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Steven L. Kroll, Esq.
3150 Salt Creek Lane, Suite 122
Arlington Heights, IL 60005

(Space Above For Recorder's Use)

LOU-ANNE CRONIN and TERENCE CRONIN, as Borrower

to

RJS REVOCABLE TRUST, as Lender

**MORTGAGE AND
SECURITY AGREEMENT**

Dated: July 10, 2004
Property Address: 1422 West Thomas, Arlington Heights 60004
Tax Parcel: 03-19-107-001-0000

After recording, return document to:
Steven L. Kroll, Esq.
3150 Salt Creek Lane, Suite 122
Arlington Heights, IL 60005

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THIS MORTGAGE AND SECURITY AGREEMENT AND FIXTURE FILING (this "Security Instrument") is made as of July 10, 2004, by LOU-ANNE CRONIN and TERENCE CRONIN ("Borrower"), to RJS REVOCABLE TRUST ("Lender").

W I T N E S S E T H:

WHEREAS, Borrower has requested that Lender make a loan to Borrower in the aggregate principal amount of THREE HUNDRED FIFTEEN THOUSAND DOLLARS (\$315,000) (the "Loan") and Lender has made the Loan and Borrower has delivered to Lender its Promissory Note of even date herewith in the amount of the Loan (the "Note") in evidence of the Loan, with interest from the date hereof at the rates set forth in the Note, such interest and the principal amount thereof to be payable in accordance with the terms and conditions provided in the Note;

WHEREAS, the Note is due and payable on the earlier of (a) the date on which Borrower closes on the sale of their residence in Arlington Heights, Illinois and (b) the fifteenth day of January, 2005, if not sooner in accordance with the terms and conditions thereof; and

WHEREAS, Borrower desires to secure the payment of the Debt (as hereinafter defined) and the performance of all of the Obligations (as hereinafter defined).

NOW THEREFORE, in consideration of the making of the Loan and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, Borrower hereby agrees, covenants, represents and warrants with and to Lender as follows:

Article 1 - GRANTS OF SECURITY

Section 1.1 PROPERTY MORTGAGED. Borrower does hereby irrevocably mortgage, grant, bargain, sell, pledge, assign, warrant, transfer and convey to Lender, and grant a security interest to Lender in, with power of sale, all of Borrower's right, title and interest in and to the following property, rights, interests and estates now owned or hereafter acquired by Borrower, whether now existing or hereafter created (collectively, the "Property");

(a) Land. The real property described in Exhibit A attached hereto and made a part hereof (the "Land");

(b) Improvements. All buildings, structures, fixtures, additions, enlargements, extensions, modifications, repairs, replacements and improvements now or hereafter erected or located on the Land (the "Improvements");

(c) Leases and Rents. All leases and other agreements affecting the use, enjoyment or occupancy of all or any portion of the Land or the Improvements heretofore or hereafter entered into (the "Leases"); and

(d) Insurance Policies and Proceeds. All insurance policies covering the Property and proceeds of and any unearned premiums on any such policies, including, without limitation, the right to receive and apply the proceeds of any insurance, judgments, or settlements made in lieu thereof, for damage to the Property.

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Section 1.2 ASSIGNMENT OF RENTS. Borrower hereby absolutely and unconditionally assigns to Lender Borrower's right, title and interest in and to all current and future Leases and Rents; it being intended by Borrower that this assignment constitutes a present, absolute assignment and not an assignment for additional security only.

CONDITIONS TO GRANT

TO HAVE AND TO HOLD the above granted and described Property unto and to the use and benefit of Lender, and the successors and assigns of Lender, WITH POWER OF SALE, forever;

PROVIDED, HOWEVER, these presents are upon the express condition that, if Borrower shall well and truly pay to Lender the Debt at the time and in the manner provided in the Note and this Security Instrument, shall well and truly perform the other Obligations as set forth in this Security Instrument and shall well and truly abide by and comply with each and every covenant and condition set forth herein, in the Note and in the other Loan Documents, these presents and the estate hereby granted shall cease, terminate and be void.

Article 2 - DEBT AND OBLIGATIONS SECURED

Section 2.1 DEBT. This Security Instrument and the grants, assignments and transfers made herein are given for the purpose of securing the following, in such order of priority as Lender may determine in its sole discretion (the "Debt"):

- (a) the payment of the indebtedness evidenced by the Note;
- (b) the payment of interest, default interest, late charges, prepayment consideration, if any, and all other moneys agreed or provided to be paid by Borrower in the Note and this Security Instrument; and
- (c) the payment of all sums advanced to protect and preserve the Property and the lien and security interests created hereby.

