

**SECURITY AGREEMENT
AND SECURITY ASSIGNMENT
UNDER LAND TRUST****CITIBANK**

Citibank FSB

500 W. Madison
Chicago, IL 60601

09043162

KNOW ALL MEN BY THESE PRESENTS that the undersigned **Petru Tisler and Doina Tisler** (hereinafter collectively called "Assignor"), the owners of 100% of the beneficial interest under that certain Trust Agreement dated **December 12, 1989** and known as **Trust No. 110011-04** ("Trust Agreement"), executed by **American National Bank and Trust Company of Chicago** as Trustee under the Trust Agreement (hereinafter referred to as "Trustee"), in consideration of the sum of ONE DOLLAR and other good and valuable consideration in hand paid, the receipt and sufficiency whereof is hereby acknowledged, do hereby grant a security interest in, sell, assign, transfer, set over, pledge and deliver unto **Citibank, Federal Savings Bank** (the "Lender"), and to its successors and assigns, all of the right, title and interest of the Assignor under and to the aforesaid Trust Agreement and in, under and to the property referred to or described in said Trust Agreement and in the personal property described in Rider to Security Agreement and Security Agreement Under Land Trust (hereinafter called "Property") and in, under and to any and all the proceeds or avails of the Property or any part thereof, including without limitation, all proceeds and avails from rentals, mortgages, sales, conveyances, or other dispositions or realizations of any kind or character of or from the Property or any part thereof, including without limitation, the right to manage, direct and control the Property and the acts and doings of Trustee as borrower in respect of such Property (together with any property hereinafter referred to as the "Collateral").

This Assignment is made and given as collateral security for payment in full of:

- (1) The payment of the indebtedness of Assignor to the Lender, evidenced by a certain Promissory Note dated **November 4, 1999** in the amount of **\$900,000.00** ("Note") executed by Trustee, as borrower, to the order of Lender, and any note or evidence of indebtedness executed by Assignor or Trustee in renewal, substitution or extension thereof, and any other indebtedness, obligations, and liabilities of Assignor to the Lender, whether now existing or hereafter arising, due or to become due, direct, indirect, or contingent, joint or several or joint and several, including but not limited to Assignor's guaranty or guaranties, whether now existing or hereafter arising, of any indebtedness owing by a person, partnership, or corporation to the Lender; or
- (2) All future advances made by Lender or for the account of the Trustee, Assignor, or Obligor, including advances for loans, insurance, repairs to and maintenance of the Collateral, taxes and discharge of any other lien, security interest or encumbrance by Lender; and
- (3) All expenses and charges, legal or otherwise, including attorney's fees paid or incurred by the Lender in realizing upon or protecting the Collateral or the indebtedness secured hereunder (all of which is referred to as the "Indebtedness").

Assignor Represents, Warrants, Covenants and Agrees as Follows:

1. The terms and provisions contained in this Assignment shall, unless the context otherwise requires, have the meanings and be construed as provided in the Uniform Commercial Code of the State of Illinois (the "Code").
2. Assignor represents and warrants that the Assignor has full power and authority to make this Assignment and that, except for the security interest of the Lender therein, the Assignor is the owner of all of the beneficial interest and power of direction under the Trust Agreement and the other Property free from any lien, security interest, encumbrance or other right, title or interest of any other person, firm or corporation, and the Assignor shall defend the same against all claims and demands of all persons at any time claiming the same or any interest therein adverse to the Lender.
3. Assignor represents and warrants that there is no financing statement now on file in any public office covering the Property and so long as any amount remains unpaid on any Indebtedness to the Lender or any credit from the Lender to the Assignor or the Trustees is in use by or available to the Assignor or the Trustee, the Assignor will not make any further assignment of the Property in whole or in part and will not execute or file any financing statement encumbering or attempting to encumber the subject beneficial interest.

