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Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



Doc#: 1025241016 Fee: \$80.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 09/09/2010 09:47 AM Pg: 1 of 23

Report Mortgage Fraud
800-532-8785

The property identified as: PIN: 14-31-428-014-0000

Address:

Street: 1645 N WOOD STREET

Street line 2:

City: CHICAGO

State: IL

ZIP Code: 60622

Lender: THE PRIVATEBANK AND TRUST COMPANY

Borrower: CHICAGO TITLE LAND TRUST COMPANY AS TRUSTEE UTA DATED 9/1/85 AKA TRUST NO. 25-7323

Loan / Mortgage Amount: \$153,000.00

This property is located within the program area and the transaction is exempt from the requirements of 765 ILCS 77/70 et seq. because the application was taken by an exempt entity.

Box 400-CTCC

S Y
P 23
S N
SC Y
INT Y

Certificate number: 01423C71-C2B8-4E02-84AF-0889BCCA256D

Execution date: 08/27/2010

CTIC 8437524 8089A0 8/8

Property of Cook County Clerk's Office

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THIS DOCUMENT WAS
PREPARED BY AND
AFTER RECORDING
RETURN TO:

Terrence E. Budny
K&L Gates LLP
70 West Madison Street
Suite 3100
Chicago, Illinois 60602

CHICAGO TITLE LAND TRUST COMPANY is successor
Land Trustee to LaSalle Bank National Association and
all references within this **Junior Mortgage**
document to LaSalle Bank National Association shall
be deemed to mean CHICAGO TITLE LAND
TRUST COMPANY as Successor Trustee

JUNIOR MORTGAGE AGREEMENT

This Junior Mortgage Agreement (this "Mortgage") is made as of August 27, 2010, by CHICAGO TITLE LAND TRUST COMPANY, as successor trustee to American National Bank, as successor trustee to First Chicago Trust Company of Illinois, formerly known as Bank of Ravenswood, an Illinois corporation, not personally but solely as Trustee under a Trust Agreement dated September 1, 1985, and known as Trust No. 25-7323 ("Mortgagor"), to THE PRIVATEBANK AND TRUST COMPANY, a banking corporation organized and existing under the laws of the State of Illinois, 120 South LaSalle Street, Chicago, Illinois 60603 ("Mortgagee").

NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN OR IN ANY OF THE OTHER LOAN DOCUMENTS, MORTGAGEE AND MORTGAGOR HEREBY ACKNOWLEDGE AND AGREE THAT THIS MORTGAGE, MORTGAGOR'S OBLIGATIONS HEREUNDER, AND MORTGAGOR'S ABILITY TO COMPLY WITH THE TERMS OF THIS MORTGAGE ARE SUBJECT AND SUBORDINATE TO THAT CERTAIN MORTGAGE FROM MORTGAGOR TO MORTGAGEE DATED MAY 2, 2008 AND RECORDED WITH THE COOK COUNTY RECORDER OF DEEDS ON MAY 12, 2008 AS DOCUMENT NO. 0813326029, AS AMENDED PRIOR TO THE DATE HEREOF, AND AS HEREAFTER AMENDED, RESTATED, REPLACED OR SUPPLEMENTED.

Recitals

A. Robert A. Levin, the beneficiary of the Mortgagor, is justly indebted to Mortgagee in the principal sum of One Hundred Fifty-Three Thousand and No/100 Dollars (\$153,000.00) pursuant to a promissory note, dated September 15, 2005, as amended (as hereafter amended, restated, replaced or supplemented, the "Note"). The Note is made payable to the order of and delivered to Mortgagee, and is payable together with interest thereon, from the date thereof, at the rate, in installments and in accordance with all other terms set forth therein and in a certain Business Loan Agreement dated September 15, 2005, by and between Robert A. Levin and Mortgagee, as amended (as hereafter amended, restated, replaced or supplemented, the

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"Loan Agreement"). All terms and conditions of the Loan Agreement are hereby incorporated herein by this reference.

WHEREAS, NOW, THEREFORE, to secure the payment of the said principal sum and interest and premium, if any, thereon and the performance of the covenants and agreements contained herein and in the Note and the Loan Agreement (the "Loan Documents"), and any extensions, modifications and renewals thereof, Mortgagor does by these presents grant, bargain, sell, convey, mortgage and warrant unto Mortgagee, its successors and assigns forever, the real estate and all of Mortgagor's now or hereafter acquired estate, right, title, and interest therein situated in Cook County, State of Illinois, as more particularly described in Exhibit A attached hereto and made a part hereof (sometimes herein referred to as the "real estate"), which real estate, together with the following described property, is collectively referred to as the "Premises".

TOGETHER WITH:

(a) all right, title and interest of Mortgagor, including any after acquired title or reversion, in and to the streets, avenues, vaults and alleys adjoining the Premises,

(b) all and singular the tenements, hereditaments, easements, minerals, appurtenances, passages, waters, water courses, riparian, irrigation and drainage rights, and other rights, liberties, and privileges thereof or in any way now or hereafter appertaining, including homestead and any other claim at law or in equity as well as any after-acquired title, franchise, or license and the reversion and reversions and remainder and remainders thereof,

(c) all of Mortgagor's interest and rights as lessor in and all leases now or hereafter affecting the real estate or any part thereof, if any, and all rents, issues, proceeds, and profits accruing and to accrue from the real estate, whether payable pursuant to any present or future lease or otherwise are pledged primarily and on a parity with the real estate and not secondarily,

(d) all proceeds or sums payable in lieu of or as compensation for the loss of or damage to the Premises, all rights in and to all present and future fire and other hazard insurance policies pertaining to the Premises, any and all sums at any time on deposit for the benefit of Mortgagee or held by Mortgagee (whether deposited by or on behalf of Mortgagor or anyone else) pursuant to any of the provisions of this Mortgage, and all awards paid or to be paid in connection with or in lieu of any condemnation, eminent domain, change of grade or similar proceeding for the taking or for the degradation in the value of all or any part of the Premises, and

(e) all buildings and improvements of every kind and description now or hereafter erected or placed thereon and all materials intended for construction, reconstruction, alteration, and repairs of such improvements now or hereafter erected thereon, all of which materials shall be deemed to be included within the Premises immediately upon the delivery thereof to the Premises, and all fixtures and personal property now or hereafter owned by Mortgagor and attached to or contained in and used in connection with the Premises, including, but not limited to, all heating, air-conditioning, sprinklers, freezing, lighting, laundry, incinerating and dynamo and generating equipment; engines, pipes, pumps, tanks, motors, conduits, switchboards,

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plumbing and plumbing fixtures, lifting, cleaning, fire prevention, fire extinguishing, refrigerating, ventilating and communications apparatus; boilers, ranges, furnaces, oil burners or units thereof; appliances, air cooling and air-conditioning apparatus; vacuum cleaning systems; elevators, escalators; shades; awnings, screens; storm doors and windows; stoves, wall beds, refrigerators, cooking apparatus and mechanical equipment, gas and electrical fixtures; partitions, mantels, built-in minors, window shades, blinds, furniture of public spaces, halls and lobbies; attached cabinets, ducts and compressors; rugs and carpets; draperies; furniture and furnishings used in the operations of the Premises; and all additions thereto and renewals or replacements thereof or articles in substitution therefor, whether or not the same are or shall be attached to said building or buildings in any manner; it being mutually agreed, intended and declared that all of the aforesaid shall, so far as permitted by law, be deemed to form a part and parcel of the real estate and for the purpose of this Mortgage to be real estate and covered by this Mortgage, and as to any of the property aforesaid which does not so form a part and parcel of the real estate, this Mortgage is hereby deemed to be, and is, as well, a Security Agreement under the Uniform Commercial Code for the purposes of creating hereby a security interest in such property, which Mortgagor hereby grants to Mortgagee as Secured Party (as such term is defined in the Uniform Commercial Code), it being further understood and agreed that the provisions of this paragraph shall not apply or attach to any trade fixture or personal property of any tenant of the Premises;

