

# UNOFFICIAL COPY

This instrument was prepared by,  
and after recording return to:

Lynn Lucchese-Soto  
Berger, Newmark & Fenchel, P.C.  
222 North LaSalle Street  
Suite 1900  
Chicago, Illinois 60601  
312/782-5050

Street Address:  
1300 Church Street  
Evanston, Illinois 60201

P.I.N.: 10-13-405 007-0000



Doc#: 0400710150  
Eugene "Gene" Moore Fee: \$50.50  
Cook County Recorder of Deeds  
Date: 01/07/2004 02:03 PM Pg: 1 of 14

ABOVE SPACE FOR RECORDER'S USE ONLY

## JUNIOR MORTGAGE

THIS JUNIOR MORTGAGE is made as of this 30<sup>th</sup> day of December, 2003, by THOMAS HARRISON (hereinafter referred to as the "Mortgagor"), whose address is 1300 Church Street, Evanston, Illinois, in favor of ROYAL AMERICAN BANK (together with its successors and assigns, including each and every holder of the Guaranty referred to herein, the "Mortgagee"), whose address is 1000 Tower Lane, Suite 125, Bensenville, Illinois 60106.

WHEREAS, pursuant to a Loan and Security Agreement dated even date herewith (the "Loan Agreement"), Graphically Speaking, Inc. a corporation organized under the laws of Illinois, and also doing business as Stanaszek Goodwin Design Partnership (hereinafter referred to as "SGDP"), is indebted to Mortgagee in an amount not to exceed the principal sum of One Million Two Hundred Fifty Thousand Dollars (\$1,250,000.00), which indebtedness is evidenced by a Line of Credit Note dated even date herewith in the amount of Two Hundred Fifty Thousand Dollars (\$250,000.00) (the "Line of Credit Note") and a Term Note dated even date herewith in the amount of One Million Dollars (\$1,000,000.00) (the "Term Note") (SGDP's obligations to Mortgagee under the Loan Agreement, Line of Credit Note and Term Note are hereinafter collectively referred to as the "Guaranteed Indebtedness"); and

WHEREAS, Mortgagor, Thomas Harrison, has guaranteed payment and performance of a portion of the Guaranteed Indebtedness under and pursuant to the terms of that certain Secured Limited Guaranty dated even date herewith, by Mortgagor in favor of Mortgagee (the "Guaranty");

NOW, THEREFORE, to secure Mortgagor's payment and performance of the Guaranteed Indebtedness pursuant to the terms of the Guaranty, and the payment and performance of the obligations in respect of this Mortgage, including the protection of the security of this Mortgage and performance of the covenants and

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agreements of Mortgagor herein contained (hereinafter, "Mortgage Obligations"), Mortgagor does hereby mortgage, grant and convey to Mortgagee the real estate located in the City of Chicago, County of Cook, State of Illinois, described on Exhibit A attached hereto and made a part hereof (hereinafter referred to as the "Real Estate"), which Real Estate is presently improved with a single family residence and which, with the property herein described, is referred to herein as the "Premises", together with all the improvements now or hereafter erected on the Premises, and all easements, appurtenances, and fixtures now or hereafter a part of the Premises.

Notwithstanding anything in this Mortgage to the contrary, this Mortgage shall secure Mortgagor's obligations under the Guaranty in an amount up to but not in excess of the sum of (i) One Hundred Thousand Dollars (\$100,000.00), and (ii) Mortgagee's fees, costs and expenses incurred in enforcing the Mortgage Obligations.

MORTGAGOR COVENANTS that Mortgagor is lawfully seized of the Real Estate hereby conveyed and has the right to mortgage, grant and convey the Premises, that the Premises are unencumbered except for that certain \$387,700 Mortgage dated July 10, 2003, and recorded July 28, 2003 in the office of the Cook County Recorder of Deeds as document No. 0320929079 (the "Senior Mortgage"), in favor of Wells Fargo Home Mortgage, Inc. (the Senior Mortgagee), and that Mortgagor will warrant and defend generally the title to the Premises against all claims and demands, and further that the Premises hereby mortgaged and conveyed or intended so to be, are hereby conveyed unto the Mortgagee forever, free from all rights and benefits under and by virtue of the Homestead Exemption Laws of the State of Illinois (which rights and benefits are hereby expressly released and waived), for the uses and purposes herein set forth, together with all rights to retain possession of the Premises after any default in the payment of that portion of the Guaranteed Indebtedness guaranteed by Mortgagor under and pursuant to the Guaranty, or the breach of any Mortgage Obligations herein contained, or upon occurrence of any Event of Default as hereinafter defined;

