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Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



1427955121

Doc#: 1427955121 **Fee:** \$66.00

RHSP Fee: \$9.00 RPRF Fee: \$1.00

Karen A. Yarbrough

Cook County Recorder of Deeds

Date: 10/06/2014 03:28 PM Pg: 1 of 15

Report Mortgage Fraud
800-532-8785

The property identified as: **PIN:** 13-28-400-025-0000

Address:

Street: 5138 W. PARKER AVENUE

Street line 2:

City: CHICAGO

State: IL

ZIP Code: 60639

Lender: ARMITAGE STREET LLC

Borrower: PRIVATE VENTURES, INC.

Loan / Mortgage Amount: \$96,800.00

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.

FREEDOM TITLE CORPORATION
2260 HICKS ROAD SUITE 415
ROLLING MEADOWS IL 60008

Certificate number: 8BD9D65E-1091-499B-9FF3-CD5F25551A55

Execution date: 09/30/2014

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**MORTGAGE,
ASSIGNMENT OF
RENTS AND
SECURITY
AGREEMENT**

THIS MORTGAGE (“**Mortgage**”) is made as of this 30th day of September, 2014, between **PRIVATE VENTURES, INC.**, an Illinois corporation with a mailing address of 2855 North Lincoln Avenue, Chicago, Illinois 60657, (“**Mortgagor**”), and payable to the order of **ARMITAGE STREET LLC**, an Illinois limited liability company with a mailing address of 1831 North Westenaw Avenue, Unite 1, Chicago, Illinois 60647 (“**Lender**”).

RECITALS

WHEREAS, Mortgagor is indebted to Lender in the principal sum of **NINETY-SIX THOUSAND EIGHT HUNDRED AND 00/100 DOLLARS (\$96,800.00)**, or so much thereof as may be now or hereafter disbursed to or for the benefit of Maker (as defined below), which indebtedness is evidenced by Maker's note of even date herewith and all modifications, substitutions, extensions, replacements and renewals thereof (“**Note**”) providing for repayment of principal and interest and providing for a final payment of all sums due thereunder twelve (12) months after execution hereof. All borrowers on the Note are collectively referred to herein as “**Maker**”.

<p>THIS DOCUMENT PREPARED BY AND AFTER RECORDING, MAIL TO:</p> <p>Fuchs & Roselli, Ltd. Attn: Michael T. O'Connor, Esq. 440 West Randolph Street, Suite 500 Chicago, Illinois 60606</p>	<p>PROPERTY ADDRESS:</p> <p>5138 West Parker Avenue Chicago, Illinois 60639</p> <p>PIN: 13-28-400-025-0000</p>
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ARTICLE I GRANTS OF SECURITY

1.1 **PROPERTY MORTGAGED.** To secure to Lender the repayment of the indebtedness evidenced by the Note, with interest thereon; the payment of all charges provided herein and all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage; and the performance of the covenants and agreements contained herein and in the Note, all future advances and all other indebtedness of Mortgagor to Lender whether now or hereafter existing (collectively, the "Secured Indebtedness" or "Indebtedness") and also in consideration of Ten and 00/100 (\$10.00), the receipt and sufficiency whereof is acknowledged, Mortgagor does hereby irrevocably mortgage, grant, bargain, pledge, assign, warrant, transfer and convey to Lender, and grant a security interest to Lender in, all of Mortgagor's right, title and interest in and to the following property, rights, interests and estates now owned or hereafter acquired by Mortgagor, whether now existing or hereafter created (collectively, the "Property");

(a) **LAND.** The real property described in Exhibit A attached hereto and made a part hereof ("Land");

(b) **ADDITIONAL LAND.** All additional lands, estates and development rights hereafter acquired by Mortgagor for use in connection with the Land and the development of the Land and all additional lands and estates therein which may, from time to time, by supplemental mortgage or otherwise be expressly made subject to the lien of this Mortgage;

(c) **IMPROVEMENTS AND EASEMENTS.** All buildings, structures, fixtures, additions, enlargements, extensions, modifications, repairs, replacements and improvements now or hereafter erected or located on the Land, together with all easements, rights-of-way or use, rights, strips and gores of land, streets, ways, alleys, passages, sewer rights, water, water courses, water rights and powers, air rights and development rights, and all estates, rights, titles, interests, privileges, liberties, servitudes, tenements and appurtenances of any nature whatsoever, in any way now or hereafter belonging, relating or pertaining to the Land or the Improvements and the reversion and reversions, remainder and remainders, and all land lying in the bed of any street, road or avenue, opened or proposed, in front of or adjoining the Land to the center line thereof, and all the estates, rights, titles, interests, dower and rights of dower, courtesy and rights of courtesy, property, possession, claim and demand whatsoever, both at law and in equity, of Mortgagor of, in and to the Land and the Improvements and every part and parcel thereof, with the appurtenances thereto;