TO HAVE AND TO HOLD the same unto Mortgagee and its successors and assigns forever, for the purposes and uses herein set forth;

PROVIDED, HOWEVER, that if Mortgagor shall pay the principal and all interest as provided in the Note, and shall pay all other sums herein provided for, or secured hereby, and shall well and truly keep and perform all of the covenants herein contained and contained in the Loan Agreement or any of the Loan Documents, then this Mortgage shall be released, otherwise to remain in full force and effect.

MORTGAGOR FURTHER COVENANTS and agrees as follows:

1. **Payment of Principal and Interest.** Robert Levin shall pay promptly when due the principal and interest on the indebtedness evidenced by the Note and any extensions or modifications or renewals thereof, in whole or in part, and any and all other sums which may be at anytime due or required to be paid as set forth herein or as set forth in the Note or the Loan Agreement.

2. **Taxes and Other Charges.** Except as provided below, Mortgagor shall immediately pay, when first due and owing, all general taxes, real estate taxes, special taxes, special assessments, water charges, sewer service charges, association charges, and all other charges of whatever kind, ordinary or extraordinary, whether public or private, which may be levied or imposed against the Premises, and shall furnish to Mortgagee official receipts therefor within thirty (30) days after payment thereof.

Mortgagor shall pay to Mortgagee, at the time of and in addition to the scheduled installments of principal and/or interest due under the Liabilities, an amount estimated by Mortgagee to be sufficient to enable Mortgagee to pay, at least sixty (60) days before they

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become due and payable, all taxes, assessments and other similar charges levied against the Premises (the "Charges"). Upon demand at any time, Mortgagor will, within ten (10) days, deposit such additional sum as may be required for the payment of increased Charges. These sums may be commingled with the general funds of Mortgagee and no interest shall be payable on them, nor shall these sums be deemed to be held in trust for the benefit of Mortgagor. Provided Mortgagor has made all of the required deposits and no default or event of default hereunder exists, Mortgagee shall have pay any Charges for which it has received a bill therefore to the extent of the money received from Mortgagor. In the event of foreclosure of this Mortgage, any of the moneys then remaining on deposit with Mortgagee or its agent shall be applied against the Liabilities prior to the commencement of foreclosure proceedings.

3. Insurance.

(a) Casualty. Mortgagor shall keep the Premises and all improvements hereafter constructed on the Premises constantly insured against loss or damage under such types and forms of insurance policies and in such amounts and for such periods as Mortgagee may from time to time require, and Mortgagor shall pay promptly, when due, any premiums on such insurance. Unless Mortgagee otherwise agrees, all such insurance shall provide "all risk" agreed value replacement cost coverage and shall be carried with companies acceptable to Mortgagee having a Best's rating of A+ or A, and shall have attached thereto standard noncontributing mortgage clauses in favor of Mortgagee, as well as standard waiver of subrogation endorsements. Mortgagor shall not carry separate insurance, concurrent in kind or form and contributing in the event of loss, with any insurance required hereunder. In the event of a change in ownership of the Premises (if approved in writing by Mortgagee), immediate notice thereof by mail shall be delivered to all insurers. In the event of any loss covered by such insurance, Mortgagor shall immediately notify Mortgagee in writing, and Mortgagor hereby authorizes and directs each and every insurance company concerned to make payments for such loss directly and solely to Mortgagee (which may, but need not, make proof of loss) and Mortgagee is hereby authorized to adjust, collect, and compromise in its discretion all claims under all policies, and Mortgagor shall sign, upon demand by Mortgagee, all receipts, vouchers, and releases required by such insurance companies. After deducting any costs of collection, if in the reasonable judgment of Mortgagee, the Premises can be restored prior to the maturity of the Note or any extensions, modifications or renewals thereof, to an architectural and economic unit of the same character and not less valuable than the same was prior to the insured loss, and adequately securing the outstanding balance of the indebtedness hereby secured, and the insurers do not deny liability to the insureds, then, if no Event of Default as specified in Section 23 shall have occurred and be then continuing, and if there was no Event of Default, whether continuing or not, at the time of occurrence of damage or destruction which resulted in said loss, the proceeds of insurance shall be applied to pay for the cost of restoring, repairing, replacing, or rebuilding the Premises or any part thereof subject to the provisions of Section 12 hereof. If in the reasonable judgment of Mortgagee, the Premises cannot be restored to an architectural and economic unit as provided for herein, then at any time from and after the loss covered by such insurance, upon thirty (30) days' written notice to Mortgagor, Mortgagee may declare the entire balance of the indebtedness hereby secured shall be and become, immediately due and payable unless Mortgagor shall, within ten (10) days of such notice, deposit with Mortgagee such additional funds as shall be necessary in addition to the insurance proceeds, as reasonably determined by Mortgagor. In the event the proceeds of insurance, if any, shall be made available

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to Mortgagor for the restoring of the Premises, Mortgagor hereby covenants to restore the same to be of at least equal value and of substantially the same character as prior to such damage or destruction; all to be effected in accordance with plans and specifications to be first submitted to and approved by Mortgagee. Nothing contained in this Mortgage shall create any responsibility or liability upon Mortgagee to collect any proceeds of any policies of insurance or restore any portion of the Premises damaged or destroyed through any cause. No interest shall be allowed to Mortgagor on any insurance proceeds paid to or held by Mortgagor unless within thirty (30) days of receipt of such proceeds, Mortgagor has not applied such proceeds to the principal balance. In the event of foreclosure of this Mortgage, or other transfer of title to the Premises in extinguishment of the indebtedness secured hereby, all right, title and interest of Mortgagor, in and to any insurance policies then in force, and any claims or proceeds thereunder shall pass to Mortgagee or any purchaser or grantee. In the event Mortgagee, in its reasonable discretion, determines that any insurance provided by Mortgagor, does not comply with the insurance requirements set forth herein, then Mortgagee may, at any time and at its own discretion upon ten (10) business days' notice given to Mortgagor, procure and substitute for any and all of the insurance so held as aforesaid, such other policy or policies of insurance, in such amount and carried in such company as it may determine, the cost of which shall be repaid to Mortgagee by Mortgagor upon demand.

(b) Liability. Mortgagor shall carry and maintain in force at all times comprehensive public liability insurance as may be required from time to time by Mortgagee in forms, amounts and with companies reasonably satisfactory to Mortgagee, including any coverages required by Mortgagee in connection with the construction of improvements on the real estate, and Mortgagor will apply all insurance proceeds under such policies to the payment and discharge of the liabilities in respect of which such proceeds are collected. It is understood and agreed that the amounts of coverage shall not be less than Two Million Dollars (\$2,000,000.00) single limit and limited to the Premises, and not a blanket policy and that the policy or policies shall name Mortgagee as an additional insured party thereunder.