PROVIDED, NEVERTHELESS, and these presents are upon the express condition that if all of Mortgagor's obligations under the Guaranty shall be duly and punctually paid and all the Mortgage Obligations herein contained on the part of the Mortgagor to be performed or observed shall be strictly performed and observed, then this Mortgage and the estate, right and interest of the Mortgagee in the Premises shall cease and become void and of no effect.

## AND IT IS FURTHER AGREED THAT:

1. Payment of Indebtedness. Mortgagor hereby guarantees prompt payment of the Guaranteed Indebtedness under and pursuant to the terms and conditions of the Guaranty.
2. Application of Payments. Unless applicable law provides otherwise, all payments received by Mortgagee under paragraph 1 shall be applied: first, to any late

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charges due under the Guaranty; and second, to interest due thereunder; and third, to the principal due thereunder; and lastly, to any costs or expenses incurred by Mortgagee in respect of Mortgage Obligations.

3. Charges; Liens. Mortgagor shall pay all taxes, assessments, charges, fines and impositions attributable to the Premises which may attain priority over this Mortgage, and leasehold payments or ground rents, if any. Mortgagor shall promptly furnish to Mortgagee all notices of amounts to be paid under this paragraph. Mortgagor shall promptly discharge any lien which has priority over this Mortgage unless Mortgagor: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Mortgagee; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Mortgagee's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Mortgagee subordinating the lien to this Mortgage. If Mortgagee determines that any part of the Premises is subject to a lien that may attain priority over this Mortgage, Mortgagee may give Mortgagor a notice identifying the lien. Mortgagor shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice. Mortgagor shall provide Mortgagee with evidence of payment of all taxes, assessments, charges, fines and impositions within ten (10) days after their due date.

4. Hazard or Property Insurance. Mortgagor shall keep the improvements now existing or hereafter erected on the Premises insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Mortgagee requires insurance. This insurance shall be maintained in the amounts and for the periods that Mortgagee may reasonably require. The insurance carrier providing the insurance shall be chosen by Mortgagor, subject to Mortgagee's approval, which shall not be unreasonable withheld. If Mortgagor fails to maintain coverage described above, Mortgagee may, at Mortgagee's option, obtain coverage to protect Mortgagee's rights in the Premises in accordance with paragraph 6. All insurance policies and renewals shall be acceptable to Mortgagee and shall include a standard mortgage clause. Mortgagee shall have the right to hold the policies and renewals. If Mortgagee requires, Mortgagor shall promptly give to Mortgagee all receipts of paid premiums and renewal notices. In the event of loss, Mortgagor shall give prompt notice to the insurance carrier and Mortgagee. Mortgagee may make proof of loss if not made promptly by Mortgagor.

Unless Mortgagee and Mortgagor otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Premises damaged, if the restoration or repair is not economically feasible or Mortgagee's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Mortgage, whether or not then due, with any excess paid to Mortgagor. If Mortgagor abandons the Premises, or does not answer within 30 days a notice from Mortgagee that the insurance carrier has offered to settle a claim, then Mortgagee may collect the insurance proceeds. Mortgagee may use the proceeds to repair or restore the Premises or to pay sums

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secured by this Mortgage, whether or not then due. The 30-day period will begin when the notice is given.

Unless Mortgagee and Mortgagor otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the payment referred to in the Note or change the amount of the payment. If under paragraph 19 the Premises are acquired by Mortgagee, Mortgagor's right to any insurance policies and proceeds resulting from damage to the Premises prior to the acquisition shall pass to Mortgagee to the extent of the sums secured by this Mortgage immediately prior to the acquisition.