(d) **CONDEMNATION AWARDS.** All awards or payments, including interest thereon, which may heretofore and hereafter be made with respect to the Property, whether from the exercise of the right of eminent domain (including, without limitation, any transfer made in lieu of or in anticipation of the exercise of the right), or for a change of grade, or for any other injury to or decrease in the value of the Property;

(e) **INSURANCE PROCEEDS.** All insurance proceeds in respect of the Property under insurance policies covering the Property, including, without limitation, the right to receive and apply the proceeds of any insurance, judgments, or settlements made in lieu thereof, for damage to the Property;

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- (f) **TAX CERTIORARI.** All refunds, rebates or credits in connection with a reduction in real estate taxes and assessments charged against the Property as a result of tax certiorari or any applications or proceedings for reduction, whether arising or accruing before or after the date hereof;
- (g) **RIGHTS.** The right, in the name and on behalf of Mortgagor, to appear in and defend any action or proceeding brought with respect to the Property and to commence any action or proceeding to protect the interest of Lender in the Property;
- (h) **AGREEMENTS.** All agreements, contracts, certificates, instruments, franchises, permits, licenses, plans, specifications and other documents, now or hereafter entered into, and all rights therein and thereto, respecting or pertaining to the use, occupation, construction, management or operation of the Land and any part thereof and any Improvements or respecting any business or activity conducted on the Land and any part thereof and all right, title and interest of Mortgagor therein and thereunder, including, without limitation, the right, upon the happening of any default hereunder, to receive and collect any sums payable to Mortgagor thereunder;
- (i) **ACCOUNTS.** All deposits, reserves, escrows and accounts of Mortgagor made with or for the benefit of Lender under any of the Loan Documents; and
- (j) **TRADEMARKS.** All tradenames, trademarks, servicemarks, logos, copyrights, goodwill, signage, books and records and all other general intangibles relating to or used in connection with the operation of the Property;
- (k) **FIXTURES AND PERSONAL PROPERTY.** All machinery, equipment as such term is defined in Article 9 of the Uniform Commercial Code, fixtures (including, without limitation, all heating, air conditioning, plumbing, lighting, communications and elevator fixtures) and other property of every kind and nature whatsoever owned by Mortgagor, or in which Mortgagor has or shall have an interest, now or hereafter located upon the Land or the Improvements, or appurtenant thereto, and usable in connection with the present or future operation and occupancy of the Land or the Improvements and all building equipment, materials and supplies of any nature whatsoever owned by Mortgagor, or in which Mortgagor has or shall have an interest, now or hereafter located upon the Land or the Improvements, or appurtenant thereto, or usable in connection with the present or future operation and occupancy of the Land or the Improvements (collectively, the "Personal Property"), and all proceeds and products of the above;
- (l) **LEASES AND RENTS.** All leases, subleases and other agreements affecting the use, enjoyment or occupancy of all or any portion of the Land or the Improvements heretofore or hereafter entered into ("Leases"), whether before or after the filing by or against Mortgagor of any petition for relief under the Bankruptcy Code, and all right, title and interest of Mortgagor, its successors and assigns therein and thereunder, including, without limitation, cash or other collateral deposited to secure the performance by the lessees of their obligations thereunder; and all rents, additional rents, revenues, issues and profits (including all oil and gas or other mineral royalties and bonuses) from the Land and the Improvements, whether paid or accruing before or after the filing by or against Mortgagor of any petition for relief under the Bankruptcy Code ("Rents") and all proceeds from the sale or other disposition of the Leases and the right to receive and apply the Rents;
- (m) **OTHER RIGHTS; REPLACEMENTS AND CONVERSIONS.** Any and all other rights of Mortgagor in and to the items set forth in this Section 1.1 herein and all renewals, substitutions, improvements, accessions, attachments, additions, replacements and all proceeds (whether cash or

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non-cash, movable or immovable, tangible or intangible) to or of each of the items set forth in this Section 1.1 herein, including without limitation, all insurance proceeds and condemnation awards, and all conversions of the security constituted thereby (whether voluntary or involuntary and in whatever form).