(c) Flood Insurance. Mortgagor shall carry and maintain in force at all times flood insurance, in accordance with the provisions of the Flood Disaster Protection Act of 1973, as amended, if the area in which the Premises are situated is designated as "flood prone" or a "flood risk area," as defined in said Act, in an amount satisfactory to Mortgagee and not in excess of amounts incurred for similar properties, and Mortgagor shall comply with such other requirements of said Act as are appropriate.

(d) Policies. Unless Mortgagee otherwise agrees, all policies of insurance required hereunder to be maintained by Mortgagor, together with evidence that the premium therefor covering a period of not less than one (1) year has been prepaid, shall be deposited with Mortgagee and shall provide for, among other things, Mortgagee being named as additional named insured, or Mortgagee or loss payee thereunder and receiving written notice to Mortgagee of their expiration or cancellation at least twenty (20) days prior to such event occurring. Not less than thirty (30) days prior to the expiration of any such policy, Mortgagor shall deposit an appropriate renewal or replacement policy and evidence of the premium payment therefor, as aforesaid.

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4. Preservation, Restoration and Use of Premises. No building or other improvements on the Premises shall (except as required by law) be constructed, altered, removed, or demolished nor, except as provided below, shall any fixtures or appliances on, in or about said buildings or improvements owned or to be owned by Mortgagor be severed, removed, sold or mortgaged. Mortgagor shall promptly repair, restore, or rebuild any buildings or improvements hereafter on the Premises which may become damaged or be destroyed subject to the provisions of Section 3(a) hereof. The buildings and improvements shall be so restored or rebuilt so as to be of at least equal value and substantially the same character as prior to such damage or destruction. Mortgagor shall not permit, commit or suffer any waste, impairment, or deterioration of the Premises or any part or improvement thereof, and shall keep and maintain the Premises and every part thereof in good repair and condition and effect such repairs as Mortgagee may reasonably require, and, from time to time, make all needful and proper replacements and additions thereto so that said buildings, fixtures, machinery, appurtenances and improvements will, at all times, be in good condition, fit and proper for the respective purposes for which they were originally erected and installed. Mortgagor shall not suffer or permit the Premises to be abandoned or to be used for a purpose other than that for which the Premises are presently used, or represented to Mortgagee to be used. Except as provided herein, Mortgagor shall not subject the Premises to any use covenants or restrictions and shall not initiate, join in or consent to any change in any existing private restrictive covenant, zoning ordinance, or other public or private restriction limiting or defining the uses which may be made of or the kind of improvements which can be constructed or placed on the Premises or any part thereof, and shall promptly notify Mortgagee of, and appear in and defend, at its sole cost and expense, any such proceedings seeking to effect any of the foregoing. No improvement on the real estate other than described above in this Section, shall be constructed unless plans and specifications therefor have been first submitted to Mortgagee and approved by it, in the exercise of its reasonable judgment, as entailing no prejudice to the loan secured hereby or the security therefor in accordance with the terms of the Loan Agreement. Mortgagor shall not cause or permit the person, firm or other entity responsible for the management of the Premises to be changed without Mortgagee's prior written consent.

5. Intentionally Omitted.

6. Compliance with Governmental, Insurance and Other Requirements. Mortgagor shall comply with all statutes, ordinances, orders, requirements or decrees relating to the Premises or the use thereof of any federal, state or municipal authority, and shall observe and comply with all conditions and requirements necessary to maintain in force the insurance required under Section 3 hereof to preserve and extend any and all rights, licenses, permits (including, but not limited to, zoning variances, special exceptions, and nonconforming uses) privileges, franchises, and concessions which are applicable to the Premises or which have been presently contemplated use of the Premises. Mortgagor shall have the right to contest any such statute, ordinance, order, requirement or decree provided it does so in good faith and provides Mortgagee in advance with adequate protection. In the event that any building or other improvement on the Premises must be altered or removed to enable Mortgagor to comply with the foregoing provisions of this Section 6, Mortgagor shall not commence any such alterations or removals without Mortgagee's prior approval of the need therefor and the plans and specifications pertaining thereto. After such approval, which shall not be unreasonably withheld, conditioned or delayed, Mortgagor, at its sole cost and expense, shall effect the alterations or

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removal so required and approved by Mortgagee. Mortgagor shall not by act or omission permit any building or other improvement on the Premises or any part thereof or any interest therein to fulfill any municipal or governmental dedication requirement, and Mortgagor hereby assigns to Mortgagee any and all rights to give consent for all or any portion of the Premises or any interest therein to be so used. Similarly, no building or other improvement on the Premises shall require the use of land not subject to the lien of this Mortgage or any interest therein to fulfill any governmental or municipal dedication requirement. Any act or omission by Mortgagor which would result in a violation of any of the provisions of this Section shall be void. Mortgagor shall duly and punctually perform and comply with all covenants and conditions expressed as binding upon it under any recorded document or any other agreement of any nature whatsoever binding upon it which pertains to the Premises, subject to any applicable grace period.

7. Liens, Encumbrances and Transfers of Ownership. Mortgagor shall keep the Premises free from liens of mechanics and materialmen and from all other liens, charges, and encumbrances of whatever nature superior or equal in priority to the lien of this Mortgage, regardless of whether the same arise voluntarily or involuntarily on the part of Mortgagor, and within five (5) days after Mortgagor's receipt of actual notice of each recording of any lien or notice, except as otherwise provided for in Section 34 herein, shall furnish to Mortgagee satisfactory evidence of the payment and discharge of any such liens, charges and encumbrances, asserted or claimed to exist against the Premises, excepting, however, any lien or encumbrance expressly consented to by Mortgagee, with respect to which Mortgagor shall pay, when due, the indebtedness secured thereby and upon Mortgagee's request, furnish to Mortgagee satisfactory evidence of such payment or payments. Without in any way limiting Mortgagee's right to withhold its consent to Mortgagor hereinafter granting or creating a lien against all or any part of the Premises which is subordinate to the lien hereon, any lien for which such consent is given shall be subject and subordinate to all leases pertaining to the Premises whether then in existence or thereafter arising, and further subject to any and all renewals, extensions, modifications, releases or exchanges pertaining to the indebtedness secured hereby, without the consent of such subordinate lien holder and without any obligation to give notice of any kind thereto, regardless of whether or not expressed in such consent or in the document granting such subordinate lien; provided, however, that the foregoing subordination provisions shall not apply to any person or entity entitled to lien rights pursuant to the Illinois Mechanic's Lien Act. Except as contemplated in the Loan Agreement, Mortgagor shall not, without the prior written consent of Mortgagee, sell, transfer, convey, encumber, lease or assign, the title to any or all portion of the Premises, or the rents, issues, or profits therefor, whether by operation of law, voluntarily, or otherwise, and shall not contract to do any of the foregoing (any such sale, transfer, conveyance, encumbrance, assignment, lease or agreement to do any of the foregoing being hereto referred to as an "Ownership Transfer").

