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Account No. 999916975006 By. Nikki Owens

GLENVIEW, [illegible]

$23.00

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MORTGAGE TO SECURE AN OPEN-END CREDIT ACCOUNT

THIS MORTGAGE TO SECURE AN OPEN-END CREDIT ACCOUNT (herein "Mortgage") is made this 27th day of December, 1985 by and between MARTIN W. ELLIS and MARTHA J. ELLIS, Husband and Wife (herein "Borrower") and GLENVIEW STATE BANK, an Illinois corporation, whose address is 800 Waukegan Road, Glenview, Illinois 60025 (herein "Lender").

WHEREAS, Borrower is indebted to Lender under an Open-End Credit Account Variable Interest Rate Promissory Note dated December 27, 1985 (herein "Note") with a credit limit of ------------------------ --TWENTY FIVE THOUSAND AND NO/100------- Dollars ($25,000.00) (a minimum amount of $5,000.00), of which an initial advance of xxxxxxxxxxx xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxDollars ($xxxxxxxxxxxx) has been made and against which Borrower may draw and Lender is obligated to make advances from time to time to the full amount thereof. Repayments of sums advanced from time to time will replenish the credit limit pro tanto so that the total amount that may be lent under the Note may exceed the credit limit thereof but not at any one time. The Note provides for monthly installments of interest, at the rate set forth in the Note with the principal balance of the indebtedness, if not sooner paid or required to be paid, due on payable twenty (20) years from the date hereof.

Borrower, in consideration of the indebtedness herein recited, does hereby mortgage, grant, warrant and convey (unless Borrower is a Trust, in which event Borrower does hereby mortgage, grant, quitclaim and convey) unto Lender and its successors and assigns, the following described property located in the Village of Niles, County of Cook, State of Illinois:

Lot 61 of Chesterfield Golden Estates being a subdivision of a part of the West half of the Southeast quarter of fractional Section 11, Township 41 North, Range 12, East of the Third Principal Meridian, according to plat thereof recorded March 14, 1961 as document No. 18108777, in Cook County, Illinois.

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which has the address of 9856 Huber Lane, Niles, Illinois 60648 (herein "Property Address"). X

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances after-acquired title or reversion in and to the beds of ways, streets, avenues and alleys adjoining the Property, and rents (subject however to the rights and authorities given herein to Lender to collect and apply such rents), royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, insurance and condemnation proceeds, and all fixtures now or hereafter attached to the property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said property (or the leasehold estate if this Mortgage is on a leasehold) are hereinafter referred to as the "Property"; as to any property which does not constitute a fixture (as such term is defined in

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the Uniform Commercial Code), this Mortgage is hereby deemed to be, as well, a Security Agreement under the UCC for the purpose of creating a security interest in such property, which Borrower hereby grants to Lender as Secured Party (as such term is defined in the UCC); and notwithstanding anything to the contrary herein, the Property shall include all of Borrower's right, title, and interest in and to the real property described above, whether such right, title, and interest is acquired before or after execution of this Mortgage. Specifically, and without limitation of the foregoing, if this Mortgage is given with respect to a leasehold estate held by Borrower, and Borrower subsequently acquires a fee interest in the real property, the lien of this Mortgage shall attach to and include the fee interest acquired by Borrower.

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

Borrower covenants that Borrower is the lawful owner of the estate in land hereby conveyed and has the right to grant, convey and mortgage the Property, and that the Property is unencumbered except for that certain Mortgage or Deed of Trust in favor of First Mutual Savings Association dated 6/01/64 and recorded/~~registered~~ 6/02/64 as Document No. 19142893 in the Office of the Recorder of Deeds/~~Registrar of Titles~~, Cook County, Illinois. Borrower (unless Borrower is a Trust) covenants that Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record. Borrower covenants that Borrower will neither take nor permit any action to partition or subdivide the Property or otherwise change the legal description of the Property or any part thereof, or change in any way the condition of title of the Property or any part thereof.

THIS MORTGAGE IS GIVEN TO SECURE: (i) the repayment of the revolving line of credit indebtedness evidenced by the Note; (ii) the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage; and (iii) the performance of the covenants and agreements of Borrower contained herein and in the Note, and, if title to the Property is held by a Trust, in the Security Agreement To Secure An Open-End Credit Account (the "Security Agreement") of even date herewith. The Note, the Security Agreement, this Mortgage and any and all instruments now or hereafter given to evidence or secure the indebtedness evidenced by the Note are collectively referred to herein as the "Credit Documents." The Credit Documents contemplate, and this Mortgage permits and secures, future advances.

Borrower acknowledges that the Note calls for a variable interest rate, and that the Lender may, prior to the expiration of the term of the Note, cancel future advances thereunder and/or require repayment of the outstanding balance under the Note. In this regard, the Note provisions set forth verbatim below relate to the variable interest rate and the Lender's option to require repayment prior to expiration of the term of the Note or to cancel future advances for reasons other than default by the Borrower.

The first three paragraphs of Paragraph 2 of the Note, entitled "Variable Interest Rate Calculation", provide as follows:

> "Interest on the principal sum of this Note from time to time outstanding will be computed from the date of each advance of principal and will vary based on the principal sum outstanding at the close of each day (the "Closing Balance") and the prime rate (the "Prime Rate") as published in the Money Rates section of the Wall Street Journal for such date. Where the Prime Rate is shown on any day as a range of values, the higher rate indicated for such day shall be the Prime Rate for such day. Should the Prime Rate cease to be quoted in the Wall Street Journal, then the Prime Rate

shall instead be the average of the prime rates announced by the five largest national banks (excluding Lender) measured in total assets or such of them as continue to announce a prime rate. The Closing Balance for any given day shall be determined by taking the Closing Balance from the previous day and adding to it any new advances or charges and subtracting from it any payments or credits made during such day. Interest due hereunder shall be calculated daily based on the Closing Balance for such day and shall be payable at the rate of the Prime Rate plus one percent (1%).

