

RECORD AND RETURN TO:

UST MORTGAGE COMPANY
4601 Touchton Road E.
Building 300, Suite 3220
Jacksonville, Florida 32246
Attn: Mr. Donald Bressoud
President

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Doc#: 0434941038
Eugene "Gene" Moore Fee: \$60.00
Cook County Recorder of Deeds
Date: 12/14/2004 08:53 AM Pg: 1 of 19

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MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on December 10, 2004. The mortgagor is Jeffrey Gibbons and Meredith Gibbons, HUSBAND AND WIFE, Trust Company of New York ("Borrower"). This Security Instrument is given to United States Trust Company of New York, which is organized and existing under the laws of the State of New York, and whose address is 114 West 47th Street, New York, New York 10036 ("Lender"). Borrower owes Lender the principal sum of Two Million Six Hundred Eighty Five Thousand and 00/100 Dollars (U.S. \$ 2,685,000.00). This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on January 1, 2035. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property located in Cook County, Illinois:

See Schedule "A" annexed hereto and made a part hereof.

which has the address of 1025 Starr Road, Winnetka, Illinois 60093 ("Property Address");
[Street] [City] [Zip Code]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

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UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal and Interest; Prepayment and Late Charges. Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") for: (a) yearly taxes and assessments which may attain priority over this Security Instrument as a lien on the Property; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard or property insurance premiums; (d) yearly flood insurance premiums, if any; (e) yearly mortgage insurance premiums, if any; and (f) any sums payable by Borrower to Lender, in accordance with the provisions of paragraph 8, in lieu of the payment of mortgage insurance premiums. These items are called "Escrow Items." Lender may, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lender for a federally related mortgage loan may require for Borrower's escrow account under the federal Real Estate Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C. § 2601 *et seq.* ("RESPA"), unless another law that applies to the Funds sets a lesser amount. If so, Lender may, at any time, collect and hold Funds in an amount not to exceed the lesser amount. Lender may estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with applicable law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is such an institution) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items. Lender may not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. However, Lender may require Borrower to pay a one-time charge for an independent real estate tax reporting service used by Lender in connection with this loan, unless applicable law provides otherwise. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender may agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds, showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for all sums secured by this Security Instrument.

If the Funds held by Lender exceed the amounts permitted to be held by applicable law, Lender shall account to Borrower for the excess Funds in accordance with the requirements of applicable law. If the amount of the Funds held by Lender at any time is not sufficient to pay the Escrow Items when due, Lender may so notify Borrower in writing, and, in such case Borrower shall pay to Lender the amount necessary to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If, under paragraph 21, Lender shall acquire or sell the Property, Lender, prior to the acquisition or sale of the Property, shall apply any Funds held by Lender at the time of acquisition or sale as a credit against the sums secured by this Security Instrument.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to any prepayment charges due under the Note; second, to amounts payable under paragraph 2; third, to interest due; fourth, to principal due; and last, to any late charges due under the Note.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

5. Hazard or Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld. If Borrower fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 7.

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All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 21 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

6. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower may cure such a default and reinstate, as provided in paragraph 18, by causing the action or proceeding to be dismissed with a ruling that, in Lender's good faith determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Security Instrument or Lender's security interest. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

7. Protection of Lender's Rights in the Property. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

8. Mortgage Insurance. If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the mortgage insurance in effect. If, for any reason, the mortgage insurance coverage required by Lender lapses or ceases to be in effect, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the mortgage insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the mortgage insurance previously in effect, from an alternate mortgage insurer approved by Lender. If substantially equivalent mortgage insurance coverage is not available, Borrower shall pay to Lender each month a sum equal to one-twelfth of the yearly mortgage insurance premium being paid by Borrower when the insurance coverage lapsed or ceased to be in effect. Lender will accept, use and retain these payments as a loss reserve in lieu of mortgage insurance. Loss reserve payments may no longer be required, at the option of Lender, if mortgage insurance coverage (in the amount and for the period that Lender requires) provided by an insurer approved by Lender again becomes available and is obtained. Borrower shall pay the premiums required to maintain mortgage insurance in effect, or to provide a loss reserve, until the requirement for mortgage insurance ends in accordance with any written agreement between Borrower and Lender or applicable law.