8. Stamp Tax. If at any time the United States government or any state, or municipal government shall require Internal Revenue or any other documentary stamps, hereon or on the Note secured hereby, or shall otherwise impose a tax or impose an assessment on this Mortgage or on the Note or shall require payment of an interest equalization tax upon the indebtedness secured hereby, then the said indebtedness and accrued interest thereon shall be and become due and payable at the election of Mortgagee thirty (30) days after the mailing of notice of such election to Mortgagor; provided, however, said election shall be unavailing and this Mortgage and the Note shall be and remain in effect, if Mortgagor lawfully may pay for such stamps or

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such tax including interest and penalties thereon to or on behalf of Mortgagee and Mortgagor does in fact pay, when payable, for all such stamps or such tax, as the case may be, including interest and penalties thereon.

9. Effect of Change in Laws Regarding Taxation. In the event of the enactment, after the date of this Mortgage, of any law of the state in which the Premises are located deducting from the value of the land for the purpose of taxation any lien thereon, or imposing upon Mortgagee the payment of the whole or any part of the taxes or assessments or charges or liens herein required to be paid by Mortgagor, or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or Mortgagee's interest in the property, or the manner of collection of the taxes, so as to affect this Mortgage or the debt secured hereby or the holder thereof, then, and in any such event, Mortgagor, upon demand by Mortgagee, shall pay such taxes or assessments, or reimburse Mortgagee therefor; provided, however, that if, in the opinion of counsel for Mortgagee, (i) it might be unlawful to require Mortgagor to make such payment or (ii) the making of such payment might result in the imposition of interest beyond the maximum amount permitted by law, then, and in such event, Mortgagee may elect, by notice in writing given to Mortgagor, to declare all of the indebtedness secured hereby to be and become due and payable within thirty (30) days from the giving of such notice. Notwithstanding the foregoing, Mortgagor shall not be obligated to pay any portion of Mortgagee's federal or state income tax.

10. Mortgagee's Performance of Defaulted Acts. In case of an uncured event of default herein, Mortgagee may, but need not, make any payment or perform any act herein required of Mortgagor in any form and manner deemed expedient by Mortgagee; provided, however, that with the exception of making payments regarding (a) past due real estate taxes or assessments, and (b) repairs to the Premises, including to any buildings or improvements thereon, for conditions which, in the sole discretion of Mortgagee, poses an imminent threat to life or property, Mortgagee shall give ten (10) business days' notice to Mortgagor prior to making any payment or performing any act hereunder. By way of illustration and not in limitation of the foregoing, Mortgagee 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 or junior lien or title or claim thereof; or redeem from any tax lien or other prior or junior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting the Premises or contest any tax or assessment. Mortgagee is hereby authorized to make or advance, in the place and stead of Mortgagor, upon ten (10) days' prior written notice to Mortgagor, any payment relating to taxes, assessments, water rates, sewer rentals, and other governmental or municipal charges, fines, impositions, or liens asserted against the Premises and may do so according to any bill, statement, or estimate procured from the appropriate public office without inquiry into the accuracy of the bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien, or title or claim thereof, and Mortgagee is further authorized to make or advance in the place and stead of Mortgagor any payment relating to any apparent or threatened adverse title, lien, statement of lien, encumbrance, claim, or charge, or payment otherwise relating to any other purpose herein and hereby authorized, but not enumerated in this Section, and may do so whenever, in its judgment and discretion, such advance or advances shall seem necessary or desirable to protect the full security intended to be created by this instrument, and in connection with any such advance, Mortgagee, at its option, may and is hereby authorized to obtain a continuation abstract or report of title or title insurance

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policy prepared by an abstractor or title insurance company of Mortgagee's choosing. All monies paid and incurred in connection therewith, including reasonable attorneys' fees, and any other monies advanced by Mortgagee to protect the Premises and the lien hereof, shall be so much additional indebtedness secured hereby; and shall become immediately due and payable by Mortgagor to Mortgagee without notice. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to it on account of any default on the part of Mortgagor.

11. Eminent Domain. Mortgagee is hereby authorized to collect and receive from the condemnation authorities any and all awards heretofore or hereafter made or to be made to the present and all subsequent owners of the Premises, by any governmental or other lawful authority for taking, by condemnation or eminent domain, hereby assigned by Mortgagor to Mortgagee, as aforesaid, and Mortgagee is hereby authorized to give appropriate receipts and acquittances therefor. Mortgagor shall give Mortgagee immediate notice of the actual or threatened commencement of any such proceedings under condemnation of eminent domain, affecting all or any part of the Premises or any easement therein or appurtenance thereof, including severance and consequential damage and change in grade of streets, and will deliver to Mortgagee copies of any and all papers served in connection with any such proceedings. Mortgagor shall make, execute and deliver to Mortgagee, at any time or times upon request, free, clear and discharged of any encumbrances of any kind whatsoever, with the exception of the subordinate liens referred to in Section 4 above, any and all further assignments and instruments deemed necessary by Mortgagee for the purpose of validly and sufficiently assigning to Mortgagee all awards and other compensation heretofore and hereafter to be made to Mortgagor for any taking, either permanent or temporary, under any such proceeding. The proceeds of all such awards shall be paid to Mortgagee and may be applied by Mortgagee after the payment of all of its expenses in connection with such proceedings, including costs and reasonable attorneys' fees and then to the restoration of the Premises, if, in the reasonable judgment of Mortgagee, the Premises can be restored to an architectural and economic unit of the same character and not less valuable than the Premises prior to such taking and adequately securing the outstanding balance of the indebtedness hereby secured, and if no Event of Default as set forth in Section 23 hereof, shall have occurred and be then continuing, the awards received shall be applied to reimburse Mortgagor for the cost of restoring the portion of the Premises remaining after such taking, so provided for in Section 12 hereof. However, if in the reasonable judgment of Mortgagee, the Premises cannot be restored to an architectural and economic unit as provided herein, then at any time from and after the taking, upon thirty (30) days written notice to Mortgagor, Mortgagee shall declare the entire balance of the indebtedness hereby secured to be, and at the expiration of such thirty (30) day period the indebtedness hereby secured shall be and become, immediately due and payable. In the event that any award shall be made available to Mortgagor for restoring the portion of the Premises remaining after a taking, Mortgagor hereby covenants to restore the remaining portion of the Premises to be of at least equal value and of substantially the same character as prior to such taking, all to be effected in accordance with plans and specifications to be first submitted to and approved by Mortgagee. No interest shall be allowed to Mortgagor on any condemnation award paid to or held by Mortgagee.

12. Disbursement of Insurance Proceeds and Condemnation Awards. In the event Mortgagor is entitled to reimbursement out of insurance proceeds or any condemnation award held by Mortgagee, such proceeds shall be disbursed from time to time upon Mortgagee being furnished with satisfactory evidence of the estimated cost of completion of the restoring of the

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Premises, with funds (or assurances satisfactory to Mortgagee that such funds are available) sufficient in addition to the proceeds of insurance or award, to complete the proposed restoring, and with such architect's certificates, waivers of lien, contractor's sworn statements and such other evidence of costs and payments as Mortgagee may reasonably require and approve; and Mortgagee may, in any event, require that all plans and specifications for such restoring be submitted to and approved by Mortgagee prior to commencement of work; and in each case:

(a) No payment made prior to the final completion of the restoring shall exceed ninety percent (90%) of the value of the work performed from time to time;

(b) Funds other than proceeds of insurance or the condemnation award shall be disbursed prior to disbursement of such proceeds; and

(c) At all times the undisbursed balance of such proceeds remaining in the hands of Mortgagee, together with funds deposited for the purpose or irrevocably committed to the satisfaction of Mortgagee by or on behalf of Mortgagor for the purpose, shall be at least sufficient in the reasonable judgment of Mortgagee to pay for the cost of completion of the restoring, free and clear of all liens or claims for lien.

