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

Joan T. Berg
Schain, Burney, Ross
and Citron, Ltd.
222 N. LaSalle Street
Suite 1910
Chicago, Illinois 60601



Doc#: 0526956069 Fee: \$36.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 09/26/2005 01:03 PM Pg: 1 of 7

**THIS JUNIOR MORTGAGE
IS SECONDARY AND SUBORDINATE TO ANY
AND ALL DEBT CURRENTLY OWED TO
BROADWAY BANK**

JUNIOR MORTGAGE

THIS JUNIOR MORTGAGE is made as of September 26, 2005, by **Hilda Giorango**, individually, with a mailing address of 4825 South LeClaire, Chicago, Illinois 60638 ("Mortgagor") in favor of **Broadway Bank**, having its principal office at 5960 North Broadway, Chicago, Illinois 60660 ("Lender").

WITNESSETH

Demitri Stavropoulos, individually, Michael Giorango, individually, 1201 South Western LLC, an Illinois limited liability company, and Jake Taylor Properties, Inc., an Illinois corporation, with a mailing address of 4825 South LeClaire, Chicago, Illinois, 60638 (jointly and severally, the "Borrower") is justly indebted to Lender in the aggregate principal sum of **Three Million Four Hundred Thousand and 00/100 Dollars (\$3,400,000.00)**, as evidenced by a Deed of Trust Note dated of even date herewith and all modifications, substitutions, extensions and renewals, if any, thereof in favor of Lender from Borrower providing for repayment of principal and interest (with interest being paid at a variable rate) and providing for a final payment of all sums due thereunder on **September 26, 2010** ("Note").

To secure the payment of the principal sum of money evidenced by the Note, with interest thereon as provided therein, and the payment of all other sums advanced to protect the security of this Junior Mortgage, with interest thereon, and the performance by Borrower of all of the covenants and conditions contained herein and in said Note and all other sums due and owing by Borrower to Lender and in further consideration of Ten Dollars (\$10.00) in hand paid, the receipt of which is acknowledged, the Borrower does hereby by these presents, GRANT, MORTGAGE AND CONVEY to Lender, its successors and assigns the following described real estate and all of its estate, right, title and interest therein, situated, lying and being **4825 South LeClaire, Chicago, Cook County, Illinois**, legally described on Exhibit "A" attached hereto and by this

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reference incorporated herein, together with all improvements, tenements, easements, hereditaments and appurtenances thereunto belonging and all rents, issues and profits thereof for so long and during all such times as the Borrower may be entitled thereto (which are pledged primarily and on a parity with said real estate and not secondarily), and all the structures, buildings, additions and improvements, and replacements thereof, erected upon said realty, including any on-site systems providing electricity, heating, air conditioning, lighting, ventilation, water, and all plants and fixtures of every kind and nature whatsoever forming part of said structures or buildings or of any structures or buildings heretofore or hereafter standing on the realty or on any part thereof or now or hereafter used in connection with the use and enjoyment of said realty, whether or not physically attached thereto, and together with all of Borrower's rights further to encumber said property for debt except by such encumbrance, which, by its actual terms and specifically expressed intent, shall be, and at all times remain, subject and subordinate to the lien of this Junior Mortgage. All of the above-mentioned and described real estate, property and rights are hereinafter referred to as "Property".

TO HAVE AND TO HOLD the Property unto said Lender, its successors and assigns forever, for the purposes and uses therein set forth.

IT IS FURTHER UNDERSTOOD AND AGREED THAT:

1. Obligations Relating to Property. Borrower shall: (a) keep said Property in similar condition and repair, as of the date hereof; (b) comply with all requirements of law, municipal ordinances, or restrictions of record with respect to the Property and the use thereof; (c) not use or suffer or permit use of the Property for any purpose other than permitted by law; (d) pay each item of indebtedness secured by this Junior Mortgage when due according to the terms hereof or of the Note; and (e) pay all filing, registration and recording fees, incident to this Junior Mortgage.