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9. Inspection. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

10. 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 Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument 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 Property immediately before the taking. Any balance shall be paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

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

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

11. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender 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 Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

12. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

13. Loan Charges. If the loan secured by this Security Instrument 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 the loan 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 Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

14. Notices. Any notice to Borrower provided for in this Security Instrument 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 Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

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

16. Borrower's Copy. Borrower shall be given one conformed copy of the Note and of this Security Instrument.

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

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person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

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

18. Borrower's Right to Reinstate. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument 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 Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument 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 17.

19. Sale of Note; Change of Loan Servicer. The Note or a partial interest in the Note (together with this Security Instrument) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer") that collects monthly payments due under the Note and this Security Instrument. There also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change in accordance with paragraph 14 above and applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law.

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

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

As used in this paragraph 20, "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 20, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

21. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraph 17 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 Borrower, 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 Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower 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 Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 21, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

22. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.

23. Waiver of Homestead. Borrower waives all right of homestead exemption in the Property.

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24. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check applicable box(es)]

- | | | |
|--|---|---|
| ☐ Adjustable Rate Rider | ☐ Condominium Rider | ☐ 1—4 Family Rider |
| ☐ Graduated Payment Rider | ☐ Planned Unit Development Rider | ☐ Biweekly Payment Rider |
| ☐ Balloon Rider | ☐ Rate Improvement Rider | ☐ Second Home Rider |
| ☒ Other(s) [specify] See Schedule "A" and Rider. | | |

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

Witnesses:

J. E. Brown I

Jeffrey Gibbons

(Seal)

—Borrower

Social Security Number

472066280

Sharon D. Friedman

Meredith Gibbons

(Seal)

Social Security Number

161647717

—Borrower

[Space Below This Line For Acknowledgment]

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STATE OF ILLINOIS)
COUNTY OF *Cook* . SS:
)

The foregoing instrument was acknowledged before me this 10th day of December, 2004
by Jeffrey Gibbons and Meredith Gibbons, *his wife*



[Signature]
NOTARY PUBLIC

Property of Cook County Clerk's Office

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Schedule "A" (Legal Description)

The land referred to in this Commitment is described as follows:

LOT 10 IN BLOCK 2 IN WINNETKA HEIGHTS, BEING A SUBDIVISION OF THAT PART OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF SECTION 17, TOWNSHIP 42 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EAST OF AND ADJOINING THE EAST LINE AND THE EAST LINE EXTENDED OF ROSEWOOD (FORMERLY OAKRIDGE AVE) IN THE VILLAGE OF WINNETKA, IN COOK COUNTY, ILLINOIS.

05-17-315-012

Property of Cook County Clerk's Office

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Term IL-1 T (FNMA)
(Revised 2/94)

RIDER ATTACHED TO AND MADE A PART OF MORTGAGE TO UNITED STATES TRUST COMPANY OF NEW YORK

25. AGREEMENT ABOUT CONFLICTING PROVISIONS IN THE MORTGAGE AND THIS RIDER.

This Rider is a writing attached to the Mortgage and the provisions contained in this Rider are part of the Mortgage. I agree that if the provisions that are contained in this Rider are in conflict with the terms in the printed Mortgage and the Note, then the provisions of this Rider will control over the provisions in the printed Mortgage and Note. If the Mortgage is assigned by the Lender, all or any portion of this Rider may, at the option of the assignee, be deemed null and void.

26. LENDER'S RIGHTS IF BORROWER FAILS TO KEEP PROMISES AND AGREEMENTS.

The provisions of this Paragraph 26 shall supersede and take the place of the provisions of Paragraph 21 of the Mortgage:

If any one of the events stated in the subparagraphs (A) through (L) occur, Lender may require that I pay immediately the entire amount then unpaid under the Note and/or secured by the Mortgage or this Rider. Lender may do this without making further demand for payment. This requirement will be called "Immediate Payment in Full".