Section 2.2 OBLIGATIONS. This Security Instrument and the grants, assignments and transfers made herein are also given for the purpose of securing the performance of all other obligations of Borrower contained herein and in the Note (all of such obligations, together with Borrower's obligations for the payment of the Debt, collectively, the "Obligations").

Article 3 - BORROWER COVENANTS

Borrower covenants and agrees that:

Section 3.1 PAYMENT OF DEBT. Borrower will pay the Debt at the time and in the manner provided in the Note.

Section 3.2 INSURANCE.

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(a) Borrower shall obtain and maintain, or cause to be maintained, insurance for Borrower and the Property providing at least the following coverages:

(1) Insurance against loss or damage by fire, casualty and other hazards as now are or subsequently may be covered by an "all risk" policy or a policy covering "special" causes of loss, with such endorsements as Lender may from time to time reasonably require including, without limitation, building ordinance and law, lightning, windstorm, civil commotion, hail, riot, strike, water damage, sprinkler leakage, collapse, malicious mischief, explosion, smoke, aircraft, vehicles, vandalism, falling objects and weight of snow, ice or sleet, covering the Improvements and Personal Property in an amount equal to one hundred percent (100%) of the full insurable replacement value of the Improvements and Personal Property (exclusive of footings and foundations below the lowest basement floor) without deduction for depreciation.

(2) Commercial general liability insurance under a policy containing "Comprehensive General Liability Form" of coverage (or a comparably worded form of coverage) and the "Broad Form CGL" endorsement (or a policy which otherwise incorporates the language of such endorsement).

(b) All insurance policies required hereunder (each, a "Policy" and collectively, the "Policies") shall have a term of not less than one year and shall be in the form and amount and with deductibles as, from time to time, shall be reasonably acceptable to Lender.

(c) All Policies shall name Lender as an insured or additional insured, shall provide for loss payable to Lender and Borrower as their interests may.

(d) With respect to Policies which require payment of premiums annually, not less than ten (10) days prior to the expiration dates of such Policies, Borrower shall pay such amount, except to the extent Lender is reserving sums therefor pursuant to the Loan Documents.

(e) If Borrower fails to maintain and deliver to Lender the original Policies required by this Security Instrument, Lender may, at its option, procure such insurance and Borrower shall pay or, as the case may be, reimburse Lender for, all premiums thereon promptly, upon demand by Lender, with interest thereon at the Default Rate (as hereinafter defined) from the date paid by Lender to the date of repayment and such sum shall constitute a part of the Obligations secured by this Security Instrument.

Section 3.3 TAXES. Borrower shall pay all Taxes when due and payable in a timely manner.

Section 3.4 LEASES AND RENTS. From time to time, Borrower shall furnish Lender with executed copies of all Leases.

ARTICLE 4- DEFAULT

SECTION 4.1 EVENTS OF DEFAULT. The occurrence of any one or more of the following events shall constitute an "Event of Default":

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- (a) if any portion of the Debt is not paid prior to the tenth (10th) day after the same is due or if the entire Debt is not paid on or before the Maturity Date;
- (b) if any of the Taxes or Other Charges is not paid at least ten (10) days prior to the date upon which any fine, penalty, interest or cost for nonpayment is imposed, except to the extent sums sufficient to pay such Taxes and Other Charges have been deposited with Lender in accordance with the terms of this Security Instrument;
- (c) if the Policies are not kept in full force and effect, or if the Policies are not delivered to Lender within thirty (30) days of Lender's written request;
- (d) if the Property is subject to actual waste or hazardous nuisance, and Lender has provided Borrower with thirty (30) days written demand to cure such conditions;
- (e) if any federal tax lien is filed against Borrower and same is not discharged of record within thirty (30) days after same is filed; and
- (f) if Borrower shall fail to reimburse Lender within thirty (30) days of Lender's written notice to Borrower, with interest calculated at the Default Rate, for all Insurance Premiums, Taxes or Other Charges, together with interest and penalties
- (g) imposed thereon, paid by Lender pursuant to this Security Instrument.