5. Preservation, Maintenance and Protection of the Premises; Leaseholds. Mortgagor shall not destroy, damage or impair the Premises, allow the Premises to deteriorate, or commit waste on the Premises. Mortgagor shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Mortgagee's good faith judgment could result in forfeiture of the Premises or otherwise materially impair the lien created by this Mortgage or Mortgagee's security interest. Mortgagor may cure such a default and reinstate, as provided in paragraph 16, by causing the action or proceeding to be dismissed with a ruling that, in Mortgagee's good faith determination, precluded forfeiture of the Mortgagor's interest in the Premises or other material impairment of the lien created by this Mortgage or Mortgagee's security interest. Mortgagor shall also be in default if Mortgagor gives materially false or inaccurate information or statements to Mortgagee under the Loan Agreement or in connection with the Guaranteed Indebtedness, including, but not limited to, representations concerning Mortgagor's occupancy of the Premises as a principal residence. If this Mortgage is on a leasehold, Mortgagor shall comply with all the provisions of the lease. If Mortgagor acquires fee title to the Premises, the leasehold and the fee title shall not merge unless Mortgagee agrees to the merger in writing.

6. Protection of Mortgagee's Rights in the Property. If Mortgagor fails to perform the covenants and agreements contained in this Mortgage, or if there is a legal proceeding that may significantly affect Mortgagee's rights in the Premises (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then Mortgagee may do and pay for whatever is necessary to protect the value of the Premises and Mortgagee's rights in the Premises. Mortgagee's actions may include paying any sums secured by a lien, which has priority over this Mortgage, appearing in court, paying reasonable attorneys' fees and entering on the Premises to make repairs. Although Mortgagee may take action under this paragraph 6, Mortgagee does not have to do so.

Any amounts disbursed by Mortgagee under this paragraph 6 shall become additional debt of Mortgagor secured by this Mortgage. Unless Mortgagor and Mortgagee agree to the terms of payment, these amounts shall bear interest from the date of disbursement at the rate set forth in the Term Note, adjusted in accordance with Section 2.03(b) of the Loan Agreement, and shall be payable upon notice from Mortgagee to Mortgagor.

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7. Inspection. Mortgagee or its agent may make reasonable entries upon and inspections of the Premises. Mortgagee shall give Mortgagor reasonable prior notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

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

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

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

Unless Mortgagee and Mortgagor otherwise agree in writing, any application of proceeds under this paragraph shall not extend or postpone the date(s) upon which Mortgagor's obligations under the Guaranty are payable, or change the amount(s) thereof.

9. Mortgagor Not Released; Forbearance By Mortgagee Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Mortgagee to any successor in interest of Mortgagor shall not operate to release the liability of the Mortgagor or Mortgagor's successors in interest. Mortgagee shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the Mortgagor or Mortgagor's successors in interest. Any forbearance by Mortgagee in

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exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

10. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Mortgage shall bind and benefit the successors and assigns of Mortgagee and Mortgagor, subject to the provisions of paragraph 15. Any Mortgagor who co-signs this Mortgage but does not execute the Guaranty: (a) is co-signing this Mortgage only to mortgage, grant and convey that Mortgagor's interest in the Premises under the terms of this Mortgage; (b) is not personally obligated to pay the sums secured by this Mortgage; and (c) agrees that Mortgagee and any other Mortgagor may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Mortgage or the Guaranty without that Mortgagor's consent. Each co-signing Mortgagor's covenants and agreements hereunder shall be joint and several.

11. Loan Charges. If the debt secured by this Mortgage is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with such debt exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Mortgagor which exceeded permitted limits will be refunded to Mortgagor. Mortgagee may choose to make this refund by reducing the amounts owed under the Guaranty or by making a direct payment to Mortgagor.

12. Notices. Any notice to Mortgagor provided for in this Mortgage shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Premises Address or any other address Mortgagor designates by notice to Mortgagee. Any notice to Mortgagee shall be given by first class mail to Mortgagee's address stated herein or any other address Mortgagee designates by notice to Mortgagor. Any notice provided for in this Mortgage shall be deemed to have been given to Mortgagor or Mortgagee when delivered as provided in this paragraph.

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

14. Mortgagor's Copy. Mortgagor shall, at their written request, be given one conformed copy of the Note and of this Mortgage.

15. Transfer of the Property or a Beneficial Interest in Mortgagor. If all or any part of the Premises or any interest in it is sold or transferred (or if a beneficial interest in Mortgagor is sold or transferred and Mortgagor are not a natural person) without

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Mortgagee's prior written consent, Mortgagee may, at its option, require immediate payment in full of all sums secured by this Mortgage. However, this option shall not be exercised by Mortgagee if exercise is prohibited by federal law as of the date of this Mortgage.