1.2 **ASSIGNMENT OF RENTS.** Mortgagor hereby absolutely and unconditionally assigns to Lender Mortgagor's right, title and interest in and to all current and future Leases and Rents; it being intended by Mortgagor that this assignment constitutes a present, absolute assignment and not an assignment for additional security only. Nevertheless, subject to the terms of this Section 1.2, Lender grants to Mortgagor a revocable license to collect and receive the Rents. Mortgagor shall hold a sufficient portion of the Rents in trust for the benefit of Lender to discharge all current sums due on the Debt.

1.3 **SECURITY AGREEMENT; FIXTURE FILING.** This Security Instrument is both a real property mortgage and a "security agreement" within the meaning of the Uniform Commercial Code as adopted and enacted by the State of Illinois (as amended, modified or replaced from time to time, the "UCC"). The Property includes both real and personal property and all other rights and interests, whether tangible or intangible in nature, of Mortgagor in the Property. Mortgagor hereby grants to Lender, as security for the Obligations, a security interest in the Property to the full extent that the Property may be subject to the UCC (said portion of the Property so subject to the UCC, the "UCC Collateral"). Mortgagor hereby irrevocably appoints Lender as its attorney-in-fact coupled with an interest, to file with the appropriate public office on its behalf any financing, continuation or other statements signed only by Lender, as secured party, in connection with the UCC Collateral. From the date of its recording, this Security Instrument further constitutes a financing statement filed as a fixture filing and covers goods which are or are to become fixtures on the Property. For this purpose, Mortgagor is the "Debtor," and its name and mailing address are set forth in the preamble of this Security Instrument. Lender is the "Secured Party," and its name and mailing address also are set forth in the preamble of this Security Instrument. This document covers goods which are or are to become fixtures and personal property. The statement describing the portion of the Property comprising the fixtures and personal property secured hereby is set forth as Section 1.1(k) of this Security Instrument.

CONDITIONS TO GRANT

To have and to hold the above granted and described Property unto and to the use and benefit of Lender, and the successors and assigns of Lender, forever for the purposes and uses set forth herein.

Provided, however, these presents are upon the express condition that, if Mortgagor shall well and truly pay to Lender the Debt at the time and in the manner provided in the Note and this Security Instrument, shall well and truly perform the other Obligations as set forth in this Security Instrument and shall well and truly abide by and comply with each and every covenant and condition set forth herein, in the Note and in the other Loan Documents, these presents and the estate hereby granted shall cease, terminate and be void.

ARTICLE II DEBT AND OBLIGATIONS SECURED

2.1 **DEBT.** This Mortgage and the grants, assignments and transfers made herein are given for the purpose of securing the Indebtedness.

2.2 **OBLIGATIONS.** This Mortgage and the grants, assignments and transfers made herein are also given for the purpose of securing the performance of the following (collectively the "Obligations"): (a) all other obligations of the Mortgagor under this Mortgage, (b) each obligation of Mortgagor contained in the

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Mortgage, Note, and all other documents given to Lender to further evidence, secure or guarantee the Secured Indebtedness, if any, (collectively, and as amended, modified or extended, the "Loan Documents"), and (c) each obligation of Mortgagor contained in any renewal, extension, amendment, modification, consolidation or substitution or replacement for the Note or any other Loan Documents.

ARTICLE III MORTGAGOR'S COVENANTS

3.1 **PAYMENT OF PRINCIPAL AND INTEREST.** Mortgagor shall promptly pay or cause to be paid when due all Secured Indebtedness.

3.2 **LIENS, TAXES AND ASSESSMENTS.** Mortgagor shall keep the Property free from mechanics' and all other encumbrances and liens, except statutory liens for real estate taxes not yet due and payable. Mortgagor shall pay or cause to be paid when due all impositions and water, sewer and other charges, fines and impositions attributable to the Property. Mortgagor shall pay, in full, but under protest in the manner provided by Statute, any tax or assessment Mortgagor desires to contest.

3.3 **INSURANCE.**

(a) Mortgagor shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire and extended coverage insurance (including, without limitation, tornado, windstorm, earthquake, explosion, flood and such other risks usually insured against by owners of like properties) on the Property in an amount not less than one hundred percent (100%) of the full insurable value of the Property. Mortgagor shall also maintain such other insurance relating to the Property and the use and operation thereof, if required by Lender, from time to time, including but not limited to flood insurance, pursuant to a designation of the area in which the Property is located as flood prone or a flood risk area, as defined by the Flood Disaster Protection Act of 1973, as amended, in an amount to be determined by the Lender from time to time, when appropriate, as well as comply with any additional requirements of the National Flood Insurance Program as set forth in said Act.