13. Rents and Leases.

(a) Mortgagor's Obligations. Mortgagor, without any cost and expense to Mortgagee, shall (i) at all times promptly and faithfully abide by, discharge and perform all of the covenants, conditions and agreements contained in all leases of all or any part of the Premises, if any, on the part of the landlord thereunder to be kept and performed, (ii) enforce or secure the performance of all of the covenants, conditions and agreements of such leases on the part of the lessees to be kept and performed, (iii) appear in and defend any action or proceeding arising under, growing out of or in any manner connected with such leases or the obligations, duties or liabilities of landlord or of the leases thereunder, (iv) transfer and assign to Mortgagee upon request of Mortgagee, any lease or leases of all or any part of the Premises heretofore or hereafter entered into, and make, execute and deliver to Mortgagee upon demand, any and all instruments required to effect such assignment, (v) furnish Mortgagee, within fourteen (14) days after a request by Mortgagee so to do, a written statement containing the names of all lessees, terms of all leases, including the spaces occupied, and the rentals payable thereunder, and (vi) not take any action or omit to take any action which would constitute an event of default hereunder. Any default under any separate assignment of the lessor's interest in a lease or under any Assignment of Rents given as additional security for the indebtedness secured hereby shall constitute a default hereunder on account of which the whole of the indebtedness secured hereby shall at once, at the option of Mortgagee, become immediately due and payable without notice to Mortgagor subject to any applicable grace period.

(b) Mortgagee Exoneration. Nothing in this Mortgage or in any other documents relating to the loan secured hereby shall be construed to obligate Mortgagee, expressly or by implication, to perform any of the covenants of Mortgagor, as landlord, tenant or assignor, under any of the leases assigned to Mortgagee or to pay any sum of money or damages therein provided to be paid by the landlord or landlord's assignee, each and all of which covenants and payments Mortgagor agrees to perform and pay.

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(c) Lessee Attornment. In the event of the enforcement by Mortgagee of the remedies provided for by law or by this Mortgage, the lessee under each lease of all or any part of the Premises made after the date of recording this Mortgage, if any, shall, at the option of Mortgagee, attorn to any person succeeding to the interest of Mortgagor, as a result of such enforcement and shall recognize such successor in interest as landlord under such lease without change in the terms or other provisions thereof; provided, however, that the said successor in interest shall not be bound by any payment of rent or additional rent for more than one month in advance or any amendment or modification to any lease made without the prior consent of Mortgagee or said successor in interest, and shall execute and deliver an instrument or instruments confirming such attornment, and Mortgagor shall cause each such lease of all or any part of the Premises to contain a covenant on the lessee's part evidencing its agreement to such attornments.

14. Inspection of Premises. Mortgagor shall permit Mortgagee or its agents to inspect the Premises during ordinary business hours on reasonable written notice, and access thereto shall be permitted for such purpose.

15. Inspection of Books and Records. Mortgagor shall keep and maintain full and correct records showing in detail the costs of construction and the income and expenses of the Premises and within ten (10) days after written demand therefor shall allow Mortgagee to examine and copy such books and records and all supporting vouchers and at any time and from time to time, on request, at Mortgagor's offices, hereinbefore identified, or at such other location as may be mutually agreed upon. All information obtained by Mortgagee hereunder concerning Mortgagor, its business, affairs, or operations shall be maintained in strictest confidence except in case of litigation between Mortgagee and Mortgagor or if required by law or court order to be disclosed.

16. Intentionally omitted.

17. Partial Invalidity. Mortgagor and Mortgagee intend and believe that each provision in this Mortgage and the Note comport with all applicable local, state, and federal laws and judicial decisions. However, if any provision or provisions, or any portion of any provision or provisions, in this Mortgage or the Note is found by a court of law to be in violation of any applicable local, state or federal ordinance, statute, law, administrative or judicial decision, or public policy, and if such court should declare such portion, provision or provisions of this Mortgage or the Note to be illegal, invalid, unlawful, void or unenforceable as written, then it is the intent both of Mortgagor and Mortgagee that such portion, provision or provisions shall be given force to the fullest possible extent that it or they are legal, valid and enforceable, the remainder of this Mortgage and the Note shall be construed as if such illegal, invalid, unlawful, void or unenforceable portion, provision or provisions were not contained therein, and that the rights, obligations and interests of Mortgagor and Mortgagee under the remainder of this Mortgage and the Note shall continue in full force and effect. If under the circumstances interest in excess of the limit allowable by law shall have been paid by Mortgagor in connection with the loans evidenced by the Note, such excess shall be applied by Mortgagee to the unpaid principal balance of the Note and if any amounts remain, they shall be refunded to Mortgagor.

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18. Subrogation. In the event the proceeds of the Note, or any part thereof, or any amount paid out of advanced by Mortgagee, be used directly or indirectly to pay off, discharge, or satisfy, in whole or in part, any prior lien or encumbrance upon the Premises or any part thereof, then Mortgagee shall be subrogated to such other lien or encumbrance and to any additional security held by the holder thereof and shall have the benefit of the priority of all of same.

19. Mortgagee's Right to Deal with Transferee. In the event of the voluntary sale, or transfer by operation of law, or otherwise, of all or any part of said Premises other than by the sale of homesite lots, Mortgagee is hereby authorized and empowered to deal with such vendee or transferee with reference to said Premises, or the debt secured hereby, or with reference to any of the terms or conditions hereof, as fully and to the same extent as it might with Mortgagor, without in any way releasing, or discharging Mortgagor from said Mortgagor's covenants and undertakings hereunder, specifically including Section 7 hereof, and without Mortgagee waiving its rights to accelerate the Note.

20. Execution of Security Agreement and Financing Statement. Mortgagor, within ten (10) days after receipt, shall execute, acknowledge, and deliver to Mortgagee a Security Agreement, Financing Statement, or other similar security instrument, in form satisfactory to Mortgagee, covering all property, of any kind whatsoever owned by Mortgagor which, in the sole opinion of Mortgagee, is essential to the operation of the Premises and concerning which there may be any doubt as to whether the title to the same has been conveyed by or a security interest therein perfected by this Mortgage under the laws of the State of Illinois and shall further execute, acknowledge, and deliver any financing statement, affidavit, continuation statement, or certificate or other documents as Mortgagee may reasonably request in order to perfect, preserve, maintain, continue, and extend the security instrument. Mortgagor further agrees to pay to Mortgagee, on demand, all costs and expenses incurred by Mortgagee in connection with the preparation, execution, recording, filing, and refiling of any such document. To the extent that this instrument may operate as a security agreement under the Uniform Commercial Code, Mortgagee shall have all rights and remedies conferred therein for the benefit of a Secured Party (as said term is defined in the Uniform Commercial Code). For the purposes of the Uniform Commercial Code, ten (10) days' written notice shall be deemed reasonable notice of any sale.

