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110250301183

Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



Doc#: 1132104077 Fee: \$82.00
Eugene "Gene" Moore RHSP Fee:\$10.00
Cook County Recorder of Deeds
Date: 11/17/2011 01:30 PM Pg: 1 of 24

Report Mortgage Fraud
800-532-8785

The property identified as: PIN: 10-25-226-022-0000

Address:

Street: 1421 West Howard

Street line 2:

City: Evanston

State: IL

ZIP Code: 60202

Lender: Northbrook Bank and Trust Company

Borrower: Muriz Hidic and Dika Hidic

Loan / Mortgage Amount: \$300,000.00

This property is located within the program area and is exempt from the requirements of 765 ILCS 7770 et seq. because it is not owner-occupied.

Certificate number: C81FE58B-ABDA-4913-8E38-619683D95002

Execution date: 10/28/2011

S Y
P 24
S N
SC Y
INT AS

Property of Cook County Clerk's Office

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ILLINOIS

Permanent Tax Index Numbers:

10-25-226-022-0000

10-25-226-023-0000

Property Address:

1421 West Howard
Evanston, Illinois 60202-3777

This space reserved for Recorder's use only.

MORTGAGE

by

Muriz Hidic and Dika Hidic

to and for the benefit of

NORTHBROOK BANK & TRUST COMPANY,
an Illinois banking corporation

**THIS DOCUMENT PREPARED BY AND
AFTER RECORDING RETURN TO:**

Aaron B. Zarkowsky
Deutsch, Levy & Engel, Chartered
225 W. Washington Street, Suite 1700
Chicago, Illinois 60606

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MH DL

MORTGAGE

*husband and wife

THIS **MORTGAGE** is made as of October 28, 2011 by **Muriz Hidic and Dika Hidic** * (together, "Mortgagor") to NORTHBROOK BANK & TRUST COMPANY, an Illinois banking corporation, its successors and/or assigns ("Mortgagee"), witnesseth:

R E C I T A L S:

WHEREAS, in accordance with the terms and conditions of that certain Loan Agreement of even date herewith, by and among Mortgagee (the "Loan Agreement"), Mortgagee has agreed to provide a loan in the original principal amount of \$300,000 (the "Loan"). The Loan is evidenced by that certain Promissory Note of even date herewith executed by Mortgagor to the Mortgagee (the "Note"). All capitalized terms not otherwise defined herein shall have the same meanings as such terms are defined in the Loan Agreement.

WHEREAS, a condition precedent to Mortgagee's making the Loan to Borrower is the execution and delivery by Mortgagor of this Mortgage.

A G R E E M E N T S:

The Mortgagor to secure the payment of the Indebtedness (as defined below), and all extensions, modifications, and renewals thereof, including any future advances which shall have the same priority as any advances made on the date hereof, together with interest and charges as therein provided, and the performance of the covenants and agreements herein contained, by the Mortgagor to be performed, and also in consideration of other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, hereby mortgages, grants, assigns, remises, releases, warrants and conveys to the Mortgagee, its successors and assigns, and grants a security interest in, the following described property, rights and interests (referred to collectively herein as the "Premises"), all of which property, rights and interests are hereby pledged primarily and on a parity with the Real Estate (as defined below) and not secondarily:

The real estate located in the County of Cook, State of Illinois and legally described on Exhibit "A" attached hereto and made a part hereof (the "Real Estate")

TOGETHER with all rights and easements now and/or hereafter created which are appurtenant to the Real Estate, including but not limited to those rights and easements more fully identified thereon, if any; and

TOGETHER with all and singular right, title and interest, including any after-acquired title or reversion, in and to any and all strips and gores of land adjacent to and used in connection with the Premises and in and to all other ways, easements, streets, alleys, passages, water, water courses, riparian rights, rights, liberties and privileges thereof, if any, and in any way appertaining thereto; and

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TOGETHER with 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 property subject to this Mortgage, immediately upon the delivery thereof to the said Premises, and all fixtures and articles of personal property now or hereafter owned by Mortgagor and attached to, or located on, and used in the management or operation of the Premises; and

TOGETHER with all awards and other compensation heretofore or hereafter to be made to the present and all subsequent owners of the property subject to this Mortgage for any taking by eminent domain, either permanent or temporary, of all or any part of the said Premises or any easement or appurtenance thereof, including severance and consequential damage and change in grade of streets, which said awards and compensation are hereby assigned to Mortgagee; and

TOGETHER with all of Mortgagor's interest in all proceeds of any of the foregoing and any renewals, replacements, substitutions, extensions, improvements, betterments, appurtenances and additions to the improvements or personally made or acquired by Mortgagor after the date hereof; and all licenses, permits and other like rights or interests now or hereafter held or acquired by Mortgagor and necessary or useful for the operation of the Premises.

The property hereinabove mentioned is hereinafter referred to as the "Real Property" to the extent that the same is realty, and as the "Collateral" to the extent that the same is personally. The Real Property and the Collateral are collectively referred to herein as the "Premises", except where Real Property and Collateral are specifically referred to.

TO HAVE AND TO HOLD the above described Premises with the appurtenances and fixtures thereto appertaining or belonging unto the Mortgagee, its successors and assigns, forever, for the purposes herein set forth and for the security of the Indebtedness, and interest thereon and free from all rights and benefits under and by virtue of the Homestead Exemption Laws of the State of Illinois, which said rights and benefits the said Mortgagor does hereby expressly release and waive.

The conditions of this Mortgage are such that whereas the Mortgagor has executed and delivered this Mortgage for the purpose of securing the performance of the covenants and agreements contained herein and in any agreement made with respect to any loan secured hereby, and to secure the payment when due, but not necessarily in the order set forth, of the following:

(a) any and all sums due or owing under the Note of even date herewith executed by Borrower to Mortgagee;

(b) all sums expended or advanced by Mortgagee pursuant to any term or provision of the Note, this Mortgage, or any other instrument securing the Indebtedness;

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(c) all advances or disbursements of Mortgagee with respect to the Premises for the payment of taxes, levies, assessments, insurance, insurance premiums or costs incurred in the protection of the Premises;

(all of such debts and obligations being collectively referred to herein as the "Indebtedness"), and as security for the payment of the Indebtedness, Mortgagor has granted to Mortgagee hereunder a lien against the Premises. In accordance with the provisions of the Note, the whole of the principal sum thereof then unpaid may be declared and become due and payable upon the occurrence of an Event of Default (as hereinafter defined) hereunder, or thereunder. The maximum Indebtedness, other than costs and expenses incurred in connection with actions to collect the Indebtedness, whether pursuant to a foreclosure of this Mortgage or otherwise, shall not exceed \$600,000.00.