(b) All such insurance shall be written by companies and on forms with endorsements satisfactory to Lender, all naming Lender as an additional party insured with suitable lender's loss-payable and standard non-contribution mortgagee clauses in favor of Lender. Certified copies of the policies evidencing the same shall be kept constantly deposited with Lender. All said policies shall provide for thirty (30) days prior written notice to Lender of the expiration of any such policy, and a certified copy of an appropriate renewal policy shall be deposited with Lender. Lender is authorized to make claim for, adjust and settle all insured losses, to collect all insurance proceeds and apply them, at its option, to the reduction of the Indebtedness hereby secured, whether due or not then due. Lender may, at its option and subject to such terms and conditions determined by Lender, in its sole discretion, allow Mortgagor to use such money, or any part thereof, in repairing the damage or restoring the improvements.

(c) Mortgagor shall notify Lender, in writing, of any loss to the Property covered by insurance, and Mortgagor hereby directs each insurance company to make payment for such loss directly and solely to Lender; and Mortgagor agrees that any payment which is delivered, for any reason, to Mortgagor shall be held in trust for Lender and promptly delivered in the form received (except for any necessary endorsements thereof) to Lender.

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3.4 **CONDEMNATION AWARDS AND INSURANCE PROCEEDS.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid directly to Lender. Mortgagor further assigns to Lender all proceeds of any insurance policies against loss or damage to the Property. Mortgagor authorizes Lender to collect and receive such proceeds and authorizes the issuer of each such insurance policy to make payment for all losses directly to Lender, instead of to Mortgagor and Lender jointly. Mortgagor hereby grants a security interest to Lender in and to such proceeds. Lender is authorized to collect such proceeds and, at Lender's sole option and discretion, to apply said proceeds either to restoration or repair of the Property or in payment of the Secured Indebtedness.

3.5 **USE, PRESERVATION AND MAINTENANCE OF PROPERTY.** Mortgagor shall keep the Property in good condition and repair and shall not commit waste or permit impairment or deterioration of the Property. Mortgagor shall promptly restore or rebuild any buildings or improvements now or hereafter on the Property which may become damaged or destroyed. Mortgagor shall comply with all requirements of law or municipal ordinances with respect to the use, operation, and maintenance of the Property, including all environmental, health and safety laws and regulations. Mortgagor shall not grant or permit any easements, licenses, covenants or declarations of use against the Property. If this Mortgage is on a unit in a condominium or a planned unit development, Mortgagor shall perform all of Mortgagor's obligations under the declaration of covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents.

ARTICLE IV DEFAULT AND REMEDIES

4.1 **EVENT OF DEFAULT.** Each of the following shall constitute an event of default ("Event of Default") under this Mortgage:

- (a) Mortgagor's failure to pay any amount due herein or secured hereby, or any installment of principal or interest when due and payable whether at maturity or by acceleration or otherwise under the Note, this Mortgage, or any other Loan Document, which failure continues for more than five (5) days after written notice from Lender; provided, however, that such five (5) day cure period shall not apply to the other sub-paragraphs of this Paragraph 4;
- (b) Mortgagor's failure to perform or observe any other covenant, agreement, representation, warranty or other provision contained in the Note, this Mortgage (other than an Event of Default described elsewhere in this Paragraph 4) and such failure continues for a period of twenty-one (21) days after the earlier of Mortgagor's becoming aware of such failure or the effective date of notice thereof given by Lender to Mortgagor; provided, however, that this grace period shall not apply to the other sub-paragraphs of this Paragraph 4;
- (c) The occurrence of any breach of any representation or warranty contained in this Mortgage or any other Loan Document;
- (d) A Prohibited Transfer (as hereinafter defined) occurs;
- (e) A court having jurisdiction shall enter a decree or order for relief in respect of Mortgagor, in any involuntary case brought under any bankruptcy, insolvency, debtor relief, or similar law; or if Mortgagor, shall: (i) file a voluntary petition in bankruptcy, insolvency, debtor relief or for arrangement, reorganization or other relief under the Federal Bankruptcy Act or any similar state or

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federal law; (ii) consent to or suffer the appointment of or taking possession by a receiver, liquidator, or trustee (or similar official) of the Mortgagor or for any part of the Property or any substantial part of the Mortgagor's other property; (iii) make any assignment for the benefit of Mortgagor's creditors; (iv) fail generally to pay Mortgagor's debts as they become due;

(f) All or a substantial part of Mortgagor's assets are attached, seized, subjected to a writ or distress warrant, or are levied upon;

(g) This Mortgage shall not constitute a valid lien on and security interest in the Property (subject only to the Permitted Encumbrances), or if such lien and security interest shall not be perfected;

(h) The Property is abandoned;

(i) An indictment or other charge is filed against the Mortgagor, in any jurisdiction, under any federal or state law, for which forfeiture of the Property or of which other funds, property or other assets of Mortgagor or Lender is a potential penalty; or

(j) The death, incompetency, bankruptcy, insolvency of Mortgagor.

