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Eugene "Gene" Moore Fee: \$34.00
Cook County Recorder of Deeds
Date: 01/26/2005 02:47 PM Pg: 1 of 6

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LAND/CONSTRUCTION LOAN MORTGAGE

(Adjustable Rate)

THE INTEREST RATE AND MONTHLY PAYMENT ARE ADJUSTED MONTHLY

THIS MORTGAGE is made this 24TH day of JANUARY, 2005, between the
Mortgagor, JACK ZACZYK, AND BEATA ZACZYK, HUSBAND AND WIFE

(herein "Borrower"), and the Mortgagee, MidAmerica Bank, fsb., a corporation organized and existing under the laws of the United States of America, whose address is

2650 WARRENVILLE ROAD, SUITE 500, DOWNERS GROVE, IL 60515-1721
(herein "Lender").

WHEREAS, Borrower is indebted to Lender in the "Current Principal Sum" of
ONE HUNDRED SIXTY ONE THOUSAND AND NO/100

Dollars,

which indebtedness is evidenced by Borrower's Adjustable Rate Note dated 01/24/05 (herein "Note"), with the balance of indebtedness, if not sooner paid, due and payable on JANUARY 1, 2008. Terms and provisions of said Note secured by this Mortgage, provide for increasing the Current Principal Sum stated above by adding to said indebtedness all Future advances including advances to secure the performance of the Borrower's obligations contained herein, which Future Advances are made to the Borrower at the Lender's option prior to release of this Mortgage.

TO SECURE to Lender the repayment of the indebtedness evidenced by the Note, with interest thereon, all Future Advances, including advances to secure performance of the Borrower's obligations contained herein, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage and the performance of the covenants and agreements of Borrower herein contained, Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of COOK State of Illinois:

LOT 37 IN WINDHAVEN WEST OF ORLAND PARK, A SUBDIVISION OF THE EAST HALF OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 3, TOWNSHIP 36 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 27, 2002 AS DOCUMENT NO. 0021315681, IN COOK COUNTY, ILLINOIS.

P.I.N. 27032270070000

which has the address of LOT # 37 TALLGRASS TRAIL, ORLAND PARK

(Street)

(City)

ILLINOIS 60462

(herein "Property Address");

(State and Zip Code)



01 113801

TICOR TITLE -558874

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TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, and all fixtures now or hereafter attached to the property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said property (or the leasehold estate if this Mortgage is on a leasehold) are herein referred to as the "Property."

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property, that the Property is unencumbered, and that Borrower will warrant and defend generally the title to the Property against all claims and demands, subject to any declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Lender's interest in the Property.

A. DESCRIPTION OF THE ADJUSTABLE RATE NOTE WHICH THIS MORTGAGE SECURES

1. By the terms of the Note the Borrower is indebted to the Lender for the original principal sum stated on the first page of this Mortgage, together with any additional sums added to the principal by reason of Future Advances authorized herein pursuant to Paragraph 21 of this Mortgage.

2. Said indebtedness is evidenced by Borrower's Adjustable Rate Note of even date (herewith "Note") providing for monthly payments to be applied to Interest before Principal with the balance of indebtedness, if not sooner paid, due and payable on the final payment date stated on the first page of this Mortgage which date shall not exceed five (5) years from the date of the Note.

3. The Borrower has the right to prepay at any time in full or in part, the unpaid principal balance of the loan which is secured by this Mortgage.

4. (a) Limits on Interest Rates.

The Interest Rate for my loan may increase or decrease during the term of this Agreement depending on periodic increases or decreases in the Base Interest Rate. The Base interest rate shall be the Prime Rate as published in the Money Rates section of the Wall Street Journal on the last publishing day of each calendar month ("Announced Rate"). If the Wall Street Journal publishes a prime interest range, then the Prime Rate shall be the highest rate specified in said range. The Base Interest as determined on the last business day of a given month will apply to transactions in the calendar month which follows. The Base Interest Rate will increase or decrease with changes in the published rate when that rate has increased or decreased from the previous Base Interest Rate. Any sums disbursed shall bear interest at MidAmerica Federal's Base Interest Rate plus .000 percentage points. At no time will the rate fall below 5.250 % without regard to how low the published rate may go. The maximum interest rate will not exceed 25 percent.