IT IS FURTHER UNDERSTOOD AND AGREED THAT:

1. The Mortgagor covenants with the Mortgagee, that (i) the Mortgagor is the absolute owner in fee simple of the Premises and is well seized of the Premises and has a good and indefeasible estate in fee simple in the real property described in Exhibit A and has good right to bargain, sell and convey the same in manner and form as above written; (ii) the Mortgagor shall forever warrant and defend the Premises with the appurtenances thereunto belonging to the said Mortgagee, its successors and assigns, forever against all lawful claims, and demands whatsoever; (iii) the Premises is free and clear of all liens and encumbrances except those liens and encumbrances either in favor of Mortgagee or as set forth on Exhibit B attached hereto and made a part hereof (the "Permitted Encumbrances"), and, in either event, as otherwise accepted by Mortgagee in an ALTA Mortgage Loan Policy of title insurance insuring the lien of this Mortgage as a first mortgage; (iv) the Premises and the intended use thereof by Mortgagor comply in all material respects with all applicable restrictive covenants, zoning ordinances and building codes, flood disaster laws, applicable health and environmental laws and regulations and all other applicable laws, rules and regulations; and (v) the Mortgagor will execute, acknowledge and deliver all necessary assurances unto the Mortgagee of the title to all and singular the Premises hereby conveyed and intended so to be, or which Mortgagor may be or shall become hereafter bound so to do.

2. Mortgagor shall pay or cause to be paid, before any penalty, interest or costs may be imposed, all real estate taxes, assessments, levies, water charges, sewer service charges, charges for public utilities and all other governmental charges, general and special, ordinary and extraordinary, foreseen and unforeseen, of any kind and nature whatsoever which at any time during the term of this Mortgage may be assessed, levied, imposed upon, or become due and payable out of or in respect of, or become a lien on, the Premises or any part thereof or any appurtenance thereto (all such taxes, assessments, levies, water and sewer rents and charges, charges for public utilities, and other governmental charges being hereinafter referred to collectively as "Taxes", and any of the same being hereinafter referred to singularly as a "Tax"). Mortgagor shall however, have the right to contest in good faith any of such Taxes and assessments upon posting with Mortgagee sufficient security, satisfactory to Mortgagee, for the payment thereof, with interest, costs and penalties, under written agreement conditioning payment of such contested Taxes and assessments upon determination of such contest, or prior thereto if the continuance of such contest shall put the Premises in jeopardy of a tax sale or forfeiture.

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3. Other than as stated in Paragraph 2 above, if at any time the United States or the State of Illinois or any of their subdivisions having jurisdiction shall levy, assess, or charge any tax, assessment or imposition upon this Mortgage or the credit or Indebtedness or the interest of Mortgagee in the Premises or upon Mortgagee by reason of or as holder of any of the foregoing, then the Indebtedness and the accrued interest thereon become due and payable at the election of the Mortgagee ninety (90) days after the mailing of notice of such election to Mortgagor; provided however, said election and the right to elect shall be unavailing, if Mortgagor lawfully may pay for such assessments or tax including interest and penalties thereon to or for Mortgagee and elects to pay and does, in fact, pay when payable, for all such assessments or such Tax, as the case may be, including interest and penalties thereon. In the event of default hereunder or in the event the Mortgagor does not pay the real estate taxes in a timely manner, Mortgagee shall have the right, but not the obligation, to require the Mortgagor to establish a tax escrow with the Mortgagee for the prompt payment of the real estate taxes.

4. Mortgagor shall keep the Premises free and clear from all mechanics liens and statutory liens of every kind other than Taxes and permitted assessments which may be a lien but not yet due and payable, and Mortgagor will not voluntarily create or permit to be created or filed against its interest in the Premises or suffer to exist, any mortgage lien or other lien or liens inferior or superior to the lien of this Mortgage (other than the lien or liens for real estate taxes and assessments not yet due and payable) or if filed, Mortgagor will have the same discharged of record either by payment, the bonding thereof or other lawful means for discharging any such lien, within sixty (60) days after notice of filing; provided, however, that Mortgagor shall have the right to contest in good faith any such mechanics' lien or statutory lien upon posting sufficient security, satisfactory to Mortgagee, for the payment thereof, with interest, costs and penalties, under written agreement conditioning payment of such contested mechanics' lien or statutory lien upon determination of such contest, or prior thereto if the continuance of such contest or litigation shall put the Premises in jeopardy of foreclosure sale or forfeiture for such lien.

5. At the Mortgagee's option, the Mortgagor shall deposit with the Mortgagee, on the first day of each month until the Indebtedness is fully paid, a sum equal to one-twelfth (1/12th) of one hundred five percent (105.00%) of the most recent ascertainable annual Taxes on the Premises. If requested by the Mortgagee, the Mortgagor shall also deposit with the Mortgagee an amount of money which, together with the aggregate of the monthly deposits to be made pursuant to the preceding sentence as of one month prior to the date on which the next installment of annual Taxes for the current calendar year become due, shall be sufficient to pay in full such installment of annual Taxes, as estimated by the Mortgagee. Such deposits are to be held without any allowance of interest and are to be used for the payment of Taxes next due and payable when they become due. So long as no Event of Default shall exist, the Mortgagee shall, at its option, pay such Taxes when the same become due and payable (upon submission of appropriate bills therefor from the Mortgagor) or shall release sufficient funds to the Mortgagor for the payment thereof. If the funds so deposited are insufficient to pay any such Taxes for any year (or installments thereof, as applicable) when the same shall become due and payable, the Mortgagor shall, within ten (10) days after receipt of written demand therefor, deposit additional funds as may be necessary to pay such Taxes in full. If the funds so deposited exceed the amount required to pay such Taxes for any year, the excess shall be applied

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toward subsequent deposits. Said deposits need not be kept separate and apart from any other funds of the Mortgagee. The Mortgagee, in making any payment hereby authorized relating to Taxes, may do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof.