4.2 **PROHIBITED TRANSFER.** It shall be an immediate default if, without the prior written consent of Lender, which consent may be granted or withheld at Lender's sole discretion, Mortgagor shall create, effect or consent to or shall suffer or permit any conveyance, sale (including an installment sale), assignment, transfer, lien, pledge, hypothecation, mortgage, security interest, or other encumbrance or alienation, whether by operation of law, voluntarily or otherwise, (collectively "Prohibited Transfer") of (1) the Property or any part thereof or interest therein; or (2) all or a portion of the beneficial interest of Mortgagor or the power of direction. In the event of such default, Lender, at its sole option, may declare the entire unpaid balance, including interest, immediately due and payable.

4.3 **REMEDIES.** Upon the occurrence of any Event of Default, Mortgagor agrees that Lender may take such action, without notice or demand, as it deems advisable to protect and enforce its rights against Mortgagor and in and to the Property, including, without limitation, the following actions, each of which may be pursued concurrently or otherwise, at such time and in such order as Lender may determine, in its sole discretion, without impairing or otherwise affecting the other rights and remedies of Lender:

(a) declare the entire unpaid Debt to be immediately due and payable;

(b) institute proceedings, judicial or otherwise, for the complete foreclosure of this Mortgage under any applicable provision of law in which case the Property or any interest therein may be sold for cash or upon credit in one or more parcels or in several interests or portions and in any order or manner;

(c) to the extent permitted and pursuant to the procedures provided by Applicable Law, institute proceedings for the partial foreclosure of this Security Instrument for the portion of the Debt then due and payable, subject to the continuing lien and security interest of this Security Instrument for the balance of the Debt not then due, unimpaired and without loss of priority;

(d) sell for cash or upon credit the Property or any part thereof and all estate, claim, demand, right, title and interest of Mortgagor therein and rights of redemption thereof, pursuant to

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power of sale or otherwise, at one or more sales, as an entity or in parcels, at such time and place, upon such terms and after such notice thereof as may be required or permitted by law;

(e) institute an action, suit or proceeding in equity for the specific performance of any covenant, condition or agreement contained herein, in the Note, or in any other Loan Documents;

(f) recover judgment on the Note either before, during or after any proceedings for the enforcement of this Security Instrument or the Other Security Documents;

(g) apply for the appointment of a receiver, trustee, liquidator or conservator of the Property, without notice and without regard for the adequacy of the security for the Debt and without regard for the solvency of Mortgagor, any Guarantor or of any person, firm or other entity liable for the payment of the Debt;

(h) exercise immediately and without demand any and all rights and remedies granted to a secured party upon default under the UCC, including, without limitation, to the extent permitted by applicable Law: (i) the right to take possession of the UCC Collateral or any part thereof, and to take such other measures as Lender may deem necessary for the care, protection and preservation of the UCC Collateral, and (ii) request Mortgagor at its expense to assemble the UCC Collateral and make it available to Lender at a convenient place acceptable to Lender. Any notice of sale, disposition or other intended action by Lender with respect to the UCC Collateral sent to Mortgagor in accordance with the provisions hereof at least ten (10) days prior to such action shall constitute commercially reasonable notice to Mortgagor. Any disposition pursuant to the UCC of so much of the Property as may constitute UCC Collateral shall be considered commercially reasonable if made pursuant to a public sale which is advertised at least twice in a newspaper in which sheriffs' sales are advertised in the county where the Land is located. The proceeds of any disposition of the UCC Collateral, or any part thereof, may be applied by Lender to the payment of the Obligations in such priority and proportions as Lender in its discretion shall deem proper;

(i) apply or set-off any sums then deposited and any other sums held in reserve or otherwise by Lender in accordance with the terms of this Security Instrument or any other Loan Document, together with interest thereon, to the payment of the following items in any order in its uncontrolled discretion; (i) Taxes and Other Charges; (ii) Insurance Premiums; (iii) interest on the unpaid principal balance of the Note; (iv) amortization of the unpaid principal balance of the Note; (v) all other sums payable pursuant to any of the Loan Documents, including, without limitation, advances made by Lender pursuant to the terms of this Security Instrument;

(j) pursue such other remedies as Lender may have under applicable law.