21. Releases. Mortgagee, without notice, and without regard to the consideration, if any, paid therefor, and notwithstanding the existence at that time of any inferior liens, may, in its sole discretion, release any part of the Premises or any person liable for any indebtedness secured hereby, without in any way affecting the liability of any party to the Note and this Mortgage or any guaranty, if any, given as additional security for the indebtedness secured hereby and without in any way affecting the priority of the lien of this Mortgage, and may agree with any party obligated on said indebtedness herein to extend the time for payment of any part or all of the indebtedness secured hereby. Such agreement shall not, in any way, release or impair the lien created by this Mortgage, or reduce or modify the liability, if any, of any person or entity personally obligated for the indebtedness secured hereby, but shall extend the lien hereof as against the title of all parties having any interest in said security which interest is subject to the indebtedness secured by this Mortgage.

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22. Expenses Incurred by Mortgagee. Any costs, damages, expenses or fees, including, without limitation, reasonable attorneys' fees, incurred by Mortgagee in connection with (a) sustaining the lien of this Mortgage or its priority, (b) obtaining any abstract, title opinion, commitment for title insurance or title insurance policy, (c) protecting the Premises, (d) protecting or enforcing any of Mortgagee's rights hereunder, (e) recovering any indebtedness secured hereby, (f) any litigation or proceedings (including, but not limited to, bankruptcy, probate and administrative law proceedings) affecting this Mortgage, the Note or the Premises, or (g) preparing for the commencement, defense or participation in any threatened litigation or proceedings as aforesaid, or as otherwise enumerated in section 23(c) hereof, shall be so much additional indebtedness secured hereby and shall be immediately due and payable by Mortgagor, without notice, with interest thereon at the Default Rate.

23. Remedies on Default.

(a) Events of Default. It shall constitute a default or an event of default under this Mortgage when (i) any default occurs in the due and punctual performance of or compliance with any term, covenant or condition in this Mortgage and such event of default remains uncured for a period of thirty (30) days after written notice thereafter, or (ii) an Event of Default occurs under the Note, the Loan Agreement, or in any other instrument or document tendered to Mortgagee in connection therewith including but not limited to any guaranty, assignment of rents or assignment of leases given to secure such indebtedness, as well as any modifications or amendments thereto.

(b) Remedies. In addition to any other remedy herein specified, if any default under this Mortgage shall occur, Mortgagee may immediately after the expiration of any applicable grace period without a cure being affected, at its option, (i) declare the entire indebtedness secured hereby to be immediately due and payable, without notice or demand (each of which is hereby expressly waived by Mortgagor) whereupon the same shall become immediately due and payable, (ii) institute proceedings for the complete foreclosure of this Mortgage, (iii) institute proceedings to collect any delinquent installment or installments of the entire indebtedness secured hereby without accelerating the due date of the entire indebtedness by proceeding with foreclosure of this Mortgage with respect to any delinquent installment or installments of such indebtedness only and any sale of the Premises under such a foreclosure proceedings shall be subject to and shall not affect the unmatured part of the indebtedness and this Mortgage shall be and continue as a lien on the Premises securing the unmatured indebtedness, (iv) take such steps to protect and enforce its rights whether by action, suit or proceeding in equity or at law for the specific performance of any covenant, condition or agreement in the Note or in this Mortgage, or in aid of the execution of any power herein granted, or for any foreclosure hereunder, or for the enforcement of any other appropriate legal or equitable remedy or otherwise as Mortgagee shall elect, or (v) enforce this Mortgage in any other manner permitted under the laws of the state in which the Premises are situated.

(c) Expense of Litigation. In any suit to foreclose the lien of this Mortgage or enforce any other remedy of Mortgagee under this Mortgage or the Note there shall be allowed and included, as additional indebtedness in the judgment or decree, all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for reasonable attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges,

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publication costs, survey costs, and costs (which may be estimated as to items to be expended after entry of this decree) of procuring all abstracts of title, title searches and examinations, title insurance policies, and similar data and assurances with respect to title as Mortgagee 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 value of the Premises.

(d) Mortgagee's Right of Possession in Case of Default. In any case which, under the provisions of this Mortgage, Mortgagee has a right to institute foreclosure proceedings whether or not the entire principal sum secured hereby is declared to be immediately due as aforesaid, or whether before or after the institution of legal proceedings to foreclose the lien hereof or before or after sale thereunder, forthwith, upon demand of Mortgagee, Mortgagor shall surrender to Mortgagee and Mortgagee shall be entitled to take actual possession of the Premises, or any part thereof, personally or by its agent or attorneys, and Mortgagee in its discretion may enter upon and take and maintain possession of all or any part of said Premises, together with all documents, books, records, papers, and accounts of Mortgagor or the then manager of the Premises relating thereto, and may exclude Mortgagor, its agents, or servants, wholly therefrom and may, as attorney in fact or agent of Mortgagor, or in its own name as Mortgagee and under the powers herein granted: (i) hold, operate, manage, and control the Premises and conduct the business, if any, thereof, either personally or by its agents, and with full power to use such measures, legal or equitable, as in its discretion or in the discretion of its successors or assigns may be deemed proper or necessary to enforce the payment or security of the avails, rents, issues and profits of the Premises including actions for recovery of rent, actions in forcible detainer and actions in distress for rent, hereby granting full power and authority to exercise each and every of the rights, privileges and powers herein granted at any and all times hereafter, without notice to Mortgagor, (ii) cancel or terminate any lease or sublease for any cause or on any ground which would entitle Mortgagor to cancel the same, (iii) elect to disaffirm any lease or sublease made subsequent to this Mortgage or subordinated to the lien hereof, except to the extent Mortgagee shall agree otherwise in any non-disturbance agreement, (iv) extend or modify any then existing leases and make new leases, which extensions, modifications and new leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the maturity date of the indebtedness hereunder and the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such leases, and the options or other such provisions to be contained therein, shall be binding upon Mortgagor and all persons whose interests in the Premises are subject to the lien hereof and to be also binding upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from sale, discharge of the mortgage indebtedness, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any purchaser, (v) make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments, and improvements to the Premises as to Mortgagee may seem judicious, (vi) insure and reinsure the Premises and all risks incidental to Mortgagee's possession, operation, and management thereof, and (vii) receive all avails, rents, issues and profits.

(e) Application of Rental Proceeds. Any avails, rents, issues and profits of the Premises received by Mortgagee after having possession of the Premises, or pursuant to any assignment thereof to Mortgagee under the provisions of this Mortgage or of any separate assignment of rents or assignment of leases, shall be applied in payment of or on account of the following, in such order as Mortgagee (or in case of a receivership, as the court) may determine:

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(i) to the payment of the operating expenses of the Premises, including reasonable compensation to Mortgagee or the receiver and its agent or agents, if management of the Premises has been delegated to an agent or agents, and shall also include lease commissions and other compensation and expenses of seeking and procuring tenants and entering into leases and the payment of premiums on insurance hereinabove authorized, (ii) to the payment of taxes, special assessments, and water taxes now due or which may hereafter become due on the Premises, or which may become a lien prior to the lien of this Mortgage, (iii) to the payment of all repairs, decorating, renewals, replacements, alterations, additions, betterments, and improvements of said Premises, including the cost from to time of installing or replacing personal property or fixtures necessary to the operation of the Premises, and of placing said property in such condition as will, in the judgment of Mortgagee or receiver, make the Premises readily rentable, (iv) to the payment of any indebtedness secured hereby or any deficiency which may result from any foreclosure sale, or (v) with respect to any overplus or remaining funds, to Mortgagor, its successors, or assigns, as their rights may appear.