6. The Mortgagor, without the prior written consent of the Mortgagee, shall not effect, suffer or permit any Prohibited Transfer (as defined herein). Any conveyance, sale, assignment, transfer, lien, pledge, mortgage, security interest or other encumbrance or alienation (or any agreement to do any of the foregoing) of any of the following properties or interests without the Mortgagee's prior written consent shall constitute a "Prohibited Transfer" (i) the sale, encumbrance (including without limitation by means of subordinate mortgage or lien upon the Premises or any part thereof or interest therein), assignment, lease (other than leases in the ordinary course of business) or disposition of the Premises or any part thereof or interest thereon, or (ii) the entry into any contract or agreement to do anything prohibited by clause (i) of this subsection, expressly including without limitation any land contract, lease/purchase, lease/option or option agreement. Except as permitted above, any sale or lease not actually approved by Mortgagee, shall, at the option of Mortgagee, be null and void and shall not grant any rights in the Premises to the tenant named therein. In the event of a Prohibited Transfer the Indebtedness shall become due and payable in full at Mortgagee's option. In the event ownership of the Premises, or any part thereof or interest therein, becomes vested in such person or persons other than the parties hereto, the Mortgagee may, without notice to the Mortgagor, deal with such successor or successors in interest with reference to this Mortgage, and the said obligations in the same manner as with Mortgagor, without in any way releasing, discharging or otherwise affecting any liability hereunder, or the Indebtedness. Any lease or sublease of the Premises or any part thereof or interest therein shall provide for the attornment by the subtenant thereof and of all subtenants or estates thereunder to the owner of the Premises after foreclosure or after a deed in lieu of foreclosure in the event the sublease would otherwise have been terminated because of the foreclosure.

7. Mortgagor represents warrants and covenants that:

(a) Mortgagor is not now in default under any instruments or obligations relating to the Premises and no party has asserted any claim of default against Mortgagor relating to the Premises.

(b) The execution and performance of this Mortgage and the consummation of the transactions hereby contemplated will not result in any breach of, or constitute a default under, any mortgage, lease, loan, or credit agreement, trust indenture, or other instrument to which Mortgagor is a party or by which it may be bound or affected; nor do any such instruments impose or contemplate any obligations which are or may be inconsistent with any other obligations imposed on Mortgagor under any other instrument(s) heretofore or hereafter delivered by Mortgagor.

(c) There are no actions, suits or proceedings (including, without limitation, any condemnation or bankruptcy proceedings) pending or, to the best of Mortgagor's knowledge, threatened against or affecting Mortgagor or the Premises, or which may adversely affect the validity or enforceability of this Mortgage, at law or in equity, or before or by any governmental authority

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and that Mortgagor is not in default with respect to any writ, injunction, decree or demand of any court or any governmental authority affecting the Premises.

8. (a) Mortgagor shall keep all buildings, improvements, fixtures and articles of personal property now or hereafter situated on the Premises insured by a policy or policies of All Risk Replacement Cost Insurance (with Agreed Amount Endorsement) against loss or damage by, or abatement of rental income resulting from fire, flood and such other hazards, casualties and contingencies (including, but not limited to, extended coverage, vandalism and malicious mischief), in an amount reasonably satisfactory to the Mortgagee; however, such amount will be at least equal to the amount necessary so that none of the parties hereto shall be deemed a co-insurer of a loss, and for such length of time as shall be required by the Mortgagee, for the benefit of said Mortgagee, as its interests may appear, and shall place and keep the original policy of such insurance with said Mortgagee or, at Mortgagee's election, a copy thereof and an original certificate thereof. Unless the Mortgagor provides the Mortgagee evidence of the insurance coverages required hereunder, the Mortgagee may purchase insurance at the Mortgagor's expense to cover the Mortgagee's interest in the Premises. The insurance may, but need not, protect the Mortgagor's interest. Mortgagor will also maintain Flood Insurance, if required, pursuant to a designation of the area in which the Premises are located as flood prone or a flood risk area, as defined by the Flood Disaster Protection Act of 1973, as amended, in an amount satisfactory to the Mortgagee, however, such amount will be at least equal to the amount necessary so that none of the parties hereto shall be deemed a co-insurer of a loss, as well as comply with any additional requirements of the National Flood Insurance Program as set forth in said Act.

(b) Mortgagor shall maintain for the mutual benefit of Mortgagee and Mortgagor general public liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Premises or any elevators therein and on, in or about the adjoining streets and passageways, such insurance to afford protection to the limits of not less than those then customarily carried with respect to premises similar in construction, general location, use and occupancy to the Premises, but in no event less than a single limit amount of \$1,000,000.00. All of such insurance shall be primary and non-contributing with any insurance which may be carried by Mortgagee.

(c) All such insurance policies shall be paid in accordance with the terms of the policies currently in force. In the event such coverage is provided as part of a blanket policy, then in such event the amount of the coverage specifically applicable to the Premises shall be stated on the face of the policy. All insurance policies are to be held by and, to the extent of its interest, are to be for the benefit of and first payable in case of loss to the Mortgagee as first mortgagee without contribution, and the Mortgagor shall deliver to the Mortgagee a new policy of replacement insurance for any expiring policy, with evidence of advance premium payments, to Mortgagee at its principal office in Chicago, Illinois, at least fifteen (15) days before the date of such expiration or at such other place or to such other party as the Mortgagee may, from time to time, designate in writing.

(d) All amounts recoverable under any policy of casualty insurance are hereby assigned to the Mortgagee. Mortgagee is authorized and empowered, at its option to adjust or compromise any loss covered by any insurance policies on the Premises, subject to Mortgagor's consent which shall not be unreasonably withheld or delayed, and to collect and receive the proceeds from any such

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policy or policies. After deducting from said proceeds any reasonable expenses incurred by it in the collection or handling thereof, and provided that the Note has not matured or no Event of Default (as hereinafter defined) then exists, provided the Mortgagee determines that the work required to complete the repair or restoration of the Premises necessitated by such loss can be completed no later than six (6) months prior to the Maturity Date, and the total of the insurance proceeds and such additional amounts placed on deposit with the Mortgagee by the Mortgagor for the specific purpose of rebuilding or restoring the Premises equals or exceeds, in the sole and absolute discretion of the Mortgagee, the reasonable costs of such rebuilding or restoration, then Mortgagor shall be allowed to use the insurance proceeds to restore and rebuild the Premises. To the extent the proceeds are not used to restore or rebuild the Premises, or if the Note has matured or an Event of Default then exists, the insurance proceeds shall be applied to the Indebtedness.

The Mortgagee is hereby irrevocably appointed by the Mortgagor as attorney-in-fact for the Mortgagor to assign any policy to itself or its nominees in the event of the foreclosure of this Mortgage. This power as attorney-in-fact granted hereunder shall be a power coupled with an interest and cannot be revoked by Mortgagor. In the event of foreclosure of this Mortgage, or other transfer of title in lieu of foreclosure of the Premises, all right, title and interest of the Mortgagor in and to any insurance policies then in force, shall pass to the purchaser or grantee thereof.