4. The Trust above referred to is the owner of record of the Real Estate described in the Rider attached to this agreement, and is unencumbered except for mortgages and other liens shown on the said Rider.
5. Assignor will furnish the Lender with satisfactory evidence that the Collateral has been adequately insured by companies acceptable to the insured party and that such insurance coverage will be maintained throughout the term of the loan secured hereby. Assignor will also purchase and maintain such other insurance coverage as the Lender may require.
6. Assignor shall (i) promptly repair the Property and repair, restore or rebuild any buildings or improvements now or hereafter on the Real Estate which may become damaged or destroyed; (ii) keep the Property in good condition and repair and without waste; (iii) complete within a reasonable time any building or buildings now or at any time in process of erection upon the Property; (iv) comply with all requirements of law or municipal ordinances with respect to the Real Estate and the use thereof; and (v) without prior written consent of the Lender being first had and obtained, make no material alterations in the Real Estate except as require by law or municipal ordinance.
7. Assignor will pay all taxes now or hereafter levied or assessed against the Collateral and before the same become delinquent, and will promptly discharge any and all liens now or hereafter chargeable against the Collateral.
8. Assignor will not hereafter without the prior written consent of the Lender (a) assign, sell, transfer or grant a security interest in the Collateral to anyone other than the Lender; (b) direct the Trustee to lease, sell, transfer or encumber any of the Collateral (nor suffer or permit anyone else to do so); (c) direct the Trustee, in connection with claims under insurance policies on the Collateral, to execute proofs of loss which exceed one-thousand dollars (\$1,000.00) in the aggregate in any one instance; or (d) direct the Trustee with respect to distribution of funds received by or payable to Trustee which exceed the sum of one-thousand dollars (\$1,000.00) in the case of any such distribution.
9. Assignor shall pay any indebtedness which may be secured by a lien or charge upon the Collateral and, upon request, exhibit satisfactory evidence of such payment to the Lender. Upon default of such payment, the Lender may, but need not, make any payment required of the Assignor in the protection of the Collateral and purchase, discharge, compromise or settle any tax lien or other lien or title or claim, or redeem from any tax sale or forfeiture affecting the Collateral or contest any tax or assessment.
10. All money advanced by the Lender for any of the purposes stated in this agreement, or for the protection of the Collateral or of the lien of the Lender therein (whether or not described in this agreement), and all expenses paid or incurred in connection therewith, including attorneys' fees, shall be additional indebtedness secured by the security interest created by this agreement and become immediately due and payable without notice and with interest thereon at the "Default Rate" stated in the Promissory Note referred to above, or, if not stated therein, at the rate of three percent (3%) per annum above the highest rate of interest charged on any note, to which this security agreement refers on pages one and two hereof.
11. Notwithstanding anything to the contrary appearing in the Trust Agreement, the interest hereinabove described is assigned and transferred to Lender by way of collateral security only and, accordingly, Lender by its acceptance hereof shall not be deemed to have assumed or become liable for any of the obligations or liabilities of Assignor under the Trust Agreement, whether provided for by the terms hereof, arising by operation of law or otherwise; Assignor hereby acknowledging that Assignor remains liable thereunder to the same extent as though this Assignment had not been made. Lender, notwithstanding that the Lender may also be the Trustee under the Trust Agreement, may proceed immediately to exercise each and all of the powers, rights and privileges reserved or granted to the Assignor under the Trust Agreement, including without limitation, the right to collect and receive the proceeds from rentals and from mortgages, sales, conveyances or other dispositions or realizations of any kind or character of or from the Real Estate or any part thereof.
12. The occurrence of any of the following events or conditions shall, at the option of the Lender, and without notice or demand on the Trustee or Assignor, constitute an event of default hereunder:
13. (a) Default in the payment or performance of the Indebtedness; (b) failure of the Assignor to perform any covenant or agreement made by Assignor herein; (c) breach of any warranty or falsity of any representation made by Assignor to Lender herein; (d) attachment, seizure, foreclosure or forfeiture or levy upon the Collateral; (e) institution of any proceeding by or against Assignor or Assignor's business under any bankruptcy or insolvency statute or an assignment by Assignor for benefit of creditors or appointment of a receiver for Assignor or the Collateral or filing of a tax lien notice by the United States or any state; (f) institution of any proceeding by or against Trustee, Assignor, or Obligor under any bankruptcy or insolvency statute or an assignment by Assignor or Obligor for the benefit of creditors or appointment of a receiver for Assignor or Obligor or filing a tax lien notice by the United States or any state; (g) reasonable insecurity of Lender; (h) the accrual of any lien, encumbrance or charge against the Collateral whether prior to or subsequent to the security interest and lien of the Lender and the failure of the Assignor to discharge such lien or encumbrance upon demand; or (i) a default or event of default occurs under any other loan, secured or unsecured, or other agreement made by Assignor or Lender or to any guarantor of the indebtedness.
14. Upon the occurrence of any default, Lender may declare all installments of the Indebtedness and all indebtedness secured hereby immediately due and payable, and Lender may:

