

Collateral Assignment
of Beneficial Interest

10/27/03



Doc#: 0332114091
Eugene "Gene" Moore Fee: \$42.00
Cook County Recorder of Deeds
Date: 11/17/2003 11:00 AM Pg: 1 of 9

FATC / 634409

LEGAL DESCRIPTION - EXHIBIT A

Legal Description: LOTS 23 AND 24 IN BLOCK 14 IN MILLS AND SON'S NORTH AVENUE AND CENTRAL AVENUE SUBDIVISION IN THE SOUTH WEST QUARTER OF SECTION 33, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Permanent Index #'s: 13-33-322-027-0000 Vol 368

Property Address: 5422-26 West North Avenue, Chicago, Illinois 60639

gpmw

Property of Cook County Clerk's Office

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COLLATERAL ASSIGNMENT OF BENEFICIAL INTEREST

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$688,000.00	10-23-2003	11-01-2006		3115	5240042003	EWH	

References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.

Grantor: Carlos A. Munoz
Kevin R. Johnson
2035 W. Potomac
Chicago, IL 60622

Lender: COMMUNITY BANK OF RAVENSWOOD
2300 W. LAWRENCE AVENUE
CHICAGO, IL 60625

THIS COLLATERAL ASSIGNMENT OF BENEFICIAL INTEREST dated October 23, 2003, is made and executed between Carlos A. Munoz and Kevin R. Johnson, 2035 W. Potomac, Chicago, IL 60622 ("Grantor") and COMMUNITY BANK OF RAVENSWOOD ("Lender").

GRANT OF SECURITY INTEREST. For valuable consideration, Grantor jointly and severally grants a security interest in and assigns to Lender all of Grantor's right, title and beneficial interest in and to the Trust described below to secure payment of the Indebtedness and agrees that Lender shall have the rights stated in this Assignment with respect to the beneficial interest in the Trust and the Property held in the Trust. In addition to all other rights which Lender may have by law, Grantor hereby waives and releases to Lender all rights and benefits accruing under and by virtue of any and all statutes of the State of Illinois providing for the exemption of homesteads from sale on execution or otherwise and all other interests in the Property held in the Trust, including without limitation all exemptions Grantor may have under State of Illinois and federal bankruptcy and insolvency laws in the beneficial interest and the Property held in the Trust, which said rights and benefits Grantor does hereby release and waive.

CROSS-COLLATERALIZATION. In addition to the Note, this Assignment secures the following described additional indebtedness:

- I. A Promissory Note dated October 20, 2003, to Lender in the original principal amount of \$600,000.00 and secure by a Mortgage and an Assignment of Rents of even date, to Lender on the real property commonly known as 5243 W. North Avenue, Chicago, Illinois.
- II. A Promissory Note dated October 23, 2003, to Lender in the original principal amount of \$460,000.00 and secure by a Mortgage and an Assignment of Rents of even date, to Lender on the real property commonly known as 5233-35 W. North Avenue, Chicago, Illinois.

PROPERTY DESCRIPTION. The word "Collateral" as used in this Assignment means all of Grantor's right, title and beneficial interest in and to the Trust and the following property, whether now owned or hereafter acquired and whether now existing or hereafter arising:

- (A) All additions to and all replacements of and substitutions to any property described above.
- (B) All products and produce of any of the property described in this Collateral section.
- (C) All accounts, contract rights, general intangibles, instruments, monies, payments, and all other rights, arising out of a sale, lease, or other disposition of any of the property described in this Collateral section.
- (D) All proceeds (including insurance proceeds) from the sale or other disposition of any of the property described in this Collateral section.
- (E) All records relating to any of the property described in this Collateral section, whether in the form of a writing, microfilm, microfiche, or electronic media.

The word "**Property**" means all property, or title thereto, held in or by the Trust, including without limitation all interests in the Real Property, whether now existing or hereafter included in the Trust.

The words "**Real Property**" mean 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, water courses 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 all minerals, oil, gas, geothermal and similar matters, located in Cook County, State of Illinois:

LOTS 23 AND 24 IN BLOCK 14 IN MILLS AND SON'S NORTH AVENUE AND CENTRAL AVENUE SUBDIVISION IN THE SOUTHWEST QUARTER OF SECTION 33, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

The Real Property or its address is commonly known as 5422-26 W. North Avenue, Chicago, IL 60639. The Real Property tax identification number is 13-33-322-027-0000

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Grantor's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Grantor holds jointly with someone else and all accounts Grantor may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Grantor authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the Indebtedness against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

POWER OF DIRECTION. The sole power of direction under the Trust shall be held by Lender.