(f) Appointment of Receiver. Upon or at any time after the filing of any action to foreclose this Mortgage, Mortgagor consents upon application by Mortgagee to this appointment of a receiver of the Premises. Such appointment may be made either before or after sale without notice and without regard to the solvency or insolvency, at the time of application for such receiver, of the person or persons, if any, liable for the payment of the indebtedness secured hereby and without regard to the then value of the Premises or whether the same shall be then occupied as a homestead or not, and without bond being required of the applicant. Such receiver shall have the power to take possession, control, and care of the Premises and to collect the rents, issues, and profits of the Premises during the pendency of such foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption (provided that the period of redemption has not been waived by Mortgagor), as well as during any further times when Mortgagor, its heirs, administrator, executors, successors, or assigns, except for the intervention of such receiver, would be entitled to collect such rents, issues, and profits, and all other powers which may be necessary or are useful in such cases for the protection, possession, control, management, and operation of the Premises, during the whole of said period. To the extent permitted by law, said receiver may be authorized by the court to extend or modify any then existing leases or to make new leases, which extensions, modifications, and new leases may provide for terms to expire, or for options to lessees to extend or renew to expire, beyond the maturity date of the indebtedness hereunder it being understood and agreed that any such leases and the options or other such provisions to be contained therein, shall be binding upon Mortgagor and all persons whose interests in the Premises are subject to the lien hereof and upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from sale, discharge of the mortgage indebtedness, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any purchaser.

(g) Sale of Premises. Any real estate or any interest or estate therein sold pursuant to any court order or decree obtained pursuant to this Mortgage shall be sold in one parcel as an entirety, or in such parcels and in such manner or order as Mortgagee, in its sole discretion, may elect, to the maximum extent permitted by the laws of the state in which the Premises are situated. At any such sale, Mortgagee may bid for and acquire, as Purchaser, the Premises or any part thereof, and in lieu of paying cash therefor, may make settlement for the purchase price by crediting upon the indebtedness due the amount of Mortgagee's bid.

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(h) Application of Proceeds From Foreclosure Sale. The proceeds of any foreclosure sale of the Premises shall be distributed and applied in the following order of priority: (i) on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in Section 23(c) hereof, (ii) all other items which, under the terms hereof, constitute secured indebtedness additional to that evidenced by the Note and any extensions, modifications and renewals thereof, with interest thereon, (iii) all principal and interest remaining unpaid on the Note and any extensions, modifications and renewals thereof and (iv) any overplus to Mortgagor, its successors, or assigns, as their rights may appear.

(i) Waiver of Defenses. No action for the enforcement of the lien of this Mortgage shall be subject to any defense which would not be good and available to the party interposing the same in an action of law upon the Note and any extensions, modifications, and renewals thereof

(j) Partial Payments. Acceptance by Mortgagee of any payment which is less than payment in full of amounts due and payable at the time of such payment shall not constitute a waiver of Mortgagee's right to exercise its option to declare the whole of the principal sum then remaining unpaid, together with all accrued interest thereon, immediately due and payable without notice, or any other rights of Mortgagee at that time or any subsequent time, nor nullify any prior exercise of such option or such rights of Mortgagee without its express consent except and to the extent otherwise provided by law.

(k) Tender of Payment After Acceleration. In case, after legal proceedings are instituted to foreclose the lien of this Mortgage, tender is made of the entire indebtedness due hereunder, Mortgagee shall be entitled to reimbursement for reasonable expenses incurred in connection with such legal proceedings, including such expenditures as are enumerated above, and such expenses shall be so much additional indebtedness secured by this Mortgage, and no such suit or proceedings shall be dismissed or otherwise disposed of until such fees, expenses, and charges shall have been paid in full.

(l) Delays and Omissions. No delay in the exercise of or failure to exercise any remedy or right accruing or any default under this Mortgage shall impair any such remedy or right or be construed to be a waiver of any such default or acquiescence therein, nor shall it affect any subsequent default of the same or of a different nature.

(m) Rescission of Election. Acceleration of maturity, once made by Mortgagee, may at the option of Mortgagee be rescinded, and any proceedings brought to enforce any rights or remedies hereunder may, at Mortgagee's option, be discontinued or dismissed, whereupon, in either of such events, Mortgagor and Mortgagee shall be restored to their former positions, and the rights, remedies and power of Mortgagee shall continue as if such acceleration had not been made or such proceedings had not been commenced, as the case may be.

(n) Remedies Cumulative and Concurrent. The rights and remedies of Mortgagee as provided in the Note, this Mortgage and in the guaranty of any guarantor shall be cumulative and concurrent and may be pursued separately, successively or together against Mortgagor, any guarantor or the Premises, or any one or more of them, at the sole discretion of Mortgagee, and may be exercised as often as occasion therefor shall arise, all to the maximum extent permitted

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by the laws of the state in which the Premises are situated. If Mortgagee elects to proceed under one right or remedy under this Mortgage or the Note, Mortgagee may at any time cease proceeding under such right or remedy and proceed under any other right or remedy under this Mortgage or the Note.

24. Giving of Notice. All notices to Mortgagor that are either required or contemplated in connection with this Mortgage shall be in writing, and shall be deemed given as provided in the Restructuring Agreement.

25. Time is of the Essence. It is specifically agreed that time is of the essence of this Mortgage. The waiver of the options or obligations secured hereby shall not at any time thereafter be held to be abandonment of such rights.

26. Mortgagee's Lien for Expenses. At all times, regardless of whether any loan proceeds have been disbursed, this Mortgage secures (in addition to any loan proceeds disbursed from time to time) the payment of any and all expenses, and advances due to or incurred by Mortgagee in connection with this transaction.

27. Modification. This Mortgage may not be changed, waived, discharged or terminated orally, but only by an instrument or instruments in writing, signed by the party against which enforcement of the change, waiver, discharge or termination is asserted.

28. Covenants to Run with the Land. All the covenants hereof shall run with and touch and concern the land.

29. Captions. The captions and headings of various sections 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.

30. Construction. The place of contract and payment being located in Illinois, this Mortgage and the rights and indebtedness hereby secured shall be construed and enforced according to the laws of the State of Illinois.

31. Binding on Successors and Assigns, Definitions. This Mortgage and all provisions hereof shall extend and be binding upon Mortgagor's successors and assigns and all persons claiming under or through Mortgagor, and the word "Mortgagor" when used herein shall include and refer to (in addition to Mortgagor) all such persons and all persons liable for the payment of the indebtedness or any part thereof, whether or not such persons shall have executed the Note, or this Mortgage. The word "Mortgagee" when used herein shall include the successors and assigns of Mortgagee named herein, and the holder or holders, from time to time, of the Note secured hereby. Whenever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders. The word "person" as used herein means any natural person and any partnership, joint venture, corporation, association, or other legal entity.

32. Further Assurances. Mortgagor shall execute, acknowledge and deliver to Mortgagee and to any subsequent holder from time to time upon demand (and pay the cost of preparing and recording thereof) any further instrument or instruments, including, but not limited

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to, mortgages, security agreements, financing statements, assignments and renewal and substitution notes, so as to re-affirm, to correct and to perfect the evidence of the obligation hereby secured and the lien of Mortgagee to all or any part of the Premises intended to be hereby mortgaged, whether now mortgaged, later substituted for, or acquired subsequent to the date of this Mortgage and extensions or modifications thereof, and will do or cause to be done all such further acts and things as may reasonably be necessary fully to effectuate the intent of this Mortgage.