15. (a) Exercise any one or more or all the rights or remedies set forth in the Indebtedness herein above described or set forth in any other evidence of indebtedness secured hereby or in any agreement between Assignor and Lender;
16. (b) Proceed immediately to exercise each and all of the powers, rights and privileges reserved or granted to the Assignor under the Trust Agreement to manage, direct, control and deal with the Collateral or any part thereof; including without limitation the right to collect and receive the proceeds from rentals and from mortgages, sales, conveyances or other dispositions or realizations of any kind of or from the Collateral or any part thereof;
17. (c) Sell the Collateral at public or private sale in accordance with the provisions of the Code. Assignor agrees that the requirements of the Code shall be fulfilled if notice is mailed to the Assignor at the address shown below not less than five (5) days prior to the sale or other disposition; the right of the Lender to be the purchaser for its own account at any sale or other disposition of the Collateral shall not be affected by the fact that the Lender is or may be now or at the time of such sale or disposition, the Trustee under the Trust Agreement described in the first paragraph hereof, nor shall such fact in any manner otherwise affect the rights of the Lender to sell, dispose of or otherwise deal with the security interest granted herein;
18. (d) Institute a judicial proceeding in aid of the right of the Lender to exercise Assignor's rights, powers and privileges in the Collateral, to foreclose the security interest and lien conferred by this agreement and to effect a sale of the Collateral.

The foregoing remedies may be enforced separately or in combination concurrently or serially at the sole option of the Lender.

The reasonable expenses of the Lender in assuming possession of the Collateral and exercising Assignor's rights, powers and privileges therein, including attorneys' fees, court costs, title searches and other legal expenses shall be additional indebtedness which the Assignor agrees to pay upon demand.

The acceptance by Lender at any time and from time to time of partial payment on the Indebtedness shall not be deemed to be a waiver of any default. No waiver by Lender of any default shall be deemed to be a waiver of any other then existing or subsequent default, nor shall any such waiver by Lender be deemed to be continuing waiver. No delay or omission by Lender in exercising any right, remedy or privilege hereunder shall impair any such remedy or privilege or be construed as a waiver thereof or any acquiescence in the default giving rise thereto, nor shall any single or partial exercise of any such right, remedy or privilege preclude other or further exercise thereof, or the exercise of any other right, remedy or privilege of Lender hereunder.

All the rights herein conferred upon the Lender are in addition to, and not in derogation of the rights conferred upon it by law, and all such rights and remedies herein or by law conferred, may be exercised at such time or times and in such order as the Lender may elect.

This Security Agreement shall be construed according to the laws of the State of Illinois. Waiver of any default shall not constitute waiver of any subsequent default. All rights of Lender shall inure to the benefit of its successors and assigns and all obligations of Assignor shall bind his or its heirs, executors, personal representatives, successors or assigns. If there is more than one debtor, their obligations hereunder shall be joint and several. This agreement shall become effective when signed by the Assignor.