9. Mortgagor will give Mortgagee immediate notice of the actual or threatened commencement of any proceedings under eminent domain affecting all or any part of the Premises or any easement therein or appurtenance hereof, 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 agrees that all awards hereafter made by any public or quasi-public authority to the present and all subsequent owners of the Premises by virtue of an exercise of the right of eminent domain by such authority, including any award for taking of title, possession or right of access to a public way, or for any change of grade or streets affecting said Premises, are hereby assigned to the Mortgagee and Mortgagee at its option is hereby authorized, directed and empowered to settle or compromise, and to collect and receive the proceeds of any such award and awards from the authorities making the same and to give proper receipts therefore. After deducting from such proceeds any reasonable expenses incurred by Mortgagee in the collection or handling thereof, and provided that the Note has not matured or no Event of Default then exists, and subject to Paragraph 10 below, Mortgagor shall be allowed to use such award or awards to restore and rebuild the Premises. To the extent the award or awards are not used to restore or rebuild the Premises, or if the Note has matured or an Event of Default then exists, the award or awards shall be applied to the Indebtedness.

The Mortgagor hereby covenants and agrees to and with the Mortgagee upon request of the Mortgagee to make, execute and deliver any and all assignments and other instruments sufficient for the purpose of assigning all such awards to the Mortgagee, free and clear and discharged of any and all encumbrances of any kind or nature whatsoever except as above stated. Notwithstanding any taking under the power of eminent domain, alteration of the grade of any street, or other injury to or decrease in value of the Premises by any public or quasi-public authority or corporation, Mortgagor shall continue to pay the Indebtedness and any reduction in the principal sum resulting from the

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application by the Mortgagee of such award or payment as hereinafter set forth shall be deemed to take effect only on the date of such receipt.

10. In the event that insurance proceeds or the proceeds of an eminent domain proceeding are to be applied to pay for the cost of rebuilding or restoration of the building and improvements on the Premises, such funds will be placed in an account at Mortgagee and made available for disbursement by Mortgagee.

In the event such proceeds are applied toward restoration or rebuilding, the buildings and improvements shall be so restored or rebuilt so that the Premises shall be of at least equal value and the buildings and improvement therein shall be of substantially the same character as prior to such damage or destruction. Such proceeds shall be made available, from time to time, upon the Mortgagee being furnished with satisfactory evidence of the estimated cost of completion thereof and with all necessary architect's certificates, waivers of lien, contractor's sworn statements and other evidence of cost and of payments. All plans and specifications for such rebuilding or restoration shall be presented to and approved by Mortgagee prior to the commencement of any such repair or rebuilding. At all times the undisbursed balance of said proceeds remaining in the hands of the Mortgagee shall be at least sufficient to pay for the cost of completion of the work free and clear of liens.

11. Mortgagor hereby agrees that in the event Mortgagor shall fail to comply with any or all of the respective covenants, agreements, conditions and stipulations herein set forth, then the Mortgagee, shall be and hereby is authorized and empowered at its option, but without legal obligation to do so, to pay, perform the same without waiver of any other remedy, any unpaid obligation secured by any lien on the premises, water rents, sewer rental charges and other governmental charges and rates and all or any part of the unpaid taxes, levies, assessments and reassessments; to effect insurance on the Premises in the amounts above named; and, subject to the rights of tenants, to enter or have its agents enter upon the Premises whenever necessary for the purpose of inspecting the premises and curing any default hereunder. The Mortgagor agrees that the Mortgagee shall thereupon have a claim against the Mortgagor for all sums paid by Mortgagee for such water charges, sewer service charges and other governmental or municipal charges and rates, taxes, levies, assessments and re-assessments, insurance and defaults cured, together with a lien upon the Premises for the sum so paid plus interest at the Default Rate.

12. Mortgagor shall not commit waste upon the Premises or suffer waste to be committed thereon. Mortgagor will keep the Premises in good order and repair and in material compliance with any law, regulation, ordinance, or contract applicable to the use and occupation of the Premises, and from time to time make all needful and proper replacements so that said buildings, fixtures, machinery and appurtenances will at all times, be in good condition, fit and proper for the respective purposes for which they were erected or installed. Mortgagor shall observe and comply with all conditions and requirements necessary to maintain any and all rights, licenses, permits (including but not limited to zoning variances, special exceptions and non-conforming uses), privileges, franchises and concessions which are applicable to the Premises or which have been granted to or contracted for by Mortgagor in connection with any existing or presently contemplated use of the Premises and shall obtain and keep in full force and effect all required governmental and municipal

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approvals as may be required from time to time to comply with all environmental, ecological and other requirements and with any and all conditions attached to the insurance relating to the Premises and maintenance thereof, with all work that is outside the usual and ordinary course of Mortgagor's business being subject to prior written approval by Mortgagee which Mortgagee shall not unreasonably withhold. Mortgagor shall permit Mortgagee or its agents, at all reasonable times, subject to the rights of tenants, to enter upon and inspect the Premises.

13. Mortgagor covenants and agrees that it will keep and maintain books and records of account, or cause books and records of account to be kept and maintained in which full, true and correct entries shall be made of all dealings and transactions relative to the Premises, which books and records of account shall, at reasonable times and on reasonable notice, be open to the inspection of Mortgagee and its accountants and other duly authorized representatives. Such books of record and account shall be kept and maintained in accordance with a cash basis or other recognized comprehensive basis of accounting consistently applied.