Any amounts disbursed by Lender pursuant to this Paragraph 4.3 shall be a part of the Secured Indebtedness and shall bear interest at the default interest rate provided in the Note (the "Default Rate"). Nothing contained in this Paragraph 4.3 shall require Lender to incur any expense or take any action hereunder, and inaction by Lender shall never be considered a waiver of any right accruing to Lender on account of this Paragraph 4.3.

4.4 ACCELERATION OF REMEDIES. AT ANY TIME AFTER AN EVENT OF DEFAULT, LENDER, AT LENDER'S OPTION, MAY DECLARE ALL SUMS SECURED BY THIS MORTGAGE AND THE NOTE TO BE IMMEDIATELY DUE AND PAYABLE WITHOUT FURTHER DEMAND AND MAY FORECLOSE THIS MORTGAGE BY JUDICIAL PROCEEDING. LENDER SHALL BE ENTITLED TO COLLECT IN SUCH PROCEEDING ALL EXPENSES OF FORECLOSURE, INCLUDING, BUT NOT LIMITED TO, REASONABLE ATTORNEYS' FEES AND

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COSTS INCLUDING ABSTRACTS AND TITLE REPORTS, ALL OF WHICH SHALL BECOME A PART OF THE SECURED INDEBTEDNESS AND IMMEDIATELY DUE AND PAYABLE, WITH INTEREST AT THE DEFAULT RATE. THE PROCEEDS OF ANY FORECLOSURE SALE OF THE PROPERTY SHALL BE APPLIED AS FOLLOWS: FIRST, TO ALL COSTS, EXPENSES AND FEES INCIDENT TO THE FORECLOSURE PROCEEDINGS; SECOND, AS SET FORTH IN PARAGRAPH 3 OF THIS MORTGAGE; AND THIRD, ANY BALANCE TO MORTGAGOR OR AS A COURT MAY DIRECT.

ARTICLE V WAIVERS

5.1 MARSHALLING AND OTHER MATTERS. Borrower hereby waives, to the extent permitted by law, the benefit of all appraisal, valuation, stay, extension, reinstatement and redemption laws now or hereafter in force and all rights of marshalling in the event of any sale hereunder of the Property or any part thereof or any interest therein. Further, Borrower hereby expressly waives any and all rights of redemption from sale under any order or decree of foreclosure of this Security Instrument on behalf of Borrower, and on behalf of each and every person acquiring any interest in or title to the Property subsequent to the date of this Security Instrument and on behalf of all persons to the extent permitted by applicable Law.

5.2 WAIVER OF NOTICE. Borrower shall not be entitled to any notices of any nature whatsoever from Lender except with respect to matters for which this Security Instrument specifically and expressly provides for the giving of notice by Lender to Borrower and except with respect to matters for which Lender is required by Illinois Law to give notice, and Borrower hereby expressly waives the right to receive any notice from Lender with respect to any matter for which this Security Instrument does not specifically and expressly provide for the giving of notice by Lender to Borrower.

5.3 WAIVER OF STATUTE OF LIMITATIONS. To the fullest extent permitted by law, Borrower hereby expressly waives and releases the pleading of any statute of limitations as a defense to payment of the Debt or performance of its other Obligations.

5.4 WAIVER OF COUNTERCLAIM. BORROWER HEREBY KNOWINGLY WAIVES THE RIGHT TO ASSERT ANY COUNTERCLAIM, OTHER THAN A COMPULSORY OR MANDATORY COUNTERCLAIM, IN ANY ACTION OR PROCEEDING BROUGHT AGAINST BORROWER BY LENDER OR ITS AGENTS.

5.5 WAIVER OF FORECLOSURE DEFENSE. Borrower hereby waives any defense Borrower might assert or have by reason of Lender's failure to make any tenant or lessee of the Property a party defendant in any foreclosure proceeding or action instituted by Lender.

5.6 WAIVER OF RIGHT OF RIGHT OF REDEMPTION. To the full extent permitted by law, Mortgagor hereby covenants and agrees that it will not at any time insist upon or plead, or in any manner whatsoever claim or take any advantage of, any stay, exemption or extension law or any so-called "Moratorium Law" nor or at any time hereafter in force, nor claim, take or insist upon any benefit or advantage of or from any law now or hereafter in force providing for the valuation or appraisal of the Property, or any part thereof, prior to any sale or sales thereof to be made pursuant to any provisions herein contained, or to any decree, judgment or order of any court of competent jurisdiction; or after such sale or sales claim or exercise any rights under any statute now or hereafter in force to redeem the property so sold, or any part thereof, or relating to the marshalling thereof, upon foreclosure sale or other enforcement hereof. To the full extent permitted by law, Mortgagor hereby expressly waives any and all right or redemption from sale under any order or decree of foreclosure of this Mortgage, on its own behalf, on behalf of all persons claiming or having