If Lender requires Immediate Payment in Full, Lender may bring a lawsuit to take away all of my remaining rights in the Property and to have the Property sold. At this sale, Lender or another person may acquire the Property. This is known as "foreclosure and sale". In any lawsuit for foreclosure and sale, Lender will have the right to collect all costs allowed by law.

Lender may require Immediate Payment in Full if:

(A) I fail to pay any amounts I owe to Lender under the Note, the Mortgage and/or this Rider within sixteen (16) days after the due date for such payments; or

(B) I fail to keep any other promise or agreement made in the Mortgage and/or this Rider and such failure is not cured or remedied within thirty (30) days of the failure; or

(C) Without Lender's prior written consent (i) I assign the rents from all or any part of the Property, or (ii) I receive or collect rent from any tenant of all or any part of the Property for more than one month in advance; or

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(D) If I fail to comply with any requirement, order or notice of violation of a law or ordinance within three (3) months after the requirement, order or notice is issued by a governmental department claiming authority over the Property; or

(E) Any fixture or article of personal property that is covered by the Mortgage is wholly or partially removed, demolished or destroyed without the Mortgagee's prior approval. A "Fixture" is personal property that is attached to land or a building. However, there cannot be a default if (i) the personal property or Fixture that is removed, demolished or destroyed is promptly replaced by similar property that is at least equal in quality and condition and I am the sole owner of this replacement property and hold it free from any lien or claim and/or (ii) the value of the property as collateral for the loan is not materially affected by such removal, destruction or demolition, which is defined to be a reduction in value in excess of \$1,000.00; or

(F) Any law is passed (i) deducting from the value of the land for the purpose of taxation any lien on the land or (ii) changing in any way the taxation of mortgage or debts secured by a mortgage for state or local purposes and thirty (30) days have lapsed after the passage of any such law; or

(G) I use the Property for any unlawful purpose, or if the Property is used for any purpose by which the risk of fire or other hazard is increased, unless the Lender gives written consent prior to these unauthorized uses, which consent may be withheld by the Lender in its sole and absolute discretion; or

(H) A lawsuit is begun for foreclosure or sale or any other action or proceeding is begun to collect any lien that is an encumbrance on the Property and such action or proceeding is not discontinued or bonded, if appropriate, within thirty (30) days after the commencement of an action or proceeding or such lesser time as is necessary to protect the interests of the Lender hereunder; or

(I) Any petition under any section of the Bankruptcy Code is filed by or against me or I am adjudged bankrupt, or make any general assignment for the benefit of creditors, or take advantage of any other insolvency act; or

(J) I fail to provide my financial statement or supplemental information in accordance with the terms of the Mortgage; or

(K) I fail for any reason to maintain insurance policies in the amount and form required by this Mortgage; or

(L) I die or if there is more than one Borrower, all of the persons collectively defined as the Borrower die.

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27. LENDER'S RIGHTS ACCORDING TO SECTION 254 OF THE NEW YORK REAL PROPERTY LAW.

Lender will be entitled to certain rights and advantages according to a law known as Section 254 of the New York Real Property Law ("Section 254"). The provisions of the Mortgage and this Rider will be construed as provided in Section 254, except that Section 254 will not apply to the paragraph entitled "Proceeds of Hazard Insurance". All of Lender's rights and advantages as set forth in the Mortgage or this Rider are supplemental to and do not replace, any of Lender's rights under Section 254. None of Lender's rights shall be to the exclusion of any other rights and nothing Lender does shall be construed to be an election to enforce any one right to the exclusion of any other rights.

28. AGREEMENTS ABOUT LENDER'S RIGHTS WITH REGARD TO A FORECLOSURE SEARCH, APPOINTMENT OF A RECEIVER AND A FORECLOSURE AND SALE.

If I do not keep my promise and agreements made in the Mortgage or this Rider, Lender may obtain a "foreclosure search" from a title insurance company. If I correct my failure to keep my promises and agreements before a lawsuit for foreclosure and sale begins, I agree to pay the cost of the foreclosure search together with any other sums required to cure my failure.