REPRESENTATIONS AND WARRANTIES CONCERNING COLLATERAL. Grantor represents, warrants and covenants to Lender at all times while this Assignment is in effect as follows:

Perfection of Security Interest. Grantor agrees to execute and deliver to Lender such assignments and other documents and to take whatever other actions are requested by Lender to perfect and continue Lender's assignment and security interest in the Collateral. Grantor shall deliver to Lender all original documents creating the Trust, unless such documents are held by the Trustee and are not available for delivery to Lender. Upon request of Lender, Grantor will deliver to Lender any and all of the documents evidencing or constituting the Collateral.

Transactions Involving Collateral. Grantor makes the following representations and warranties with respect to the Property.

Additional Liens. Grantor shall not transfer, pledge, mortgage, encumber or otherwise permit the Property to be subject to any lien, security interest, encumbrance, or charge, other than the security interest provided for in this Assignment, without the prior written consent of Lender. This includes security interests even if junior in right to the security interest granted under this Assignment. Grantor expressly authorizes and directs Trustee not to accept, or register upon its trust records, any subsequent assignment while this Assignment is in force and effect and while any portion of the Indebtedness remains unpaid. Grantor shall not direct Trustee to lease, sell, transfer or encumber any of the Property in the Trust (nor suffer or permit anyone else to do so) without Lender's prior written consent. Trustee upon acceptance of this Assignment agrees to be bound by the provisions of this Assignment and to recognize and honor the power of direction as being solely vested in Lender, except as otherwise may be specified herein.

COLLATERAL ASSIGNMENT OF BENEFICIAL INTEREST (Continued)

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.

Compliance With Environmental Laws. Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of 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 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 by any prior owners or occupants of 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 Assignment. 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 Assignment 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 Assignment, including the obligation to indemnify, shall survive the payment of the indebtedness and the satisfaction and reconveyance of the lien of this Assignment 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 Assignment.

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.

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.

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

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

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

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

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialman's lien, or other lien could be asserted on account of the work, services, or materials and the cost exceeds \$5,000.00. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Real Property are a part of the Assignment.

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Policies shall be written by such insurance companies and in such form as may be reasonably acceptable to Lender. Grantor shall deliver to Lender certificates of coverage from each insurer containing a stipulation that coverage will not be cancelled or diminished without a minimum of thirty (30) days prior written notice to Lender.

Application of Insurance Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property if the cost of repair or replacement exceeds \$5,000.00. 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 its election, 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 restoration or repair, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration. If Grantor does not in default hereunder. Any proceeds which have not been disbursed within 150 days after their repair and which Lender has not committed to the repair or restoration of the Property

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COLLATERAL ASSIGNMENT OF BENEFICIAL INTEREST (Continued)

shall be used first to pay any amount owing to Lender under this Assignment, then to prepay 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.

Unexpired Insurance at Sale. Any unexpired insurance shall inure to the benefit of, and pass to, the purchaser of the Property covered by this Assignment at any trustee's sale or other sale held under the provisions of this Assignment, or at any foreclosure sale of such Property.

Grantor's Report on Insurance. Upon request of Lender, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of insurance showing: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; and (5) the expiration date of the policy. Grantor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

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

Title. Grantor warrants and covenants that Grantor is the sole owner of the beneficial interest in the Trust, free and clear of all liens, security interests, and encumbrances, except for those disclosed to, and accepted by, Lender in writing. Grantor also warrants and covenants that it has the right to grant to Lender a security interest in the Collateral and will defend Lender against any and all claims and demands of any person to the Collateral and the Property.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Collateral and 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 Assignment, 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 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, including without limitation, the Americans With Disabilities Act. 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.

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

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.

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.

DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Assignment:

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

Environmental Default. Failure of any party to comply with or perform when due any term, obligation, covenant or condition contained in any environmental agreement executed in connection with any Indebtedness.

Other Defaults. Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Assignment or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Grantor.

Default in Favor of Third Parties. Should Grantor or any Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or Grantor's or any Grantor's ability to repay the Indebtedness or perform their respective obligations under this Assignment or any of the Related Documents.