2. Taxes. Borrower shall pay before any penalty attaches all general taxes, special taxes, special assessments, water charges, sewer service charges and other charges against the Property when due.

3. Insurance. Borrower shall provide liability insurance with such limits for personal injury and death and property damage as Lender may require. All policies of insurance to be furnished hereunder shall be in forms, companies and amounts satisfactory to Lender.

4. Prepayment. The Borrower shall have the privilege of making prepayments on the principal of said Note (in addition to the required payments) in accordance with the terms and conditions set forth in said Note.

5. Variation. If the payment of the indebtedness or any part thereof be extended or varied or if any part of the security be released, all persons now or at any time hereafter liable therefor, or interested in said Property, shall be held to assent to such extension, variation or release, and their liability and the lien and all provisions hereof shall continue in full force, the

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right of recourse against all such persons being expressly reserved by Lender, notwithstanding such extension, variation or release.

6. Rights of Lender. In case of default herein, Lender may, but need not, make any payment or perform any act herein required of Borrower in any form and manner deemed expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting said premises or contest any tax or assessment. All monies paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' fees, and any other monies advanced by Lender to protect the Property and the lien hereof, shall be so much additional indebtedness secured hereby and shall become immediately due and payable without notice and with interest thereon from the date of the disbursement at the rate stated in the Note.

7. Duties When Paying Property Obligations. Lender in making any payment hereby authorized: (a) relating to taxes and assessments or insurance premiums, may do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof; or (b) for the purchase, discharge, compromise or settlement of any other prior lien, may do so without inquiry as to the validity or amount of any claim for lien which may be asserted.

8. Default. If: (a) failure of Borrower to pay any amount of Indebtedness when due, whether interest, principal or otherwise and whether as an installment, on the Maturity Date or otherwise; (b) any other Default or Event of Default under any of the Loan Documents which continues for a period in exceeding the cure period provided in the Loan Documents; (c) Borrower's failure to pay, when due, any amount payable under any other obligation of Borrower, or any Related Entity (as hereinafter defined) of Borrower, to Lender, however created, arising or evidenced, whether direct or indirect, absolute or contingent, now or hereafter existing, or due or to become due, subject to applicable cure periods, if any; (d) an indictment or other charge is filed against the Borrower, or any Related Entity (as defined below) of Borrower, in any jurisdiction, under any federal or state law, for which forfeiture of any collateral securing the Loan, as described in the Loan Documents, or of any other funds, property or other assets of Borrower is a potential penalty unless such charge is dismissed within thirty (30) days after filing; (e) a default by Borrower under the Contract for Real Estate and Business Purchase, as described above; (f) a default under any franchise agreement or management agreement affecting the Premises; or (g) the death or legal incapacity of any Guarantor (for purposes of this Note, a "Related Entity" shall be defined as Borrower or any Guarantor, or any corporation, partnership, limited liability company or other entity owned or controlled by Borrower or any Guarantor or any combination of Borrower and/or Guarantor), then and in every such case the whole of said principal sum hereby secured shall, at once, at the option of Lender become immediately due and payable, together with accrued interest thereon, without notice to Borrower.

9. Foreclosure. When the indebtedness hereby secured, or any part thereof, shall become due, whether by acceleration or otherwise, Lender shall have the right to foreclose the

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lien hereof for such indebtedness or part thereof. In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale all expenditures and expenses which may be paid or incurred by or on behalf of Lender for attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) for procuring all such abstracts of title, title searches and examinations, title insurance policies, and similar data and assurances with respect to title as Lender may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the Property.

All expenditures and expenses of the nature in this Paragraph mentioned, and such expenses and fees as may be incurred in the protection of said Property and the maintenance of the lien of this Junior Mortgage, including the fees of any attorney employed by Lender in any litigation or proceeding affecting this Junior Mortgage, the Note or said Property, including probate and bankruptcy proceedings, or in preparations for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by Borrower, with interest from the date of disbursement at the rate stated in the Note and shall be secured by this Junior Mortgage.