If Lender, or any person who takes over Lender's rights or obligations under the Mortgage, begins a lawsuit for foreclosure and sale, then Lender is entitled to have a receiver appointed by the court. This receiver may be appointed without Lender giving notice to me. I give Lender the right to have a receiver appointed, whether or not the value of the Property is worth more than the amount I owe under the Mortgage or this Rider.

If there is a foreclosure and sale, I agree that all of the Property or any part of the Property that is affected by the Mortgage or this Rider may be sold together as one unit.

29. BORROWER'S OBLIGATIONS TO DELIVER RECEIPTS TO LENDER; LENDER'S RIGHTS TO MAKE PAYMENTS.

I will deliver to Lender any receipts I receive for the payment of all taxes, assessments, water and sewer rents within ten (10) days after Lender requests these receipts. If I do not deliver these receipts after Lender's request, Lender may make these necessary payments as provided in Paragraph 7 of the Mortgage.

30. BORROWER'S OBLIGATION TO MAKE STATEMENT OF AMOUNT DUE ON MORTGAGE AND IF ANY DEDUCTIONS OR DEFENSES EXIST AGAINST THE AMOUNT DUE ON THE MORTGAGE.

I will furnish a written statement of the amount due under the Mortgage and this Rider and whether any deductions or defenses exist against the amount due under the Mortgage and this Rider upon the request of Lender. If the Lender makes the request in person, then I will furnish the statement within ten (10) days. If Lender makes the request by mail, I will furnish the statement within (15) days. I will duly acknowledge any statement I make under this

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paragraph. An "acknowledgment" is a formal declaration before a notary public or other authorized official by the person who signs the statement.

31. LENDER'S RIGHTS IF THERE IS A CHANGE OF OWNERSHIP OF THE PROPERTY.

The provisions of this Paragraph 31 shall supersede and take the place of the provisions of Paragraph 17 of the Mortgage:

If I sell or transfer the Property, I will still be fully obligated under the Note and under the Mortgage and this Rider and Lender may require Immediate Payment In Full, as the phrase is defined in Paragraph 26 of this Rider. However, Lender will not have the right to request Immediate Payment In Full as a result of certain transfers. Those transfers are: (i) the creation of liens or other claims against the Property that are inferior to the Mortgage so long as the Lender has consented in writing prior to the creation of any such liens or claims; (ii) a transfer of rights in household appliances, to a person who provides me with the money to buy those appliances, in order to protect that person against possible losses; and (iii) a transfer of the Property to surviving co-owners, following the death of a co-owner when the transfer is automatic according to law.

If Lender requires Immediate Payment In Full under this Paragraph 31, Lender will send me, in the manner described in Paragraph 14 of the Mortgage, a notice which states this requirement. The notice will give me at least 30 days to make the required payment. The 30-day period will begin on the date the notice is mailed or, if it is not mailed, on the date the notice is delivered. If I do not make the required payment during that period, Lender may bring a lawsuit for foreclosure and sale under Paragraph 26 of this Rider without giving me any further notice or demand for payment. (See Paragraph 26 of this Rider for a definition of foreclosure and sale).

32. BORROWER'S OBLIGATION TO PAY INTEREST IF LENDER DEMANDS IMMEDIATE PAYMENT IN FULL.

If Lender demands Immediate Payment In Full, interest will be payable from the date Lender makes such demand at the applicable rate stated in the Note (or in a modification of the Note, if any), plus (4%) percent per annum.

33. BORROWER'S OBLIGATION TO PAY A LATE CHARGE IF BORROWER'S PAYMENT IS OVERDUE.

If any periodic payment(s) has not been received by Lender within sixteen (16) days from the date when it is due, a late charge may be charged by the Lender. The late charge will be an amount equal to two (2%) percent of such payment that is overdue. The late charge may be deducted from my funds (or the funds of any subsequent owner of the Property). The late charge will be a lien on the Property secured by the Mortgage.

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34. SECURITY INTEREST.