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

Defective Collateralization. This Assignment 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.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any property securing the Indebtedness. This includes a garnishment of any of Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to guarantor, endorser, surety, or accommodation party of any of the Indebtedness or 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.

Adverse Change. A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

Insecurity. Lender in good faith believes itself insecure.

Cure Provisions. If any default, other than a default in payment is curable and if Grantor has not been given a notice of a breach of the same provision of this Assignment within the preceding twelve (12) months, it may be cured (and no event of default will have occurred) if Grantor, after receiving written notice from Lender demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires

COLLATERAL ASSIGNMENT OF BENEFICIAL INTEREST (Continued)

more than fifteen (15) days, immediately initiates steps which Lender deems to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical. Upon the occurrence of an Event of Default, Lender, at its option, may exercise any one or more of the following rights and remedies in addition to any other rights or remedies that may be available at law, in equity, or otherwise:

Accelerate Indebtedness. Lender may declare the entire indebtedness, including any prepayment penalty which Borrower would be required to pay, immediately due and payable.

Assemble Property. Lender may require Grantor to assemble the Property and make it available to Lender at a place to be designated by Lender which is reasonably convenient to both parties. Lender also shall have full power to enter upon the Property to take possession of and manage the Property.

Sell the Collateral. Lender shall have full power to sell, lease, transfer, or otherwise deal with the Collateral or proceeds thereof in its own name or that of Grantor. Lender may sell the Collateral at public auction. Unless the Collateral threatens to decline speedily in value or is of a type customarily sold on a recognized market, Lender will give Grantor reasonable notice of the time after which any private sale or any other intended disposition of the Collateral is to be made. The requirements of reasonable notice shall be met if such notice is given at least ten (10) days before the time of the sale or disposition. All expenses relating to the disposition of the Collateral, including without limitation the expenses of taking over the Collateral, in selling the beneficial interest, including reasonable attorneys' fees, trustee's fees, advertising costs, master's fees, cost of documents, appraisals and experts, stenographers' charges, publication costs, appraisal fees (including costs of internal appraisal), fees for abstracts of title, title searches and examinations, guaranty policies, title insurance policies and similar items and assurances respecting title to the Collateral and the making, holding, preparing for sale, and selling the Collateral shall become a part of the indebtedness secured by this Agreement, and shall be payable on demand, with interest at the Note rate from date of expenditure until repaid.

Mortgage 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.

Collect Revenues. Lender may revoke Grantor's right to manage the Property and to collect the rents, issues and profits from the Collateral, and may, without notice or demand, take possession of the Property, title to which is held by the Trustee, and either itself or through a receiver, collect the rents, issues and profits therefrom. To facilitate collection, Lender may notify Grantor's account debtors including any tenants on the Property to make payments directly to Lender.

Obtain Deficiency. Lender may obtain a judgment for any deficiency remaining on the indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this Assignment.

Consent to Proceedings. Grantor expressly consents and agrees to the institution of any proceedings by Lender to enforce this Agreement and its lien against the Collateral to effect a sale thereof, or to enforce payment of the Note and indebtedness, without previous sale or reduction to possession of any other property pledged to secure the Note or indebtedness, without regard to the terms or provisions of the Note or written instrument pertaining to the sale or reduction to possession of any such pledged property.

Other Rights and Remedies. Lender shall have and may exercise any or all of the rights and remedies of a secured creditor under the provisions of the Uniform Commercial Code, at law, in equity, or otherwise.

Election of Remedies. Except as may be prohibited by applicable law, all or Lender's rights and remedies, whether evidenced by this Assignment or by any other writing, shall be cumulative and may be exercised singly, in equity, or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Assignment, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

INDemnIFICATION OF LENDER. Grantor agrees to indemnify, to defend and to save and hold Lender harmless from any and all claims, suits, obligations, damages, losses, costs and expenses (including, without limitation, Lender's attorneys' fees), demands, liabilities, penalties, fines and forfeitures of any nature whatsoever that may be asserted against or incurred by Lender, its officers, directors, employees, and agents arising out of, relating to, or in any manner occasioned by this Assignment and the exercise of the rights and remedies granted to Lender under this. The foregoing indemnity provisions shall survive the cancellation of this Assignment as to all matters arising or accruing prior to such cancellation and the foregoing indemnity shall survive in the event that Lender elects to exercise any of the remedies as provided under this Assignment following default hereunder.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor fails to comply with any provision of this Assignment or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Assignment or any Related Documents, Lender on Grantor's behalf (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures 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 Assignment also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