The proceeds of any foreclosure sale of the premises shall be distributed and applied in the following order of priority: first, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in the preceding paragraph hereof; second, all other items which under the terms hereof constitute secured indebtedness additional to that evidenced by the Note, with interest thereon as herein provided; third, all principal and interest remaining unpaid on the Note secured hereby; fourth, any surplus to Borrower, its heirs, legal representatives or assigns, as its rights may appear.

10. Inspection. Lender shall have the right to inspect the Property at all reasonable times and access thereto shall be permitted for that purpose.

11. Condemnation. Borrower hereby assigns, transfers and sets over unto Lender the entire proceeds of any award or any claim for damages for any of the mortgaged Property taken or damaged under the power of eminent domain or by condemnation. Lender may elect to apply the proceeds of the award upon or in reduction of the indebtedness secured hereby, whether due or not, or to require Borrower to restore or rebuild. Any surplus which may remain out of said award after payment of such cost of rebuilding or restoration shall, at the option of Lender, be applied on account of the indebtedness secured hereby or be paid to any other party entitled thereto. 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 thirty (30) days of the date of such notice, 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 Junior Mortgage.

12. Release. Lender shall release this Junior Mortgage upon full payment of all amounts due under the Note secured by this Junior Mortgage.

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13. Notice. Any notice which either party hereto may desire or be required to give to the other party shall be in writing and receipt of the mailing thereof by certified mail addressed to the Borrower or Lender at the address set forth above, or at such other place as any party hereto may by notice in writing designate as a place for service of notice, shall constitute service of notice hereunder.

14. Forbearance. 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 right or remedy hereunder. 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 Junior Mortgage.

15. Waiver. Borrower waives the benefit and agrees not to invoke any appraisal, valuation, stay, extension or exemption laws, or any so-called "moratorium laws," not existing or hereafter enacted, in order to prevent or hinder the enforcement of foreclosure of this Junior Mortgage.

16. Binding. This Junior Mortgage and all provisions hereof shall extend to and be binding upon Borrower and all persons claiming under or through Borrower, and the word "Borrower" when used herein shall include the singular or plural as the context may require. The word "Lender" when used herein shall include the successors and assigns of Lender named herein, and the holder or holders, from time to time, of the Note secured hereby.

17. Captions. The captions and headings of various paragraphs of this Junior Mortgage are for convenience only and are not to be construed as defining or limiting in any way the scope or intent of the provisions hereof. Wherever used, the singular number shall include the plural and the plural the singular, and the use of any gender shall be applicable to all genders.

18. Unauthorized Transfer. No action for the enforcement of the lien or of any provision hereof shall be subject to any defense which would not be good and available to the party interposing same in an action at law upon the Note hereby secured. Any sale, conveyance, assignment, pledge, mortgage, lease, hypothecation, encumbrance or other transfer of title to, or any interest in, or the placing of any lien upon the Property or any portion of any entity owning any interest therein (whether voluntary or by operation of law) without Lender's prior written consent shall be an event of default hereunder, except for the senior and superior mortgage lien of Broadway Bank representing the Borrower's financing in the amount of \$1,000,000.00. Lender acknowledges and agrees that the lien of this Junior Mortgage is and shall remain subject and subordinate to the lien and mortgage of Broadway Bank.

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IN WITNESS WHEREOF, Borrower has executed this Junior Mortgage as of the day and year first above written.

Hilda Giorango
Hilda Giorango, individually

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public, in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT Hilda Giorango, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered said instrument as his own free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and official seal, this 26th day of September, 2005.

Sonia I. Colon

Notary Public

My Commission expires: 8/10/09



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EXHIBIT A LEGAL DESCRIPTION

Lot 29 in Block 42 in Frederick H. Bartlett's Central Chicago, a subdivision in the Southeast Quarter of Section 4 and in the Northeast Quarter and the Southeast Quarter of Section 9, Township 38 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois.

Property Index Number: 19-09-210-008-0000

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