14. (a) In the event an action shall be instituted to foreclose this Mortgage, or prior to foreclosure but after an Event of Default (as hereinafter defined), Mortgagee shall be entitled to the appointment of a receiver of the rents, issues and profits of the Premises as a matter of right and without notice, with power to collect the rents, issues and profits of the Premises due and becoming due during the period of default and/or the pendency of such foreclosure suit to and including the date of confirmation of the sale under such foreclosure and during the redemption period, if any, after such confirmation, such rents and profits being hereby expressly assigned and pledged as security for the payment of the Indebtedness without regard to the value of the Premises or the solvency of any person or persons liable for the payment of the Indebtedness and regardless of whether Mortgagee has an adequate remedy at law. The Mortgagor for itself and for any subsequent owner hereby waives any and all defenses to the application for a receiver as above provided and hereby specifically consents to such appointment but nothing herein contained is to be construed to deprive the holder of the Mortgage of any other right or remedy or privilege it may now have under the law to have a receiver appointed. The provision for the appointment of a receiver and the assignment of such rents, issues and profits is made an express condition upon which the Indebtedness is made. In such event, the court shall at once on application of the Mortgagee or its attorney in such action, after notice, appoint a receiver to take immediate possession of, manage and control the Premises, for the benefit of the holder or holders of the Indebtedness and of any other parties in interest, with power to collect the rents and profits of said Premises during the pendency of such action, and to apply the same toward the payment of the several obligations herein mentioned and described, notwithstanding that the same or any part thereof is occupied by Mortgagor or any other person. The rights and remedies herein provided for shall be deemed to be cumulative and in addition to and not in limitation of, those provided by law and if there be no receiver so appointed, Mortgagee itself may proceed to collect the rents, issues and profits from the Premises. From any said rents, issues and profits collected by the receiver or by the Mortgagee prior to a foreclosure sale, there shall be deducted the cost of collection thereof and the expenses of operation of the Premises, including but not limited to real estate commissions, receiver's fee and the reasonable fees of its attorney, if any, and Mortgagee's reasonable attorneys' fees, if permitted by law, and court costs; the remainder shall be applied against the Indebtedness in such order and in such manner as Mortgagee may elect. In the event the rental and other income is not adequate to pay all tax and other expenses

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of operation, the Mortgagee may, but is not obligated to, advance to any receiver the amounts necessary to operate, maintain and repair, if necessary, the Premises and any such amounts so advanced, together with interest thereon at the Default Rate, shall be secured by this Mortgage and have the same priority of collection as the principal Indebtedness.

(b) During the continuance of any Event of Default, which remains uncured after the expiration of any applicable cure period, Mortgagor shall forthwith upon demand of Mortgagee surrender to Mortgagee the possession of the Premises, and Mortgagee shall be entitled to take actual possession of the Premises or any part thereof personally or by its agents or attorneys, as for condition broken, and Mortgagee in its discretion may enter upon and take and maintain possession of all or any part of the Premises together with all documents, books, records, papers and accounts of the Mortgagor or the then owner of the Premises relating thereto, and may under the powers herein granted:

(i) perform such construction, make all necessary and proper maintenance, repairs, renewals, replacements, additions and improvements thereto and thereon, and purchase or otherwise acquire additional fixtures and personal property as may be necessary or appropriate;

(ii) insure or keep the Premises insured;

(iii) hold, operate, manage or 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 it deems proper or necessary to enforce the payment or security of the income, rents, issues and profits of the Premises, including actions for the recovery of rent, actions in forcible detainer and actions in distress for rents, 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;

(iv) enter into agreements with others to exercise the powers herein granted Mortgagee, all as Mortgagee from time to time may determine; and Mortgagee may collect and receive all the proceeds from the rents, income and other benefits of the Premises, including those past due as well as those accruing thereafter;

(v) cancel or terminate any lease or sublease for any cause or on any ground which would entitle Mortgagor to cancel the same;

(vi) extend or modify any then existing leases and make new leases, upon commercially reasonable terms and conditions, 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 Notes 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 shall be binding also upon the purchaser or purchasers at any foreclosure sale,

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notwithstanding any redemption from sale, discharge of the Indebtedness, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any purchaser;

(vii) make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements to the Premises as it may deem judicious, insure and reinsure the same and all risks incidental to Mortgagee's possession, operation and management thereof, and receive all income, rents, issues and profits.

Mortgagee shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability under any lease, and the Mortgagor shall and does hereby agree to indemnify and to hold Mortgagee harmless of and from all liability, loss or damage which it might incur under said leases or under or by reason of the assignment thereof, and of and from any and all claims or demands whatsoever which may be asserted against it by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in said leases except, to the extent any such liability, loss, damage, claim or demand is caused by the gross negligence or willful misconduct of Mortgagee. Should Mortgagee incur any such liability, loss or damage under any of said leases, or under or by reason of the assignment thereof, or in the defense of any claims or demands, unless the claims or demands are the result of Mortgagee's gross negligence or willful misconduct, the amount thereof, including costs, expenses and reasonable attorneys' fees, including attorneys' fees on appeal, shall be secured hereby and Mortgagor shall reimburse Mortgagee therefor immediately upon demand.

(c) Mortgagee in the exercise of the rights and powers hereinabove conferred upon it shall have the full power to use and apply the avails, rents, issues and profits of the Premises to the payment of or on account of the following, in such order as Mortgagee may determine:

(i) to the payment of the reasonable expenses of operating the Premises, including cost of management and leasing thereof (which shall include reasonable compensation to Mortgagee's agent or agents if management is 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), establishing claims for damages, if any, and premiums on insurance as hereinabove authorized;

(ii) to the payment of Taxes and special assessments now due or which may hereafter become due on the Premises;

(iii) to the payment of all reasonable repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements of the Premises and of placing the Premises in such condition as will in the judgment of Mortgagee make it readily rentable or saleable;

(iv) to the payment of any Indebtedness or any deficiency which may result from any foreclosure sale.

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15. No sale of the Premises, no forbearance on the part of Mortgagee, no extension of the time for the payment of the Indebtedness or any change in the terms thereof consented to by Mortgagee shall in any way whatsoever operate to release, discharge, modify, change or affect the liability of Mortgagor herein, either in whole or in part. No waiver by Mortgagee of any breach of any covenant of Mortgagor herein contained shall be construed as a waiver of any subsequent breach of the same or any other covenant herein contained. The failure of the Mortgagee to exercise the option for acceleration of maturity and/or foreclosure following any default as aforesaid or to exercise any other option granted to the Mortgagee hereunder in any one or more instances, or the acceptance by Mortgagee of partial payments hereunder shall not constitute a waiver of any such default, nor extend or affect the grace period, if any, but such option shall remain continuously in force with respect to any unremedied or uncured default. Acceleration of maturity once claimed hereunder by Mortgagee may, at the option of Mortgagee, be rescinded by written acknowledgment to that effect by the Mortgagee, but the tender and acceptance of partial payments alone shall not in any way affect or rescind such acceleration of maturity, or extend or affect the grace period, if any. Mortgagee may pursue its rights without first exhausting its rights hereunder and all rights, powers and remedies conferred upon the Mortgagee herein are in addition to each and every right which the Mortgagee may have hereunder at law or equity, and may be enforced concurrently therewith.