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in interest (direct or indirect) by, through or under Mortgagor and on behalf of each and every person acquiring any interest in or title to the Property subsequent to the date hereof, it being the intent hereby that any and all such right of redemption of Mortgagor, and of all other persons, are and shall be deemed to be hereby waived to the full extent permitted by applicable law. To the full extent permitted by law, Mortgagor agrees that it will not, by involving or utilizing any applicable law or laws or otherwise, hinder, delay or impede the exercise of any right, power or remedy herein or otherwise granted or delegated to Lender, but will suffer and permit the exercise of every such right, power and remedy as through no such law or laws have been or will have been made or enacted. To the full extent permitted by law, Mortgagor hereby agrees that no action for the enforcement of the lien or any provision hereof shall be subject to any defense which would not be good and valid in an action at law upon the Note.

5.7 WAIVER OF JURY TRIAL. BORROWER AND LENDER, TO THE FULL EXTENT PERMITTED BY LAW, EACH HEREBY KNOWINGLY, INTENTIONALLY AND VOLUNTARILY, WITH AND UPON THE ADVICE OF COMPETENT COUNSEL, WAIVES, RELINQUISHES AND FOREVER FORGOES HEREBY THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING, INCLUDING, WITHOUT LIMITATION, ANY TORT ACTION, BROUGHT BY ANY OF THEM AGAINST THE OTHER BASED UPON, ARISING OUT OF, OR IN ANY WAY RELATING TO OR IN CONNECTION WITH SUCH INSTRUMENT, THE LOAN OR ANY COURSE OF CONDUCT, ACT, OMISSION, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN), OR ACTIONS OF ANY PERSON (INCLUDING, WITHOUT LIMITATION, SUCH PERSON'S DIRECTORS, OFFICERS, PARTNERS, MEMBERS, EMPLOYEES, AGENTS OR ATTORNEYS, OR ANY OTHER PERSONS AFFILIATED WITH SUCH PERSON), IN CONNECTION WITH THE LOAN OR SUCH INSTRUMENT, INCLUDING, WITHOUT LIMITATION, IN ANY COUNTERCLAIM WHICH BORROWER MAY BE PERMITTED TO ASSERT THEREUNDER OR WHICH MAY BE ASSERTED BY LENDER OR ITS AGENTS AGAINST BORROWER, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE. THIS WAIVER BY BORROWER OF ITS RIGHT TO A JURY TRIAL IS A MATERIAL INDUCEMENT FOR LENDER TO MAKE THE LOAN.

ARTICLE VI GENERAL PROVISIONS

6.1 APPLICATION OF PAYMENTS. Unless prohibited by applicable law, all payments received by Lender under this Mortgage, the Note, or any other Loan Documents shall be applied by Lender first to any sums advanced by Lender pursuant to Paragraph 4.3 to protect the security of this Mortgage, then to interest payable on the Note, and then to Note principal (and if principal is due in installments, application shall be to such installments in the inverse order of their maturity).

6.2 APPLICATION OF PROCEEDS. The proceeds of any disposition of the Property, or any part thereof, or any other sums collected by Lender pursuant to the Loan Documents, may be applied by Lender to the payment of the Debt in such priority and proportions as Lender in its discretion shall deem proper.

6.3 DISPOSITION OF LESS THAN WHOLE PROPERTY. In the event of a sale, by foreclosure, power of sale, or otherwise, of less than all of the Property, this Mortgage shall continue as a lien and security interest on the remaining portion of the Property unimpaired and without loss of priority.

6.4 MORTGAGOR NOT RELEASED; FORBEARANCE BY LENDER NOT A WAIVER; REMEDIES CUMULATIVE. Any extension or other modification granted by Lender to any successor in interest of Mortgagor of the time for payment of all or any part of the Secured indebtedness shall not operate to release, in

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any manner, Mortgagor's liability. Any forbearance or inaction by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the later exercise of any such right or remedy. Any acts performed by Lender to protect the security of this Mortgage, as authorized by Paragraph 6 or otherwise, shall not be a waiver of Lender's right to accelerate the maturity of the Indebtedness. All remedies provided in this Mortgage are distinct and cumulative to any other right or remedy under this Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively. No consent or waiver by Lender to or of any breach or default by Mortgagor shall be deemed a consent or waiver to or of any other breach or default.