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

Amendments. This Assignment, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Assignment. No alteration or amendment to this Assignment shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Assignment, Lender shall be entitled to recover such sum as the court may adjudicate 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 attorney's fees and Lender's legal expenses, whether or not there is a lawsuit, appeal, and any anticipated expenses for bankruptcy proceedings (including efforts to obtain a discharge and avoidance of liens, appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining the reports, including for those reports, surveys' reports, and

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COLLATERAL ASSIGNMENT OF BENEFICIAL INTEREST (Continued)

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.

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

Governing Law. This Assignment will be governed by, construed and enforced in accordance with federal law and the laws of the State of Illinois. This Assignment 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.

Merger. There shall be no merger of the interest or estate created by this Assignment 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.

Notices. Any notice required to be given under this Assignment 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 Assignment. Any party may change its address for notices under this Assignment by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party'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.

Severability. If a court of competent jurisdiction finds any provision of this Assignment to be illegal, invalid, or unenforceable as to any person or circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other person or circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Assignment. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Assignment shall not affect the legality, validity or enforceability of any other provision of this Assignment.

Successors and Assigns. Subject to any limitations stated in this Assignment on transfer of Grantor's interest, this Assignment 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 Assignment and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Assignment or liability under the Indebtedness.

Survival of Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Assignment shall survive the execution and delivery of this Assignment, shall be continuing in nature, and shall remain in full force and effect until such time as Grantor's Indebtedness shall be paid in full.

Time is of the Essence. Time is of the essence in the performance of this Assignment.

Waive Jury. All parties to this Assignment hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

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 Assignment.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Assignment unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Assignment shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Assignment. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Assignment, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Assignment. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Assignment shall have the meanings attributed to such terms in the Uniform Commercial Code:

Assignment. The word "Assignment" means this Collateral Assignment of Beneficial Interest, as this Collateral Assignment of Beneficial Interest may be amended or modified from time to time, together with all exhibits and schedules attached to this Collateral Assignment of Beneficial Interest from time to time.

Borrower. The word "Borrower" means Carlos A. Munoz and Kevin R. Johnson and includes all co-signers and co-makers signing the Note.

Collateral. The word "Collateral" means all of Grantor's right, title and interest in and to all the Collateral as described in the Property Description section of this Assignment.

Default. The word "Default" means the Default set forth in this Assignment in the section titled "Default".

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 Assignment in the default section of this Assignment.

Grantor. The word "Grantor" means Carlos A. Munoz and Kevin R. Johnson.

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

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Date:

By

Trustee: LaSalle Bank National Association

Assignment is released by Lender, LaSalle Bank National Association agrees not to permit or allow Grantor to deal with the Trust in any manner inconsistent with the foregoing Assignment unless such act is approved in writing by Lender.

ACCEPTANCE BY TRUSTEE

Date: 10/24/03

By

Lender: COMMUNITY BANK OF RAVENSWOOD

In consideration of the foregoing Collateral Assignment of Beneficial Interest for security purposes from Grantor to Lender and the mutual benefits and advantages flowing between the parties and other valuable consideration, Lender hereby accepts the foregoing Assignment, subject to all the terms and provisions of the Trust Agreement numbered 129949, dated August 1, 2002, and known as LaSalle Bank National Association under Trust No. 129949, but Lender hereby expressly disclaims any and all of the liabilities imposed by the Trust Agreement upon the beneficiary or beneficiaries thereof, until such time as Lender shall exercise the rights and privileges conferred on it by the foregoing Assignment.

ACCEPTANCE BY LENDER

M. Martinez, Loan Officer-Administration
COMMUNITY BANK OF RAVENSWOOD
2300 W. LAWRENCE AVENUE
CHICAGO, IL 60625

This Collateral Assignment of Beneficial Interest prepared by:

Carlos A. Munoz

GRANTOR: BENEFICIARY

Kevin R. Johnson

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS COLLATERAL ASSIGNMENT OF BENEFICIAL INTEREST AND GRANTOR AGREES TO ITS TERMS. THIS COLLATERAL ASSIGNMENT OF BENEFICIAL INTEREST IS DATED OCTOBER 23, 2003.