19. The Assignor agrees that the Lender may, without notice to the Assignor, extend the payments, release security for Indebtedness, or otherwise modify any terms of any agreements or documents in connection with the Indebtedness and the Lender need not proceed against the maker or guarantors of the Indebtedness or proceed against any other collateral prior to the institution of any sale or court proceedings to liquidate the Collateral herein.
20. Assignor acknowledges receipt of a completed copy of this Security Agreement.
21. Assignor represents and warrants that this Assignment is solely a pledge of personal property, that the Trust Agreement was not created for the purpose of entering this transaction, and that this Assignment is not intended to be, nor shall it be construed as an equitable mortgage. Notwithstanding anything herein to the contrary, in the event a court of competent jurisdiction determines that this Assignment constitutes an equitable mortgage, Assignor hereby expressly waives all rights and benefits under and by virtue of the Homestead Exemption laws of the State of Illinois. Assignor agrees that Assignor shall not and will not apply for or avail himself of any appraisal, valuation, stay, extension, exemption, or redemption laws, now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this agreement should it be deemed an equitable mortgage, Assignor hereby specifically waiving to the extent permissible by law, all rights and benefits under Illinois laws.
22. If there is more than one Assignor, the word "Assignor" shall be deemed to include all of them (or any of them).
23. Assignor and Lender agree that all disputes between them arising out of, in connection with, related to, or incidental to the Indebtedness and whether arising in contract, tort, equity or otherwise, shall be resolved only by state or federal courts located in Cook County, Illinois, but the parties acknowledge that any appeals from those courts may have to be heard by a court located outside of Cook County, Illinois. The Assignor waives in all disputes any objection that it may have to the location of the court considering the dispute.

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24. Assignor hereby waives any right to a trial by jury in any action or proceeding to enforce or defend any rights under the Note, or any amendment, instrument, document or agreement delivered or which may in the future be delivered in connection with the indebtedness, and agrees that any such action shall be tried before a court and not before a jury.

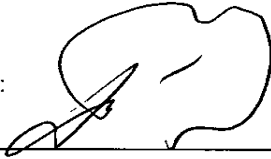
25. IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals as of the day of _____, 19

Address for purposes of Notices:


2919 N. Kolmar

Chicago, Il. 60641

Signatures:



Petru Tisler



Doina Tisler

ACCEPTANCE

09043162

CITIBANK, FEDERAL SAVINGS BANK hereby acknowledges receipt of the foregoing Assignment this 4th day of November 1999 and accepts the same.

CITIBANK, FEDERAL SAVINGS BANK

By: 

ITS: _____

JAMES DAVIS
Vice President
Real Estate Group
Citibank, F.S.B.

Trustee's Endorsement

American National Bank and Trust Company of Chicago, as Trustee under Trust No.110011-04 hereby acknowledges receipt of the foregoing Assignment this _____ day of _____ 19

As Trustee as aforesaid

By: _____

ITS: _____

Rider to Security Agreement and Security Assignment Under Land Trust

All improvements of every kind and description now or hereafter erected or placed on the Real Estate and all materials intended for construction, reconstruction, alteration, and repairs of such improvements now or thereafter erected thereon, all of which materials shall be deemed to be included within the premises immediately upon the delivery thereof to the premises, all fixtures, furniture, furnishing, goods, chattels and equipment (including without limitation, window cleaning, building cleaning, swimming pool, recreational, monitoring, garbage, pest control) now or thereafter owned by debtor and attached to and used in connection with the Real Estate.

Legal Description of Real Estate: (See Attached)

Mortgages and Other Liens on the Above Described Property (if none, please state "NONE")

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THE NORTH 19 FEET OF LOT 44, LOTS 45 AND 46 AND THE SOUTH 34 FEET OF LOT 47 IN A. H. HILL'S RESUBDIVISION OF LOTS 27 TO 38 INCLUSIVE IN BLOCK 70; LOTS 3 TO 14 AND 27 TO 38 ALL INCLUSIVE IN BLOCK 71 AND LOTS 3 TO 14 INCLUSIVE IN BLOCK 72 IN NORTHWEST LAND ASSOCIATION SUBDIVISION OF THE WEST ½ OF BLOCKS 22 AND 27 AND BLOCKS 23, 24 AND 26 IN JACKSON'S SUBDIVISION OF THE SOUTH EAST ¼ OF SECTION 11, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, ALSO BLOCKS 1, 8 AND 2 (EXCEPT THE EAST 1 ACRE THEREOF) IN CLARK'S SUBDIVISION OF THE NORTHWEST ¼ OF THE NORTHEAST ¼ OF SECTION 14, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

FURTHER KNOWN AS : 3831-39 N. KIMBALL, CHICAGO, ILLINOIS 60625

PIN NO. 13-11-428-004-0000

LOAN NO. 01095778

Property of Cook County Clerk's Office

09043162