6.5 SUCCESSORS AND ASSIGNS BOUND; JOINT AND SEVERAL LIABILITY; CO-SIGNERS. The covenants and agreements contained herein shall bind, and the rights hereunder shall inure to, the respective heirs, executors, legal representatives, successors and permitted assigns of Lender and Mortgagor. If this Mortgage is executed by more than one Mortgagor, each Mortgagor shall be jointly and severally liable hereunder.

6.6 NOTICE. Except for any notice required under applicable law to be given in another manner, any notices required or given under this Mortgage shall be given by hand delivery, by nationally recognized overnight courier service or by certified mail, return receipt requested. Notices shall be given to both Mortgagor and Lender at the address above. Notices shall be deemed to have been given and effective on the date of delivery, if hand-delivered, the next business day after delivery to the nationally recognized overnight courier service if by such courier service, or two (2) days after the date of mailing shown on the certified receipt, if mailed. Any party hereto may change the address to which notices are given by notice as provided herein.

6.7 GOVERNING LAW; SEVERABILITY. The state and local laws applicable to this Mortgage shall be the laws of the State of Illinois and Cook County. The foregoing sentence shall not limit the applicability of Federal law to this Mortgage. In the event that any provision or clause of this Mortgage, the Note or any of the other Loan Documents conflicts with applicable law, or is adjudicated to be invalid or unenforceable, the same shall not affect other provisions of this Mortgage, the Note or any of the other Loan Documents which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage, the Note or any of the other Loan Documents are declared to be severable and the validity or enforceability of the remainder of the Loan Document in question shall be construed without reference to the conflicting, invalid or unenforceable clause or provision.

6.8 RELEASE. Upon payment of all Secured Indebtedness, Lender shall release this Mortgage upon payment by Mortgagor of all costs and fees to release same, if any. Mortgagor shall be responsible for recording the release, including all related costs of recordation.

6.9 INTERPRETATION. This Mortgage shall be construed pursuant to the laws of the State of Illinois. The headings of sections and paragraphs in this Mortgage are for convenience only and shall not be construed in any way to limit or define the content, scope, or intent of the provisions. The use of singular and plural nouns, and masculine, feminine, and neuter pronouns, shall be fully interchangeable, where the context so requires. If any provision of this Mortgage, or any paragraph, sentence, clause, phrase or word, or the application thereof, in any circumstances, is adjudicated to be invalid, the validity of the remainder of this Mortgage shall be construed as if such invalid part were never included. Time is of the essence of the payment and performance of this Mortgage.

6.10 COMPLIANCE WITH ILLINOIS MORTGAGE FORECLOSURE LAW. If any provision in this Mortgage shall be inconsistent with any provision of the Illinois Mortgage Foreclosure Law (735 ILCS 5/15-

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1101 et.seq. of the Illinois Compiled Statutes), as the same may be amended from time to time (the "Act"), the provisions of the Act shall take precedence over the Mortgage provisions, but shall not invalidate or render unenforceable any other Mortgage provision that can be construed in a manner consistent with the Act. If any Mortgage provision shall grant to Lender any rights or remedies upon Mortgagor's default which are more limited than the rights that would otherwise be vested in Lender under the Act in the absence of such provision, Lender shall be vested with the rights granted in the Act to the full extent permitted by law. Without limiting the generality of the foregoing, all expenses incurred by Lender to the extent reimbursable under Sections 15-1510 and 15-1512 of the Act, whether incurred before or after any decree or judgment of foreclosure, and whether or not enumerated in this Mortgage, shall be added to the Indebtedness secured by this Mortgage or by the judgment of foreclosure.

6.11 **BUSINESS LOAN.** Borrower hereby represents, warrants and agrees that: (a) the Loan constitutes a commercial transaction governed by Illinois law [815 ILCS 205/4(1)(a) or (c) (1992 State Bar Edition) of the Illinois Compiled Statutes] and thus is not usurious or illegal and the defense of usury is hereby waived; and (b) the proceeds of the Loan will not be used for the purchase of registered equity securities within the purview of Regulation "U" issued by the Board of Governors of the Federal Reserve System.

[SIGNATURE PAGE FOLLOWS]

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EXHIBIT A

LEGAL DESCRIPTION

LOT 33 IN THE HULBERT FULLERTON AVENUE HIGHLANDS SUBDIVISION NUMBER 8, BEING A SUBDIVISION OF THE WEST ½ OF THE SOUTHEAST QUARTER OF SECTION 28, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Property Address: 5138 West Parker Avenue, Chicago, Illinois 60639

PINs: 13-28-400-025-0000

Property of Cook County Clerk's Office