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

16. Mortgagor's Right to Reinstate. If Mortgagor meets certain conditions, Mortgagor shall have the right to have enforcement of this Mortgage discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Premises pursuant to any power of sale contained in this Mortgage; or (b) entry of a judgment enforcing this Mortgage. Those conditions are that Mortgagor: (a) pay Mortgagee all sums which then would be due under this Mortgage and the Guaranty as if no acceleration had occurred; (b) cure any default of any other covenants or agreements; (c) pay all expenses incurred in enforcing this Mortgage, including, but not limited to, reasonable attorneys' fees; and (d) take such action as Mortgagee may reasonably require to assure that the lien of this Mortgage, Mortgagee's rights in the Premises and Mortgagor's obligation to pay the sums secured by this Mortgage shall continue unchanged. Upon reinstatement by Mortgagor, this Mortgage and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraph 15.

17. Transfer of Guaranty; Change of Loan Servicer. The Guaranty or a partial interest in the Guaranty (together with this Mortgage) may be transferred one or more times without prior notice to Mortgagor. A transfer may result in a change in the entity (known as the "Loan Servicer") that collects payments due under the Senior Mortgage. There also may be one or more changes of the Loan Servicer unrelated to a transfer of the Guaranty and/or this Mortgage. If there is a change of interest in the Guaranty and/or this Mortgage, Mortgagor will be given written notice of the change in accordance with paragraph 12 above and applicable law. The notice will state the name and address of the new Loan Servicer. The notice will also contain any other information required by applicable law.

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

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

As used in this paragraph 18, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 18, "Environmental Law" means federal laws and laws of the jurisdiction where the Premises is located that relate to health, safety or environmental protection.

19. Events of Default The occurrence of any one or more of the following shall constitute a "Default" as said term is used herein:

- (a) A default shall occur under the Guaranty and such default shall not be cured by Mortgagor within ten (10) days following Mortgagee's notice to Mortgagor;
- (b) Any failure of Mortgagor for a period of thirty (30) days (except as to Defaults specified elsewhere in this Section or where a longer or shorter period is specified herein for a particular default) after written notice from Mortgagee to Mortgagor to observe or perform any of the covenants of Mortgagor under the terms of this Mortgage; provided however, in the event Mortgagor have commenced efforts to cure said default within said thirty (30) days and is diligently pursuing the same, such thirty (30) day cure period shall be extended for a period of time not to exceed an additional sixty (60) days;
- (c) The occurrence of a transfer as described herein in Paragraph 15;
- (d) If at any time any material representation, statement, report or certificate made now or hereafter by Mortgagor under the Loan Agreement or Guaranty is not true and correct, or if at any time any statement or representation made and submitted to Mortgagee is not true and correct, and such representation, statement, report or certificate is not corrected within ten (10) days after written notice thereof from Mortgagee;
- (e) If all or a substantial part of the assets of Mortgagor are attached, seized, subjected to a writ or distress warrant, or is levied upon, unless such attachment, seizure, writ, warrant or levy is vacated within thirty (30) days;



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- (f) If Mortgagor is enjoined, restrained or in any way prevented by court order from performing any of the obligations hereunder or if a proceeding seeking such relief is not dismissed within forty-five (45) days of being filed or commenced; or if proceedings are commenced by any public or quasi-public body to acquire a material portion of the Premises or any interest therein by power or condemnation or eminent domain and such proceedings are not dismissed within forty-five (45) days of the commencement date;
- (g) If a notice of lien, levy or assessment is filed of record with respect to all or any part of the Premises by the United States or any other quasi-federal, state or local governmental authority, unless contestable and actually and diligently contested in accordance herewith;
- (h) Failure by Mortgagor to deposit with Mortgagee funds required to pay Mortgagor's accrued obligations under the Guaranty in full within the time and in the manner herein required after any applicable cure period; or
- (i) If Mortgagor:
- (i) Shall file a voluntary petition in bankruptcy or for arrangement, reorganization or other relief under any chapter of the Federal Bankruptcy Code or any similar law, state or federal, now or hereafter in effect;
  - (ii) Shall file an answer or other pleading in any proceedings admitting insolvency, bankruptcy, or inability to pay its debts as they mature;
  - (iii) Within forty-five (45) days after the filing against it of any involuntary proceedings under the Federal Bankruptcy Act or similar law, state or federal, now or hereafter in effect, such proceedings shall not have been vacated;
  - (iv) Any order appointing a receiver, trustee or liquidator for it or for all or a major part of its property or the Premises shall not be vacated within forty-five (45) days following entry thereof;
  - (v) Shall be adjudicated a bankrupt;
  - (vi) Shall make an assignment for the benefit of creditors or shall admit in writing its inability to pay its debts generally as they become due or shall consent to the appointment of a receiver or trustee or liquidator of all or the major part of its property, or the Premises;