This Mortgage shall constitute a security agreement, as defined in the Uniform Commercial Code, with respect to the Fixtures on the Property now owned or hereafter acquired and the proceeds and products thereof including any recovery under any policy of insurance covering the Fixtures, and shall grant a security interest to the Lender in all thereof. Lender is authorized to file UCC financing statements without my signature to confirm, continue or change this security interest.

35. NO WAIVER OF RIGHTS.

The failure of the Lender to demand Immediate Payment In Full for any default under this Mortgage, or to insist upon the strict performance of any promise or condition of this Mortgage shall not prevent any future failure by me which is a default from having all the force and effect of a default. The receipt by the Lender of any payment, with knowledge of the violation or default of any covenant or condition of this Mortgage, shall not be deemed a waiver of such violation or default, nor shall the Lender's acceptance of any payment after the expiration of any grace period relating thereto be deemed to stop the Lender from exercising its rights with respect to any default arising hereafter out of any other late payment. No provision of this Mortgage shall be deemed to have been waived by the Lender unless the waiver is in writing and signed by the Lender.

36. AGREEMENTS ABOUT WHICH PERSONS ARE BOUND BY THE PROMISES IN THIS MORTGAGE.

The Mortgage and this Rider cannot be changed or amended orally. The promises contained in the Mortgage and this Rider will run with the land and bind and take effect for me and any person who takes over my rights or obligations and all persons who may have an interest in the Property. The promises will also bind and take effect for the benefit of Lender and any person who takes over the Lender's rights and obligations under the Mortgage and this Rider. A promise that "runs with the land" is a promise under which the liability for performance or the right to performance passes to a subsequent owner of the land or any person who obtains rights and obligations with respect to the land.

37. SATISFACTION OF THE MORTGAGE.

When the Lender has been paid all amounts due under the Note, the Mortgage and this Rider, the Lender will discharge the Mortgage by executing a certificate stating that the Mortgage has been satisfied. If I prepare the certificate and present it to the Lender, I will not be required to pay the Lender for the discharge. If I ask the Lender to prepare the certificate, I will pay the Lender's counsel a reasonable fee for the preparation of the certificate. I will pay all costs of recording the discharge in the proper official records.

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38. PROCEEDS OF HAZARD INSURANCE.

38.1 If the Property shall be damaged or destroyed, in whole or in part, by fire or other casualty, I shall give prompt notice thereof to Lender. The net amount of all insurance proceeds received by Lender with respect to such damage or destruction, after deduction of the reasonable costs and expenses incurred by Lender in collecting the same (the "Net Proceeds") shall be disbursed by the Lender in accordance with the terms and conditions set forth herein to pay for the costs and expenses of the Restoration (hereinafter defined) provided: (i) no Event of Default has occurred under the Mortgage, the Note, or this Rider; and (ii) I proceed promptly after the insurance claims are settled with the restoration, replacement, rebuilding or repair of the Property as nearly as possible to the condition the Property was in immediately prior to such fire or other casualty (the "Restoration"); (iii) the Restoration shall be done in compliance with all applicable laws, rules and regulations and all applicable filings shall have been made; (iv) a set of the plans and specifications in connection with the Restoration shall be submitted to Lender, and shall be satisfactory to Lender in all respects; and (v) all additional documents required by the Lender or its counsel are signed and delivered by me to Lender containing such additional terms as Lender may require and costs and expenses incurred by Lender in connection with the making the Net Proceeds available for the Restoration of the Property including, without limitation, counsel fees and inspecting engineer fees incurred by Lender, shall be paid by me.

38.2 The Net Proceeds shall be held in trust by Lender without interest thereon and shall be paid by Lender to, or as directed by, me from time to time during the course of the Restoration, upon receipt of evidence and requisitions, satisfactory to Lender, that (i) all materials installed and work and labor performed (except to the extent they are to be paid for out of the requested payment) in connection with the Restoration have been paid for in full, (ii) no notices of intention, mechanics' or other liens or encumbrances on the Property arising out of the Restoration exist, and (iii) an updated title search is provided with each funding request; (iv) architect and engineer certification as to value of the work performed and specifying the percentage of work performed; and (v) the balance of the Net Proceeds plus the balance of any deficiency deposits given by me to Lender pursuant to the provisions of this paragraph hereinafter set forth shall be sufficient to pay in full the balance of the costs of the Restoration.