(b) Initial Base Rate.

If the Index is no longer available, the Note Holder will choose a new index which is based upon comparable information. The Note Holder will give me notice of this choice.

(c) Repayment of the Loan(s).

The monthly Statement will show, among other things, the Borrower's new Loan Balance, the minimum amount the Borrower must pay, and when the Borrower must pay it, and the rate of interest being applied to the Borrower's Loan Balance. The beginning date for each billing cycle shall be the first day of each month. The Closing Date for each billing cycle shall be the last day of each month. The Borrower agrees to pay MidAmerica Federal by the Payment Due Date as shown in the Statement (the 15th day of each month) at least the amount shown as the Minimum Payment. The Minimum Payment includes Accrued Interest and Late Charges, if any. Interest charges are calculated on the last day of the month (at a rate described above) based on the outstanding principal balance of the loan.

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

1. **Payment of Principal and Interest.** Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note and late charges as provided in the Note, and the principal of and interest on any Future Advances secured by this Mortgage,

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 installments of principal and interest are payable under the Note, until the Note is paid in full, a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments which may attain priority over this Mortgage, and ground rents on the property, if any, plus one-twelfth of yearly premium installments for hazard insurance, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof.

If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay Lender any amount necessary to make up the deficiency within 30 days from the date notice is mailed by Lender to Borrower requesting payment thereof.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under the terms of the Note shall be applied by Lender first to cost or attorney's fees occurred by Lender then to interest payable on the Note and any future advances, then to the principal on any Future Advances, and then to the principal of the Note.

4. Charges; Liens. Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any, in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the payee thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph, and in the event Borrower shall make payment directly, Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this Mortgage; provided, that Borrower shall not be required to discharge any such lien so long as Borrower shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender, or shall in good faith contest such lien by, or defend enforcement of such lien, in legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof.

5. Hazard 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 such other hazards as Lender may require and in such amount and for such periods as Lender may require; provided, that Lender shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Mortgage.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender, provided, that such approval shall not be unreasonably withheld. All premiums on insurance policies shall be paid in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the insurance carrier.

All insurance policies and renewals thereof shall be in form acceptable to Lender and shall include a standard mortgage clause in favor of and in form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, and Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. 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.

6. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments. Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents. If a condominium or planned unit development rider is executed by Borrower and recorded together with this Mortgage, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider were a part hereof.

7. Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including, but not limited to, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Lender at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums and take such action as is necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorney's fees and entry upon the Property to make repairs.

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and shall bear

interest from the date of disbursement at the rate payable from time to time on outstanding principal under the Note unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible under applicable law. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

8. Inspection. Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefore related to Lender's interest in the Property.

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

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 such notice is mailed, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Mortgage.

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

10. Borrower Not Released. Extension of the time for payment or modification or amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor 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 original Borrower and Borrower's successors in interest.

11. Forbearance by Lender Not a Waiver. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Mortgage.

12. Remedies Cumulative. All remedies provided in this Mortgage are distinct and cumulative to any other right or remedy under this Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively.

13. Successors and Assigns Bound; Joint and Several Liability; Captions. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17 hereof. All covenants and agreements of Borrower shall be joint and several. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

14. Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Mortgage shall be given by mailing such notice to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by mail, to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given in the manner designated.