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- (vii) If the Mortgagor shall die, or shall be judicially declared to be incompetent.

(j) Default in Favor of Third Parties. Should Mortgagor 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 Mortgagor's property or Mortgagor's ability to satisfy all obligations under the Guaranty or Mortgagor's ability to perform Mortgagor's obligations hereunder or under any document executed in connection herewith or related hereto.

20 Moratorium Waiver. The Mortgagor hereby covenants and agrees that it will not at any time insist upon or plead, or in any manner whatever claim or take any advantage of, any stay, exemption or extension law or any so-called "Moratorium Law" now or at any time hereafter in force, nor claim, take or insist upon the benefit or advantage of or from any law now or hereafter in force providing for valuation or appraisal of the Premises, or any part thereof, prior to any sale thereof to be made pursuant to any provision herein contained, or to a decree, judgment or order of any court of competent jurisdiction.

## 21. Assignment of Leases and Rents.

(a) All of Mortgagor's interest in and rights under any leases hereinbefore entered into or hereafter entered into with respect to the Premises and all of the rents to become due, including all prepaid rents and security deposits, are hereby absolutely, presently and unconditionally assigned and conveyed to Mortgagee, to be applied by Mortgagee in payment of all sums due under the Guaranty, and of all other sums payable under this Mortgage. Prior to the occurrence of any Event of Default, Mortgagor shall have a license to collect and receive all rents, which license shall be terminated at the sole option of Mortgagee, without regard to the adequacy of its security hereunder upon written notice and demand upon Mortgagor, upon the occurrence of a Default not cured within any applicable cure period. It is understood and agreed that neither the foregoing assignment of rents to Mortgagee nor the exercise by Mortgagee of any of its rights or remedies hereunder shall render Mortgagee a "mortgagee-in-possession" or otherwise responsible or liable in any manner with respect to the Premises or the use, occupancy, enjoyment or any portion thereof, unless and until Mortgagee, in person or by agent, assumes actual possession thereof. Nor shall appointment of a receiver for the Premises by any court at the request of Mortgagee or by agreement with Mortgagor, or the entering into possession of any part of the Premises by such receiver, be deemed to make Mortgagee a mortgagee-in-possession or otherwise responsible or liable in any manner with respect to the Premises or the use, occupancy, enjoyment or operation of all or any portion thereof. Upon the occurrence of an Event of Default, this assignment shall constitute a direction to and full authority to each lessee under any lease and each guarantor of any lease to pay all rents to Mortgagee without proof of the default relied upon. Mortgagor hereby irrevocably authorizes each lessee and guarantor to rely upon and comply with any notice or demand by Mortgagee for the payment to Mortgagee of any rents due or to become due.

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(b) Mortgagor shall at all times fully perform the obligations of the lessors under all leases of the Premises. Mortgagor shall at any time or from time to time, upon request of Mortgagee, transfer and assign to Mortgagee in such form as may be satisfactory to Mortgagee, Mortgagor's interest in such leases.

(c) Mortgagee shall have the right to assign Mortgagor's right, title and interest in any leases to any subsequent holder of this Mortgage or any participating interest therein or to any person acquiring title to all or any part of the Premises through foreclosure or otherwise. Any subsequent assignee shall have all the rights and powers herein provided to Mortgagee. Upon an Event of Default and foreclosure of this Mortgage, Mortgagee shall have the right to execute new leases of any part of the Premises, including leases that extend beyond the term of this Mortgage.