38.3 The excess, if any, of the Net Proceeds after payment to me as provided herein shall in Lender's absolute discretion be applied by Lender in reduction of the loan in such priority and proportions as Lender in its discretion shall deem proper. If at any time the Net Proceeds, or the undisbursed balance thereof, shall not in the opinion of Lender be sufficient to pay in full the balance of the cost of the Restoration, I shall deposit the deficiency with the Lender before any further disbursement of the Net Proceeds shall be made.

38.4 Any amount of the Net Proceeds received by Lender and not required to be disbursed for the Restoration pursuant to the provisions of this paragraph hereinabove set forth may, in Lender's discretion, be retained and applied by Lender toward the payment of the loan whether or not then due and payable in such priority and proportions as Lender in its discretion shall deem proper. If Lender shall receive and retain such insurance proceeds, the lien of this Mortgage shall be reduced only by the amount thereof received and retained by Lender and actually applied by Lender in reduction of the loan. In the event of any conflict, inconsistency or

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ambiguity between the provisions of this paragraph 38 and the provisions of subsection 4 of Section 254 of the Real Property Law of New York covering the insurance of buildings against loss by fire, the provisions of this paragraph 38 shall control. Any reduction of the loan pursuant to the terms of this paragraph 38 shall not be deemed a prepayment of the loan and no prepayment consideration if any, shall be due.

39. CONDEMNATION PROCEEDS.

If any proceeds are payable with respect to the Property because of an exercise of eminent domain, condemnation, or other taking, the right to such proceeds and the use of such proceeds shall be governed by, and applied in accordance with, the provisions of Paragraph 38 of this Rider as if such proceeds were hazard insurance proceeds.

40. WARRANTY OF TITLE.

I promise that: (a) I own the Property; (b) I have the right to mortgage the Property to the Lender; (c) there are no outstanding claims or charges against the Property, not shown in the title commitment furnished to the Lender; (d) the Mortgage is a valid lien on the Property; (e) I will defend my ownership of the Property against the claims of any others based upon rights which I have promised to the Lender that I possess; and (f) the application for this Mortgage and each document submitted in connection with my application to the Lender is true, accurate and correct in all respects and any information provided to the Lender contained all information necessary to make all statements contained in the application not misleading.

41. I SHALL MAINTAIN PROPERTY.

Supplementing the printed portion of this Mortgage, I promise that I shall not destroy, damage or substantially change the Property or allow the Property to deteriorate. The Lender and persons designated by the Lender can enter and inspect the Property in a reasonable manner and at reasonable times and upon reasonable notice to me.

42. ASSIGNMENT OF RENTS.

As additional protection for the Lender, I give to the Lender all of my rights to any rental payments from the Property. However, until the Lender requires Immediate Payment in Full, or until I abandon the Property, I shall have the right to collect and keep those rental payments as they become due. I have not given any rights to rental payments from the Property to anyone else and will not do so without the Lender's prior written consent. If the Lender requires Immediate Payment In Full, or if I abandon the Property, then the Lender, persons authorized by the Lender or a receiver appointed by the court at the Lender's request can in addition to any other rights granted by a court of competent jurisdiction: (a) collect the rental payments, including overdue rental payments directly from any tenant; (b) enter on and take possession of the Property; (c) manage the Property; and (d) sign, cancel and change leases. I agree that if the Lender notifies the tenants that the Lender has the right to collect rental payments directly from them, the tenants may make those rental payments to the Lender without having to ask whether I have failed to keep my promise under this Mortgage. If there is a judgment for the Lender in a lawsuit for foreclosure and sale, I will pay to the Lender reasonable rent from the date judgment

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is entered for as long as I occupy the Property. However, this does not give me any rights to occupy the Property. All rental payments collected by the Lender or a receiver, other than the rent paid by me will be used to first pay the cost of collecting rental payments and of managing the Property. If any part of the rental payments remains after those costs have been paid in full, the remaining part will be used to reduce the amount that I owe to the Lender under the Note and under the Mortgage. The cost of managing the Property may include the receiver's fees, reasonable attorneys fees and the cost of any necessary bond. The Lender and the receiver will be obligated to account for only those rental payments they actually receive. Any costs or expenses incurred under this paragraph and which are paid by the Lender shall be secured by this Mortgage in the same manner as if it were part of the principal amount of the Note.