SECTION 4.2 REMEDIES. Upon the occurrence of any Event of Default, Borrower agrees that Lender may take such action, without notice or demand, as it deems advisable to protect and enforce its rights against Borrower and in and to the Property, including, without limitation, the following actions, each of which may be pursued concurrently or otherwise, at such time and in such order as Lender may determine, in its sole discretion, without impairing or otherwise affecting the other rights and remedies of Lender:

- (a) declare the entire unpaid Debt to be immediately due and payable;
- (b) institute proceedings, judicial or otherwise, for the complete foreclosure of this Security Instrument under any applicable provision of law in which case the Property or any interest therein may be sold for cash or upon credit in one or more parcels or in several interests or portions and in any order or manner;
- (c) institute an action, suit or proceeding in equity for the specific performance of any covenant, condition or agreement contained herein, in the Note; and
- (d) recover judgment on the Note either before, during or after any proceedings for the enforcement of this Security Instrument; or
- (e) pursue such other remedies as Lender may have under Applicable Law.

In the event of a sale, by foreclosure, power of sale, or otherwise, of less than all of the Property, this Security Instrument shall continue as a lien and security interest on the remaining portion of

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the Property unimpaired and without loss of priority. Notwithstanding the provisions of this Section to the contrary, if any Event of Default shall occur, the entire unpaid Debt shall be automatically due and payable, without any further notice, demand or other action by Lender.

ARTICLE 5 - MISCELLANEOUS PROVISIONS

SECTION 5.1 ATTORNEY'S FEES FOR ENFORCEMENT. Borrower shall pay to Lender on demand any and all expenses, including legal expenses and attorneys' fees, incurred or paid by Lender in protecting its interest in the Property, in collecting any amount payable hereunder or in enforcing its rights hereunder with respect to the Property, whether or not any legal proceeding is commenced hereunder or under any other Loan Document, together with interest thereon from the date paid or incurred by Lender until such expenses are paid by Borrower.

SECTION 5.2 ENTIRE AGREEMENT. Such instrument, together with the other applicable Loan Documents, constitutes the entire agreement of the parties thereto with respect to the subject matter thereof and supersedes all prior written and oral agreements and understandings with respect to such subject matter.

Section 5.3 GOVERNING LAW. SUCH INSTRUMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE USVI.

IN WITNESS WHEREOF THIS SECURITY INSTRUMENT has been executed by Borrower as of the day and year first above written.




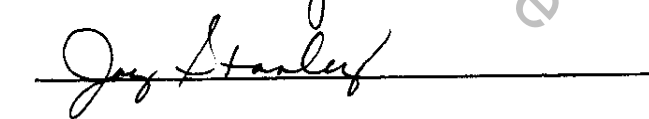
LOU-ANNE CRONIN



TERENCE CRONIN

WITNESSES:



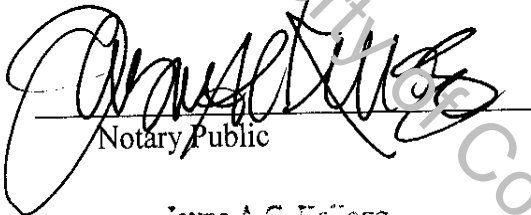


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Territory of the Virgin Islands
~~COUNTY OF COOK~~
District of St. Thomas/St. John
~~STATE OF ILLINOIS~~

I, hereby affirm that I witnessed Lou-Anne Cronin and Terence Cronin, personally known to me to be the persons whose signature appears above, execute and deliver the within Mortgage as an act of their free will.

SUBSCRIBED AND SWORN TO
before me this 10th day of July, 2004.


Notary Public

Joanne A.C. McNamee
Notary Public No. NP-079-01
My Commission Expires: 01/01/2007
District of St. Thomas and St. John
Territory of the Virgin Islands

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Legal Description

LOT 1 OF GILMORE CONSTRUCTION RESUBDIVISION OF LOT 6 LYNNWOOD SUBDIVISION UNIT NO. 1 BEING A SUBDIVISION IN THE EAST 1/2 OF THE WEST 1/2 OF THE NORTHWEST 1/4 OF SECTION 19, AND IN THE WEST 1/2 OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF SECTION 19, ALL IN TOWNSHIP 42 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED MAY 30, 1997, AS DOCUMENT NO. 97383450, IN COOK COUNTY, ILLINOIS.

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