16. If any action or proceeding be commenced, to which action or proceeding the Mortgagee is made a party by reason of the execution of this Mortgage or the Indebtedness or in which it becomes necessary to defend or uphold the lien of this Mortgage, or the priority thereof or possession of the Premises, or otherwise to perfect the security herein under, or in any suit, action, legal proceeding or dispute of any kind in which Mortgagee is made a party or appears as party plaintiff or defendant, affecting the Indebtedness, this Mortgage, or the interest created herein, or the Premises, including, but not limited to, bankruptcy, probate and administration proceedings, foreclosure of this Mortgage or any condemnation action involving the Premises, other than actions or proceedings that result from Mortgagee's gross negligence or willful misconduct, all sums paid by the Mortgagee, including reasonable attorneys' fees, for the expense of any litigation to prosecute and defend the rights and liens created hereby shall be paid by the Mortgagor together with interest thereon from the date of payment at the Default Rate. Any such sum and the interest thereon shall be immediately due and payable and be secured hereby, having the benefit of the lien hereby created, as a part hereof and its priority.

17. Intentionally Omitted.

18. Each remedy or right of Mortgagee shall not be exclusive of but shall be in addition to every other remedy or right now or hereafter existing at law or in equity. No delay in the exercise or omission to exercise any remedy or right accruing on any default 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 different nature. Every such remedy or right may be exercised concurrently or independently and when and as often as may be deemed expedient by Mortgagee.

19. Concurrently herewith the Mortgagor executed and delivered to the Lender that certain Environmental Indemnity Agreement dated as of the date hereof (the "Indemnity") pursuant to which the Mortgagor indemnified the Mortgagee for environmental matters concerning the

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Premises, as more particularly described therein. The provisions of the Indemnity are hereby incorporated herein and this Mortgage shall secure the obligations of the Mortgagor thereunder.

20. If more than one property, lot, parcel, estate or interest is covered by this Mortgage, and if this Mortgage is foreclosed upon, or judgment is entered upon any obligation secured hereby, execution may be made upon any one or more of the properties, lots, estates, parcels or interests and not upon the others, or upon all of such properties or parcels, either together or separately, and at different times or at the same time, and execution sales may likewise be conducted separately or concurrently, in each case at Mortgagor's election.

21. In case of foreclosure of this Mortgage in any court of law or equity, whether or not any order or decree shall have been entered therein, and to the extent permitted by law, a reasonable sum as aforesaid shall be allowed for attorneys' fees of the plaintiff in such proceedings, appraiser's fees, broker's commissions, stenographer's fees and for all moneys expended for documentary evidence and the cost of all abstracts of title, title searches and examinations and publication costs, such sums to be secured by the lien hereunder; and, to the extent permitted by law, there shall be included in any judgment or decree foreclosing this Mortgage and be paid out of said rents, issues and profits or out of the proceeds of any sale made in pursuance of any such judgment or decree: (a) all of the costs stated above; (b) all moneys advanced by Mortgagor, if any, for any purpose authorized in this Mortgage with interest as herein provided; (c) all the accrued interest remaining unpaid on the Indebtedness; (d) the Indebtedness, and (e) the balance, if any, to Mortgagor or as directed by the court.

22. Mortgagor, in making any payment herein, and as hereby authorized in the place and stead of the Mortgagor (i) relating to taxes, assessments, water rents, sewer rentals and other governmental or municipal charges, fines, impositions or liens asserted against the Premises, may do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the validity of any tax, assessment, sale forfeiture, tax lien or title or claim thereof, subject to the right to contest as otherwise provided herein; or (ii) relating to any adverse title, lien, statement of lien, encumbrance, claim or charge, shall in good faith determine the legality or validity of same; or (iii) otherwise relating to any purpose herein and hereby authorized, but not enumerated in this paragraph, may do so whenever in its good faith, judgment and discretion, such advance or advances shall seem necessary to protect the full security intended to be created by this instrument, and provided further that in connection with any advance, Mortgagor, in the event of apparent or thereafter adverse title, lien or encumbrance, or foreclosure, by Mortgagor or any other lien claimant, at its option, may and is hereby authorized to obtain a continuation report of title prepared by a title insurance company, the cost and expenses of which shall be repayable by the Mortgagor upon demand and shall be secured hereby.

23. Should the proceeds of the Indebtedness, the repayment of which is hereby secured, or any part thereof, or any amount paid out or advanced by the Mortgagor, 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 the Mortgagor shall be subrogated to such other liens or encumbrances and to any additional security held by the holder thereof and shall have the benefit of the priority of all of the same.

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24. Mortgagor agrees without affecting the liability of any person for payment of the Indebtedness or affecting the lien of this Mortgage upon the Premises or any part thereof (other than persons or property explicitly released as a result of the exercise by Mortgagee of its rights and privileges hereunder), that Mortgagee, without notice, and without regard to the consideration, if any, paid therefor, and notwithstanding the existence at that time of any inferior liens thereon, may release as to itself and this Mortgage any part of the security described herein or any person liable for any Indebtedness, without in any way affecting the priority of the lien of this Mortgage to the full extent of the Indebtedness remaining unpaid hereunder upon any part of the security not expressly released, and may agree with any party obligated on the Indebtedness or having any interest in the security described herein to extend the time for payment of any part or all of the Indebtedness. Such agreement shall not, in any way, release or impair the lien hereof, but shall extend the lien hereof as against the title of all parties having any interest in said security which interest is subject to said lien. In the event the Mortgagee: (a) releases, as aforesaid, any part of the security described herein or any person liable for any Indebtedness, (b) grants an extension of time for any payments of the Indebtedness, (c) takes other or additional security for the payment thereof, or (d) waives or fails to exercise any right granted herein or in the Note, no such act or omission shall release the Mortgagor, subsequent purchasers of the Premises or any part thereof, or sureties or guarantors of this Mortgage or of the Indebtedness, under any covenant of this Mortgage or of the Indebtedness, or preclude the Mortgagee from exercising any right, power or privilege herein granted or intended to be granted in the event of any other default then made or any subsequent default.

25. (a) To the extent permitted by law with respect to the Indebtedness or any renewals or extensions thereof, Mortgagor waives and renounces any and all homestead and exemption rights, as well as the benefit of all valuation and appraisal privileges, and also moratoriums under or by virtue of the constitution and laws of the State of Illinois, or any other state or of the United States, now existing or hereafter enacted.

(B) TO THE FULLEST EXTENT PERMITTED BY LAW, MORTGAGOR HEREBY WAIVES ANY AND ALL RIGHTS OF REINSTATEMENT AND REDEMPTION FROM THE FORECLOSURE, IF ANY, FOR ITSELF, 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 FULL EXTENT PERMITTED BY THE PROVISIONS OF ILLINOIS COMPILED STATUTES 735 ILCS 5/15-1601 OR OTHER APPLICABLE LAW OR REPLACEMENT STATUTES.