(d) Nothing contained in this Section shall be deemed to constitute Mortgagor's consent to any lease affecting the Premises

NON-UNIFORM COVENANTS. Mortgagor and Mortgagee further covenant and agree as follows:

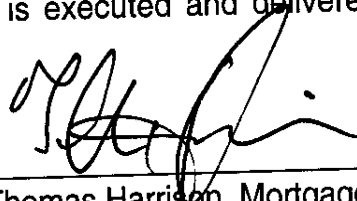
**22. ACCELERATION; REMEDIES. MORTGAGEE SHALL GIVE NOTICE TO MORTGAGOR PRIOR TO ACCELERATION FOLLOWING MORTGAGOR'S BREACH OF ANY COVENANT OR AGREEMENT IN THIS MORTGAGE (BUT NOT PRIOR TO ACCELERATION UNDER PARAGRAPH 15 UNLESS APPLICABLE LAW PROVIDES OTHERWISE). THE NOTICE SHALL SPECIFY: (A) THE DEFAULT; (B) THE ACTION REQUIRED TO CURE THE DEFAULT; (C) A DATE, NOT LESS THAN 30 DAYS FROM THE DATE THE NOTICE IS GIVEN TO MORTGAGOR, BY WHICH THE DEFAULT MUST BE CURED; AND (D) THAT FAILURE TO CURE THE DEFAULT ON OR BEFORE THE DATE SPECIFIED IN THE NOTICE MAY RESULT IN ACCELERATION OF THE SUMS SECURED BY THIS MORTGAGE, FORECLOSURE BY JUDICIAL PROCEEDING AND SALE OF THE PREMISES. THE NOTICE SHALL FURTHER INFORM MORTGAGOR OF THE RIGHT TO REINSTATE AFTER ACCELERATION AND THE RIGHT TO ASSERT IN THE FORECLOSURE PROCEEDING THE NON-EXISTENCE OF A DEFAULT OR ANY OTHER DEFENSE OF MORTGAGOR TO ACCELERATION AND FORECLOSURE. IF THE DEFAULT IS NOT CURED ON OR BEFORE THE DATE SPECIFIED IN THE NOTICE, MORTGAGEE AT ITS OPTION MAY REQUIRE IMMEDIATE PAYMENT IN FULL OF ALL SUMS SECURED BY THIS MORTGAGE WITHOUT FURTHER DEMAND AND MAY FORECLOSE THIS MORTGAGE BY JUDICIAL PROCEEDING. MORTGAGEE SHALL BE ENTITLED TO COLLECT ALL EXPENSES INCURRED IN PURSUING THE REMEDIES PROVIDED IN THIS PARAGRAPH 22, INCLUDING, BUT NOT LIMITED TO, REASONABLE ATTORNEYS' FEES AND COSTS OF TITLE EVIDENCE.**

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23. Release. Upon payment of all sums secured by this Mortgage, Mortgagee shall release this Mortgage without charge to Mortgagor. Mortgagor shall pay any recordation costs.

24. Waiver of Homestead. Mortgagor waives all right of homestead exemption in the Premises.

IN WITNESS WHEREOF, this Mortgage is executed and delivered as of the day and year first above written.



\_\_\_\_\_  
Thomas Harrison, Mortgagor

Property of Cook County Clerk's Office

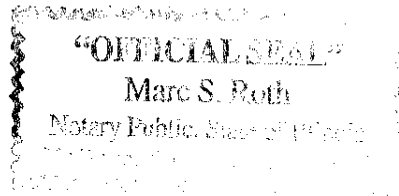
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STATE OF ILLINOIS        )  
  ) SS.  
COUNTY OF COOK        )

I, Marc S. Roth, a Notary Public in said County, in the State aforesaid, do hereby certify that Thomas Harrison who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and Seal of Office this 30th day of December, 2003.

M S Roth  
Notary Public



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## Exhibit A

### Legal Description of Premises

THE NORTH 125 FEET OF LOT 1 AND THE NORTH 125 FEET OF THE EAST 10 FEET OF LOT 2 IN BLOCK 70 IN EVANSTON, A SUBDIVISION IN THE NORTHEAST  $\frac{1}{4}$  OF THE SOUTHEAST  $\frac{1}{4}$  OF SECTION 13, TOWNSHIP 41 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

Property of Cook County Clerk's Office