:

that he/she/they executed the same for the purposes therein contained and desire that it be recorded as such; or

that being by me duly sworn on his/her/their oath, did depose and say and make proof to my satisfaction, that he/she/they are duly authorized officers, partners, or members of the business entity names in the within instrument and as such authorized persons(s), with full power and authority to do so, did execute/seal and deliver the within instrument as and for the voluntary act and deed of the within named business entity for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal

Paul C. Sheils
Notary Public

My Commission Expires:

Tax Map Information: 20-18-407041-0000