26. If any provisions hereof are in conflict with any statute or rule of law of the State of Illinois or are otherwise unenforceable for any reason whatsoever, then such provision(s) shall be deemed null and void to the extent of such conflict or unenforceability, but shall be deemed separable from and shall not invalidate any other provisions of this Mortgage. All the covenants hereof shall run with the land. Nothing herein contained nor any transaction related hereto shall be construed or shall so operate, either presently or prospectively to require Mortgagor to pay interest at a rate greater than is now lawful in such case to contract for, but shall require payment of interest

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only to the extent of such lawful rate. Notwithstanding anything herein or in the Note to the contrary, no provision contained herein or in the Note which purports to obligate Mortgagor to pay any amount of interest or any fees, costs or expenses which are in excess of the maximum permitted by applicable law, shall be effective to the extent that it calls for the payment of any interest or other sums in excess of such maximum.

27. Any notices, communications and waivers under this Mortgage shall be in writing and shall be (a) delivered in person, (b) mailed, postage prepaid, either by registered or certified mail, return receipt requested, or (c) sent by overnight express carrier, addressed in each case as follows:

To the Mortgagee *Northbrook Bank & Trust Company*
 Daniel B. Starzyk
 2247 W. Lawrence Avenue
 Chicago IL 60625

With a copy to: *Deutsch, Levy & Engel, Chartered*
 225 W. Washington Street, Suite 1700
 Chicago, Illinois 60606
 Attn: Aaron B. Zarkowsky

To the Mortgagor: *Muriz & Dika Hidic*
 6006 North Kenmore, Unit 101
 Chicago, Illinois 60660-2983

or to any other address as to any of the parties hereto, as such party shall designate in a written notice to the other party hereto. All notices sent pursuant to the terms of this section shall be deemed received (i) if personally delivered, then on the date of delivery, (ii) if sent by overnight, express carrier, then on the next federal banking day immediately following the day sent, or (iii) if sent by registered or certified mail, then on the earlier of the third federal banking day following the day sent or when actually received. In connection with the courtesy copy to Mortgagor's counsel above, the Mortgagee will exercise reasonable efforts to provide copies of any notices given to the Mortgagor to Mortgagor's counsel above; however, Mortgagee's failure to furnish copies of such notices shall not limit Mortgagor's exercise of any of its rights and remedies under any document evidencing, securing or governing the Loan from the Mortgagee to the Mortgagor.

28. Whenever used, the singular number shall include the plural, the plural the singular and the use of any gender shall include all genders. All of the covenants of "Mortgagor" herein contained are joint and several. All of the covenants and agreements herein contained shall bind the parties hereto and their respective successors, permitted assigns and transferees and the benefits and advantages thereof shall also inure to their respective successors, permitted assigns and transferees.

29. Each of the following shall constitute an "Event of Default" for purposes of this Mortgage:

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(a) The Mortgagor fails to pay (i) any installment of principal or interest payable pursuant to the terms of the Note, or (ii) any other amount payable to Lender under the Note, this Mortgage or any of the other Loan Documents within ten (10) days after the date when any such payment is due in accordance with the terms hereof or thereof;

(b) The Mortgagor fails to perform or cause to be performed any other obligation or observe any other condition, covenant, term, agreement or provision required to be performed or observed by the Mortgagor under the Note, this Mortgage or any of the other Loan Documents; provided, however, that if such failure by its nature can be cured, then so long as the continued operation and safety of the Premises, and the priority, validity and enforceability of the liens created by the Mortgage or any of the other Loan Documents and the value of the Premises are not impaired, threatened or jeopardized, then the Mortgagor shall have a period (the "Cure Period") of thirty (30) days after the Mortgagor obtains actual knowledge of such failure or receives written notice of such failure to cure the same and an Event of Default shall not be deemed to exist during the Cure Period, provided further that if the Mortgagor commences to cure such failure during the Cure Period and is diligently and in good faith attempting to effect such cure, the Cure Period shall be extended for thirty (30) additional days, but in no event shall the Cure Period be longer than sixty (60) days in the aggregate;

(c) the existence of any inaccuracy or untruth in any material respect in any certification, representation or warranty contained in this Mortgage or any of the other Loan Documents or of any statement or certification as to facts delivered to the Mortgagee by the Mortgagor;

(d) The Mortgagor files a voluntary petition in bankruptcy or is adjudicated a bankrupt or insolvent or files any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future federal, state, or other statute or law, or seeks or consents to or acquiesces in the appointment of any trustee, receiver or similar officer of the Mortgagor or of all or any substantial part of the property of the Mortgagor, the Premises or all or a substantial part of the assets of the Mortgagor are attached, seized, subjected to a writ or distress warrant or are levied upon unless the same is released or located within thirty (30) days;

(e) the commencement of any involuntary petition in bankruptcy against the Mortgagor, or the institution against the Mortgagor of any reorganization, arrangement, composition, readjustment, dissolution, liquidation or similar proceedings under any present or future federal, state or other statute or law, or the appointment of a receiver, trustee or similar officer for all or any substantial part of the property of the Mortgagor which shall remain undismissed or undischarged for a period of sixty (60) days;

(f) the occurrence of the death or declaration of legal incompetency of any of the Borrowers;

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(g) the occurrence of a Prohibited Transfer;

(h) the occurrence of an Event of Default under the Note, the Loan Agreement or any of the other Loan Documents; or

(i) the occurrence of any default or event of default, after the expiration of any applicable periods of notice or cure, under any document or agreement evidencing or securing any other obligation or indebtedness of the Mortgagor and/or the Guarantor to the Mortgagee.

If an Event of Default occurs, the Mortgagee may, at its option, declare the whole of the Indebtedness to be immediately due and payable without further notice to the Mortgagor, with interest thereon accruing from the date of such Event of Default until paid at the Default Rate.

30. Upon the occurrence of any Event of Default as set forth in Paragraph 29 above, at the option of the Mortgagee, the whole Indebtedness shall become immediately due and payable, although the period specified for the payment thereof may not have expired, anything hereinbefore contained to the contrary notwithstanding and thereupon or at any time during the existence of such default, the Mortgagee shall have the right to foreclose the lien hereof for such the Loan or part thereof and/or exercise any right, power or remedy provided in this Mortgage or any of the other Loan Documents in accordance with the Illinois Mortgage Foreclosure Act (Chapter 735, Sections 5/15-1101 et seq., Illinois Compiled Statutes) (as may be amended from time to time, the "Act"), or otherwise pursue any other right or remedy herein or by law not prohibited.