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, fixtures, 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, together with all amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Lender to enforce Grantor's obligations under this Assignment, together with interest on such amounts as provided in this Assignment.
Lender. The word "Lender" means COMMUNITY BANK OF RAVENSWOOD, its successors and assigns.
Note. The word "Note" means the promissory note dated October 23, 2003, in the original principal amount of \$688,000.00 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 7.000%. Payments on the Note are to be made in accordance with the following payment schedule: in 35 regular payments of \$4,907.36 each and one irregular last payment estimated at \$659,522.63. Grantor's first payment is due December 1, 2003, and all subsequent payments are due on the same day of each month after that. Grantor's final payment will be due on November 1, 2006, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. The maturity date of this Assignment is November 1, 2006.
Property. The word "Property" means all of Grantor's right, title and interest in and to all the Property as described in the "Property Description" section of this Assignment.
Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Assignment.
Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guarantees, 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.
Trust. The word "Trust" means that certain trust created by a Trust Agreement dated August 1, 2002, Trust Number 129949, and known as LaSalle Bank National Association under Trust No. 129949.
Trustee. The word "Trustee" means LaSalle Bank National Association, whose address is 135 S. LaSalle Street, Suite 2500, Chicago, IL 60603, and any substitute or successor trustees.

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COLLATERAL ASSIGNMENT OF BENEFICIAL INTEREST
(Continued)

RELEASE (AFTER PAYMENT)

The foregoing Collateral Assignment of Beneficial Interest from Carlos A. Munoz and Kevin R. Johnson to COMMUNITY BANK OF RAVENSWOOD is hereby cancelled and released.

Lender: **COMMUNITY BANK OF RAVENSWOOD**

Date: _____

By _____
Authorized Officer

LASER PRO Lending, Ver. 5.22.20.003 Copr. Harland Financial Solutions, Inc. 1997, 2003 All Rights Reserved. IL H:\CPL\WIN\CFI\LPLUG21.FC TR-1242 PR-7

Property of Cook County Clerk's Office

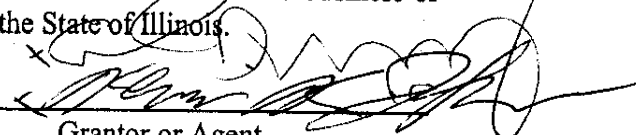
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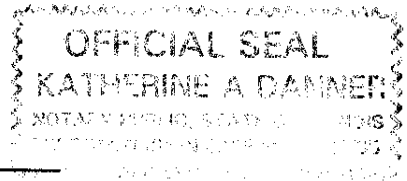
First American Title Company

STATEMENT BY GRANTOR AND GRANTEE


The grantor or his agent affirms that, to the best of his knowledge, the name of the grantee shown on the deed or assignment of beneficial interest in a land trust is either a natural person, an Illinois corporation or foreign corporation authorized to do business or acquire and hold title to real estate in Illinois, a partnership authorized to do business or acquire and hold title to real estate in Illinois, or other entity recognized as a person and authorized to do business or acquire title to real estate under the laws of the State of Illinois.

Dated _____, 20____ Signature 
Grantor or Agent

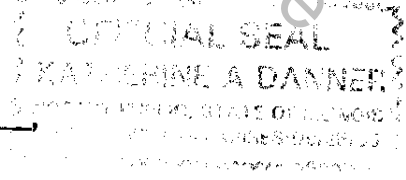
Subscribed and sworn to before me
by the said _____ affiant
This _____ day of _____
20____
Notary Public _____



The grantee or his agent affirms and verifies that the name of the grantee shown on the deed or assignment of beneficial interest in a land trust is either a natural person, an Illinois corporation or foreign corporation authorized to do business or acquire and hold title to real estate in Illinois, a partnership authorized to do business or acquire and hold title to real estate in Illinois, or other entity recognized as a person and authorized to do business or acquire and hold title to real estate under the laws of the State of Illinois.

Dated _____, 20____ Signature 
Grantor or Agent

Subscribed and sworn to before me
by the said _____ affiant
This _____ day of _____
20____
Notary Public _____



Note: Any person who knowingly submits a false statement concerning the identity of a grantee shall be guilty of a Class C misdemeanor for the first offense and of a Class A misdemeanor for subsequent offenses.

(Attach to deed or ABI to be recorded in Cook County, Illinois, if exempt under the provisions of Section 4 of the Illinois Real Estate Transfer Tax Act.)