43. RIGHT TO SET-OFF.

If I am in default under the Note, the Mortgage or this Rider, in addition to any other rights that the Lender has under the Note, the Mortgage or this Rider, the Lender shall have such rights of set-off as may be permitted by applicable law.

44. MORTGAGE TAXES, TITLE INSURANCE AND FILING FEES.

Upon execution hereof, I agree to pay any and all mortgage recording taxes and fees, appraisal fees, mortgage title charges and reasonable legal fees of the Lender in connection with this Mortgage and the Note.

45. FLOOD INSURANCE.

I will obtain flood insurance naming the Lender as loss payee if I am advised that the Secretary of Housing and Urban Development or such other federal office or agency with jurisdiction, has determined that the Property is in an area which has been designated as having "special flood hazards". The minimum flood insurance that I will obtain will be an amount equal to the unpaid principal balance due on the Mortgage or the maximum flood insurance obtainable by me on the Property under the National Flood Insurance program, whichever is less.

46. FINANCIAL STATEMENTS.

I shall furnish my true and complete financial statement on the Lender's standard form to the Lender within thirty (30) days after a request by the Lender. Also, I shall provide supplemental information immediately upon request by the Lender.

47. I SHALL COOPERATE.

I agree to do such further acts and to execute and deliver such statements, assignments, agreements, instruments and other documents as Lender from time to time may reasonably request in connection with the administration, maintenance, enforcement or adjudication of this Mortgage and any other documents executed in conjunction therewith in order: (a) to evidence, confirm, perfect or protect any lien or security interest granted or required to have been granted under this Mortgage and the other documents: (b) to give Lender or its designee confirmation of Lender's rights, powers, privileges, remedies and interest under this Mortgage, the other

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documents and applicable law: (c) following the occurrence of any default under this Mortgage or any other documents to better enable Lender to exercise any such right, power, privilege or remedies: (d) to otherwise effectuate the purpose and the terms and provisions of this Mortgage and the other documents executed in connection with this Mortgage loan; and/or (c) to conform to any statutes, rules or regulations of any governmental authority having jurisdiction over this Mortgage loan. I agree to acknowledge and deliver to Lender such documents and take such other actions as Lender may reasonably request in order to effectuate the purpose and terms and provisions of this Mortgage.

48. NO THIRD PARTY RIGHTS.

The terms and provisions of this Mortgage are for the exclusive benefit of the parties hereto, and no other person, including creditors of any party hereto, shall have any right or claim against any party by reason of those provisions or be entitled to enforce any of those terms and provisions against any party.

49. ENTIRE AGREEMENT.

This Mortgage, the Note and the other documents executed in connection with this transaction contain the entire agreement of the parties and supersede all other representations, warranties, agreements and understandings, oral or otherwise, among the parties with respect to the matters contained herein and therein.

50. ENVIRONMENTAL REQUIREMENTS.

Supplementing Paragraph 20 of the printed Mortgage:

(A) I hereby promise that to the best of my knowledge there are no materials currently located on the Property that violate any applicable federal, state, or local law, statute, ordinance or regulation, court or administrative order or decree, or private agreement (hereinafter collectively called "Environmental Requirements") or that require special handling in collection, storage, treatment, or disposal (the "Hazardous Materials"). I promise that I will not place or permit to be placed any such materials on the Property or use or permit the use of the Property in a manner that violates applicable Environmental Requirements, and further, that, if at any time it is determined that the operation or use of the Property violates any applicable Environmental Requirements or that there are materials located on the Property that, under any Environmental Requirement, require special handling in collection, storage, treatment or disposal, I shall, within thirty (30) days after written notice thereof, take or cause to be taken, at my sole expense, such actions as may be necessary to comply with all Environmental Requirements. If I shall fail to take such action, the Lender may make advances or payments towards performance or satisfaction of the same but shall be under no obligation to do so; and all sums so advanced or paid, including, without limitation, reasonable counsel fees, fines, or other penalty payments and all sums advanced or paid in connection with any judicial or administrative investigation or proceeding relating thereto, shall immediately, upon demand, be due from me and shall bear interest at the rate per annum set forth in the Note from the date the same shall become due and payable until the date paid, and all sums so advanced or paid, with interest as aforesaid, shall be added to the indebtedness secured hereby and shall be secured by this Mortgage. I shall execute

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and deliver, promptly after request, such instruments as the Lender may deem useful or required to permit the Lender to take any such action.

(B) If Lender reasonably determines that an environmental audit is necessary and prudent, cause an environmental audit of the Property or portions thereof to be conducted to confirm my compliance with the provisions of this paragraph.

(C) I shall send to the Lender copies of all notices, letters or other communications respecting the Property that are either received by me from any governmental authority or agency, concerning Environmental Requirements or sent by me to any such authority or agency promptly upon such receipt or transmittal by me.

(D) I shall indemnify, hold harmless, reimburse, and, upon request of the Lender, defend the Lender from, against and for any and all liability or responsibility that may at any time be imposed upon the Lender by reason of the Property or any portion thereof or the operation or use thereof by me or any prior owner thereof not complying fully with all Environmental Requirements. The provisions of this paragraph shall survive the payment of the indebtedness secured hereby and the release and/or assignment of this Mortgage.

51. PREPAYMENT PENALTY.

I have the right to make payments of principal at any time before they are due. Such a payment of principal is known as "prepayment". If I make a full prepayment or a partial prepayment within one (1) year from today I will pay Lender a prepayment charge equal to two (2%) percent of the amount of the prepayment representing Lender's estimate of its damages as a result of the prepayment. After the first year I may make a full or partial prepayment without having to pay any prepayment charge. When I make a prepayment, I will tell Lender in a letter that I am doing so. Lender will use all of my prepayment to reduce the amount of principal that I owe under the Note and Mortgage. If I make a partial prepayment, there will be no delay in the due dates or change in the amounts of my monthly payments unless Lender agrees in writing to such delay or change.

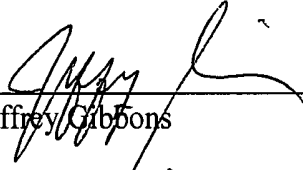
52. ESCROW PROVISIONS.

The provisions of this Mortgage which require me to make escrow payments for real estate taxes and insurance shall be deemed to be of no force and effect unless the Lender makes a demand for Immediate Payment in Full at which time, the Lender shall have the right to require me to make such payments.

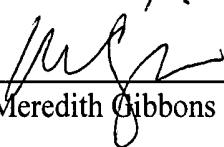
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53. COST OF ENFORCING MORTGAGE.

If the unpaid balance under the Note is not paid in accordance with the provisions of the Note, and if the Lender or its successors or assigns retains attorneys to foreclose on this Mortgage, I shall pay the reasonable fees of the attorneys and all disbursements incurred by them. This Mortgage shall also secure the full payment of any such attorney's fees and disbursements which may become payable and the amount thereof shall be a lien upon the Property, in the same manner and with the same force as if those fees and disbursements were part of the original principal sum secured by this Mortgage. The additional fees and disbursements shall be payable in addition to any court costs or allowances to which the Lender or its successors or assigns may be entitled.



Jeffrey Gibbons



Meredith Gibbons

STATE OF ILLINOIS)
COUNTY OF Cook) ss:

The foregoing instrument was acknowledged before me this 10th day of December, 2004 by Jeffrey Gibbons and Meredith Gibbons, *his wife*



NOTARY PUBLIC