31. Upon any such Event of Default, the Mortgagee, its legal representatives, successors and assigns are hereby authorized and empowered to exercise any right or remedy available under this Mortgage, at law and in equity, including, but not limited to, the right, if and to the extent permitted by law, to sell or cause to be sold at public auction, independent of formal foreclosure proceedings, the Premises and to convey same by the execution and delivery to the purchaser at such sale of good and sufficient deeds of conveyance in law. In any suit to foreclose the lien hereof, and in any sale of the Premises, there shall be allowed and included as additional Indebtedness payable by Mortgagor to Mortgagee and secured hereby all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorneys' fees, including reasonable attorneys' fees on appeal, appraisers' fees, expenditures for documentary and expert evidence, stenographer's charges, publication and advertising costs, survey costs and costs (which may be estimated as to items to be expended after the entry of any decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, and similar data and assurances with respect to title as Mortgagee deems reasonably necessary either to prosecute such suit or to consummate such sale or to evidence to bidders at any sale the true condition of the title to or the value of the Premises.

32. MORTGAGOR HEREBY CONSENTS TO THE JURISDICTION OF ANY LOCAL, STATE OR FEDERAL COURT LOCATED WITHIN COOK COUNTY, ILLINOIS AND WAIVES ANY OBJECTION WHICH MORTGAGOR MAY HAVE BASED ON IMPROPER VENUE OR FORUM NON CONVENIENS TO THE CONDUCT OF ANY PROCEEDING IN ANY SUCH COURT. MORTGAGOR WAIVES PERSONAL SERVICE OF PROCESS UPON

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THE MORTGAGOR, AND AGREES THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE BY REGISTERED MAIL DIRECTED TO THE MORTGAGOR AT THE ADDRESS STATED HEREIN AND SERVICE SO MADE WILL BE DEEMED TO BE COMPLETED UPON ACTUAL RECEIPT. This Mortgage is to be construed in accordance with and governed by the laws of the State of Illinois.

33. MORTGAGOR AND MORTGAGEE KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE IRREVOCABLY THE RIGHT THEY MAY HAVE TO TRIAL BY JURY WITH RESPECT TO ANY LEGAL PROCEEDING BASED HEREIN, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THE NOTE, THE INDEBTEDNESS, OR THE PREMISES, OR ANY AGREEMENT EXECUTED OR CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HERewith OR ANY COURSE OF CONDUCT OR COURSE OF DEALING IN WHICH MORTGAGEE AND MORTGAGOR ARE ADVERSE PARTIES. THIS PROVISION IS A MATERIAL INDUCEMENT FOR MORTGAGEE IN GRANTING ANY FINANCIAL ACCOMMODATION TO MORTGAGOR.

34. The proceeds of any foreclosure sale, or other sale of the Premises in accordance with the terms hereof or as permitted by law shall be distributed and applied in the following order of priority: First, to the payment of all costs and expenses incident to the foreclosure and/or sale proceedings, including all items as are mentioned in any preceding or succeeding paragraph hereof; second, to the payment of all other items which under the terms hereof constitute Indebtedness with interest thereon as herein provided; third, to the payment of all principal and accrued interest remaining unpaid on the Indebtedness, in such order and in such manner as Mortgagee may elect; fourth, any overplus to the Mortgagor, its successors or assigns, as their rights may appear.

35. It is specifically agreed that time is of the essence of this Mortgage and that the waiver of the rights or options, or obligations secured hereby, shall not at any time thereafter be held to be an abandonment of such rights. Notice of the exercise of any right or option granted to the Mortgagee herein, or in the Indebtedness, is not required to be given.

36. In the event the Indebtedness and all other obligations hereby secured shall be punctually paid when due and owing, and if Mortgagor shall punctually perform all of Mortgagor's covenants and agreements herein contained, then this Mortgage shall be void and shall be released by the Mortgagee, otherwise the same shall remain in full force and virtue in law.

37. Nothing herein contained shall be construed as constituting the Mortgagee a mortgagee-in-possession in the absence of the actual taking of possession of the Premises by the Mortgagee pursuant to this Mortgage.

38. The Mortgagee shall in no event be construed for any purpose to be a partner, joint venturer, agent or associate of the Mortgagor or of any lessee, operator, concessionaire or licensee of the Mortgagor in the conduct of their respective businesses, and, without limiting the foregoing, the Mortgagee shall not be deemed to be such partner, joint venturer, agent or associate on account of the Mortgagee becoming a mortgagee-in-possession or exercising any rights pursuant to this Mortgage,

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any of the other Loan Documents, or otherwise. The relationship of the Mortgagor and the Mortgagee hereunder is solely that of debtor/creditor.

39. This Mortgage, the Note and the other Loan Documents constitute the complete agreement between the parties with respect to the subject matter hereof and the Loan Documents may not be modified, altered or amended except by an agreement in writing signed by both the Mortgagor and the Mortgagee.

Signature Page Follows

**COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____**

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EXHIBIT A

Legal Description

LOTS 37 AND 38 IN ARTHUR DUNAS HOWARD AVENUE SUBDIVISION OF THAT PART OF THE SOUTH 1/2 OF THE NORTHEAST 1/4 OF SECTION 25, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTH OF THE SOUTH LINE OF NORTH 45 ACRES THEREOF AND EAST OF THE EAST LINE OF THE WEST 6.358 ACRES OF THE EAST 16.358 ACRES OF THE SOUTH 32.506 ACRES OF THE NORTHEAST 1/4 OF SECTION 25, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PERMANENT INDEX NOS. 10-25-226-022-0000; 10-25-226-023-0000

Commonly known as: 1421 West Howard, Evanston, Illinois 60202-3777

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EXHIBIT B

Permitted Encumbrances

1. Real Estate taxes not yet due and payable.
2. Exceptions 7 and 19 set forth in that certain ATG Commitment No. 110250301183

Dated September 14, 2011

COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____

Property of Cook County Clerk's Office

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IN WITNESS WHEREOF, Mortgagor has executed this **MORTGAGE** as of the date set forth above.

Muriz Hidic
Muriz Hidic

Dika Hidic
Dika Hidic

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

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that **Muriz Hidic** and **Dika Hidic** personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said limited liability company, for the uses and purposes therein set forth. ** husband and wife*

Given under my hand and official seal, as of the 28 day of October, 2011.

Beverly Weiss
Notary Public



Commission expires: _____