33. Recording and Filing. Mortgagor, at its expense, will cause this Mortgage and all supplements thereto for which constructive notice must be given to protect Mortgagee, at all times to be recorded and filed, and re-recorded and refiled, in such manner and in such places as Mortgagee shall reasonably request, and will pay all such recording, filing, re-recording, re-filing, taxes, fees and other charges to the maximum extent permitted by the laws of the state in which the Premises are situated.

34. Right to Contest Taxes and Mechanics' Liens. The obligations of Mortgagor under Section 2 and 7 hereof, and the rights of Mortgagee under Section 9 hereof, are subject to the right Mortgagor shall have to contest in good faith the validity or amount of any tax or assessment or lien arising from any work performed at or materials furnished to the Premises which right, however, is conditional upon (a) such contest having the effect of preventing the collection of the tax, assessment or lien so contested and the sale or forfeiture of the Premises or any part thereof or interest therein to satisfy the same, (b) Mortgagor giving Mortgagee written notice of its intention to contest the same in a timely manner, which, with respect to any contested tax or assessment, shall mean before any such tax, assessment or lien has been increased by any penalties or costs, and with respect to any contested mechanics' lien claim, shall mean within five (5) days after Mortgagor receives actual notice of the filing thereof, (c) at Mortgagee's request Mortgagor making and thereafter maintaining with Mortgagee or such other depository as Mortgagee may designate, a deposit of cash (or United States government securities, in discount form, title indemnity, or other security as may, in Mortgagee's sole discretion, be acceptable to Mortgagee, and in either case having a present value equal to the amount herein specified) in an amount not less than one hundred fifty percent (150%) of the amount which, in Mortgagee's reasonable opinion, determined from time to time, shall be sufficient to pay in full such contested tax, assessment or lien and penalties, costs and interest that may become due thereon in the event of a final determination thereof adverse to Mortgagor or in the event Mortgagor fails to prosecute such contest as herein required; and (d) Mortgagor diligently prosecuting such contest by appropriate legal proceedings. In the event Mortgagor shall fail to prosecute such contest with reasonable diligence or shall fail to maintain sufficient funds, or other security as aforesaid, on deposit as hereinabove provided, Mortgagee may, at its option and after written notice to Mortgagor, liquidate the securities deposited with Mortgagee, and apply the proceeds thereof and other monies deposited with Mortgagee in payment of, or on account of, such taxes, assessments, or liens or any portion thereof then unpaid, including the payment of all penalties and interest thereon.

35. Waivers. Mortgagor shall not and will not apply for or avail itself of any appraisalment, valuation, redemption, stay, extension, or exemption laws or any so called "moratorium laws," now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but hereby waives the benefit of such laws.

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Mortgagor, for itself and all who may claim through or under it, waives any and all right to have the property and estates comprising the Premises marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Premises sold as an entirety. Mortgagor hereby waives any and all rights of redemption from sale under any order or decree or foreclosure, pursuant to rights herein granted, on behalf of Mortgagor, the trust estate, and all persons beneficially interested therein, and each and every person acquiring any interest in or title to the Premises described herein subsequent to the date of this Mortgage, and on behalf of all other persons to the extent permitted by the provisions of the Illinois Compiled Statutes.

36. Covenants, Representations and Warranties. Mortgagor covenants, represents, and warrants that Mortgagor has good title to the Premises, is lawfully seized of the Premises hereby conveyed, and has the right to grant and convey the Premises, and that the Premises are unencumbered subject to those exceptions to title approved by Mortgagee (the "Permitted Exceptions"), and that Mortgagor forever will warrant and defend generally the title to the Premises unto Mortgagee against all claims and demands of any and all persons or entities, subject to the Permitted Exceptions.

37. Adjustable Mortgage Loan Provisions and Due Date. The Note is an adjustable note on which the interest rate may be adjusted from time to time in accordance with increases or decreases in the Prime Rate (as defined in the Note), all as provided in the Note. The due date of the Note is September 16, 2011.

38. Jury Waiver. MORTGAGOR WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS (A) UNDER THIS MORTGAGE, THE NOTE, OR UNDER ANY OF THE LOAN DOCUMENTS OR ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT WHICH MAY BE DELIVERED IN THE FUTURE IN CONNECTION HERewith OR (B) ARISING FROM ANY BANKING RELATIONSHIP EXISTING IN CONNECTION WITH THIS MORTGAGE, AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

SIGNATURE PAGE FOLLOWS


It is expressly understood and agreed by and between the parties hereto, anything to the contrary notwithstanding, that each and all of the warranties, indemnities, representations, covenants, undertakings and agreements herein made on the part of the Trustee while in form purporting to be the warranties, indemnities, representations, covenants, undertakings and agreements of said Trustee are nevertheless each and every one of them, made and intended not as personal warranties, indemnities, representations, covenants, undertakings and agreements by the Trustee or for the purpose or with the intention of binding said Trustee personally but are made and intended for the purpose of binding only that portion of the trust property specifically described herein, and this instrument is executed and delivered by said Trustee not in its own right, but solely in the exercise of the powers conferred upon it as such Trustee; and that no personal liability or personal responsibility is assumed by nor shall at any time be asserted or enforceable against the undersigned land trustee, on account of this instrument or on account of any warranty, indemnity, representation, covenant or agreement of the said Trustee in this instrument contained, either expressed or implied, all such personal liability, if any, being expressly waived and released.

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IN WITNESS WHEREOF, Mortgagor has signed these presents the day and year first written above.

TRUSTEE:

CHICAGO TITLE LAND TRUST COMPANY,
not individually but solely as Trustee aforesaid

By: 
Name: JOSEPH F. SOCHACKI
Title: TRUST OFFICER

It is expressly understood and agreed by and between the parties hereto, anything to the contrary notwithstanding, that each and all of the warranties, indemnities, representations, covenants, undertakings and agreements herein made on the part of the Trustee while in form purporting to be the warranties, indemnities, representations, covenants, undertakings and agreements of said Trustee are nevertheless each and every one of them, made and intended not as personal warranties, indemnities, representations, covenants, undertakings and agreements by the Trustee or for the purpose or with the intention of binding said Trustee personally but are made and intended for the purpose of binding only that portion of the trust property specifically described herein, and this instrument is executed and delivered by said Trustee not in its own right, but solely in the exercise of the powers conferred upon it as such Trustee; and that no personal liability or personal responsibility is assumed by nor shall at any time be asserted or enforceable against the undersigned land trustee, on account of this instrument or on account of any warranty, indemnity, representation, covenant or agreement of the said Trustee in this instrument contained, either expressed or implied, all such personal liability, if any, being expressly waived and released.

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EXHIBIT A

LEGAL DESCRIPTION

LOT 24 IN JOHN FITCH'S RESUBDIVISION OF BLOCK 26 IN SHEFFIELD'S ADDITION TO CHICAGO IN THE SOUTH ½ OF THE SOUTHEAST ¼ OF THE SOUTHEAST ¼ OF SECTION 31, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

Address: 1645 North Wood Street, Chicago, Illinois 60622

PIN: 14-31-428-014-0000

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