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

16. Borrower's Copy. Borrower shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution or after recordation hereof.

17. Default and Acceleration. If default be made in the payment of any installments of principal or interest as aforesaid, or in the case of the breach of any of the covenants or agreements stipulated in this Mortgage given to secure repayment of the Note, or in the event that the legal or equitable title of any property or part thereof described herein becomes vested in a person other than the Borrower named herein, or in the event of assignment, sale, transfer, pledge, or mortgage of the beneficial interest of a land trust having an interest in the property described herein to

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anyone other than the undersigned Borrower, or in the event of an installment sale of the property described herein, or if any monthly installment under the Note, is not paid when due and remains unpaid after a date specified by a notice to Borrower, the entire principal amount outstanding including any Future Advances and accrued interest thereon shall at once become due and payable at the option of the Lender. The date specified shall not be less than thirty days from the date such notice is mailed. The Lender may exercise this option to accelerate during any default by Borrower, regardless of any prior forbearance. If suit is brought to collect the Note, secured hereby, the Lender shall be entitled to collect all reasonable costs and expenses of suit including but not limited to reasonable attorney's fees.

18. Assignment of Rents; Appointment of Receiver; Lender in Possession. As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 17 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 17 hereof or abandonment of the Property, and at any time prior to the expiration of any period of redemption following judicial sale, Lender, in person, by agent or by judicially appointed receiver, shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Mortgage. Lender and the receiver shall be liable to account only for those rents actually received.

19. Release. Upon payment of all sums secured by this Mortgage, Lender shall release this Mortgage without charge to Borrower. Borrower shall pay all costs of recordation, if any.

20. Waiver. Borrower hereby waives all right of homestead exemption in the property.

21. Future Advances. Upon my request, the Note Holder, at the Note Holder's sole option prior to release of the Mortgage evidenced by this Note may make Future Advances to me. Such Future Advances with interest thereon, shall be secured by the Mortgage which secures this Note. The total indebtedness advanced pursuant to the terms of this Note including Future Advances, but excluding any sums advanced to protect the security of the mortgage given to secure repayment of this indebtedness, shall not, in any event exceed the Principal Sum of U.S.\$

232,000.00

22. Business Loan. Borrower acknowledges that the Note secured by this mortgage represents a business loan as defined by Chapter 17, Paragraph 6403 of the Illinois revised statutes to be used for the acquisition and development of the Property.

23. Waiver. Borrower hereby expressly waives any and all rights of redemption from sale or judgment under any order or decree of foreclosure of this mortgage on its own behalf and on behalf of each and every person acquiring any interest or title to the property subsequent to the date hereof it being the intent hereof that any and all such rights of redemption of the Borrower and of all other persons are and shall be deemed to be waived to the full extent permitted by applicable law or statute.

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IN WITNESS WHEREOF, Borrower has executed the Mortgage

[Signature]
JACK ZACZYK -Borrower

[Signature]
BEATA ZACZYK -Borrower

-Borrower

-Borrower

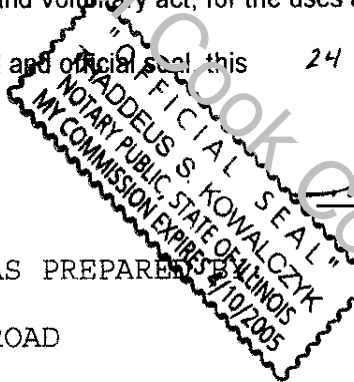
STATE OF ILLINOIS)
) SS.
COUNTY OF *Cook*)

THE UNDERSIGNED, a Notary Public in and for said county and state, do hereby certify that JACK ZACZYK and BEATA ZACZYK, HUSBAND AND WIFE

personally known to me to be the same person(s) whose name(s) are subscribed to the foregoing instrument, appeared before me this day in person, and that they signed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal this *24* day of *JANUARY*, *2005*

My Commission expires:



[Signature]
Notary Public

THIS INSTRUMENT WAS PREPARED BY:
KENNETH KORANDA
2650 WARRENVILLE ROAD
SUITE 500
DOWNERS GROVE, IL 60515-1721

WHEN RECORDED RETURN TO:
MID AMERICA BANK, FSB.
2650 WARRENVILLE ROAD
SUITE 500
DOWNERS GROVE, IL 60515-1721