There is no maximum limit to the increases on the interest due hereunder and as the Prime Rate increases so will the interest rate hereunder. On the other hand, decreases in the interest rate hereunder are mandatory as the Prime Rate declines.

Borrower hereby acknowledges that Borrower shall not be provided with advance notice of changes in the Prime Rate or the interest rate due hereunder, except for changes in the method of calculating the interest rate as hereinafter provided. Lender reserves the right to change the method of calculating the interest due hereunder (so long as such change complies with applicable federal or state laws or regulations) with respect to any future advances made under this Note by giving Borrower written notice of such change at least sixty (60) days prior to the effective date set forth in such notice. If Borrower draws on the line of credit after the effective date of such change, Borrower shall be deemed to have accepted the changed terms. If Borrower chooses not to accept the change in the method of calculating the interest, Borrower must notify Lender in writing Such notice must specify Borrower's Open-End Credit Account Number shown above and all unused checks for the Open-End Credit Account must be returned at that time. Upon Lender's receipt of such notice, Borrower's right to future advances will be terminated. Any unpaid principal balance will continue to be governed by the terms in effect prior to the date of such change."

Paragraph 5 of the Note, entitled "CALL OPTION", provides in its entirety as follows:

"Without cause, Lender can either (a) cancel Borrower's right to any future advances under this Note, without requiring accelerated repayment of the outstanding principal balance (that is, "freeze" the line of credit), or (b) cancel Borrower's right to any future advances and also require accelerated payment of the outstanding principal balance plus accrued interest and all other charges (that is, "terminate" the line of credit).

"Lender may freeze or terminate the line of credit pursuant to this Paragraph 5 by giving Borrower written notice of its election to do so. To be effective, the notice must be given at least three (3) business days before or within three (3) business days after either the fifth anniversary date of this Note or any subsequent anniversary date until the final payment date set forth in Paragraph 3 above. The notice must be sent registered or certified mail addressed to Borrower at the Property Address shown below or such other address as Borrower shall have given to Lender. The notice will be deemed to have been given on the date it is deposited in the mail regardless of when Borrower actually receives it.

"If Lender gives such a notice pursuant to this Paragraph 5, Borrower's right to any future advances under the line of credit will expire as of 12:01 a.m., Central time, on the eleventh (11th) calendar day after the notice is given. If the notice specifies that Lender is terminating the line of credit (rather than merely freezing it), Borrower will be obligated to repay the entire outstanding principal balance, and all accrued interest and other

charges, no later than one hundred twenty (120) days after the notice is given. If the notice specifies that Lender is freezing the line of credit (rather than terminating it), Borrower shall not be obligated to repay the outstanding principal balance until the final payment date set forth in Paragraph 3 above; provided, however, that Lender will still have the right, in accordance with the terms of this Note to accelerate the final payment date upon the occurrence of an Event of Default or to give a subsequent notice terminating the line of credit entirely, thus advancing the date principal repayment is due."

COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment and Compliance With Note; Application of Payments.

A. Borrower shall promptly pay when due the principal and interest on the indebtedness evidenced by the Note, together with any late charges or other charges imposed under the Note, and the principal and interest on any Future Advances (as defined in Paragraph 27 below) secured by this Mortgage.

B. Unless applicable law requires otherwise, all payments received under the Note and this Mortgage shall be applied by Lender first in payment of any additional sums owing to lender pursuant to the provisions of the Credit Documents, whether as advances, attorneys' fees (to the extent permitted by law), delinquencies, costs and expenses of exercising rights and remedies granted under the Credit Documents; second, to the payment of any sums due under Paragraph 2 hereof; third, to the payment of interest on the Note; fourth, to the payment of principal of the Note; and then to interest and principal on any Future Advances.

2. Funds for Taxes and Insurance. Subject to applicable law or to a waiver by Lender, Borrower shall pay to Lender on the day monthly installments of interest is payable under the Note, until the Note is paid in full, a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments which may attain priority over this Mortgage, and ground rents on the Property, if any, plus one-twelfth of yearly premium installments for hazard insurance, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof.

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a Federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay said taxes, assessments, insurance premiums and ground rents. Lender may not charge for so holding and applying the Funds, analyzing said account, or verifying and compiling said assessments and bills, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing at the time of execution of this Mortgage that interest on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires such interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds, if any, are pledged as additional security for the sums secured by this Mortgage, and are held by Lender as a creditor and not as a trustee.

If the amount of the Funds held by Lender, together with the future monthly installments of Funds payable prior to the due dates of taxes, assessments, insurance premiums and ground rents, shall exceed the amount required to pay said taxes, assessments, insurance premiums and ground rents as they fall due, such excess shall be, at Borrower's

option, either promptly repaid to Borrower or credited to Borrower on subsequent monthly installments of Funds. If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency within thirty (30) days from the date notice is mailed by Lender to Borrower requesting payment thereof.

Neither Lender nor any institution designated by Lender to hold the Funds shall be liable for any failure to make the payments of insurance premiums, taxes or ground rents unless Borrower, while not in default hereunder, shall have requested Lender or such institution to make application of the Funds to the payment of the applicable insurance premiums, taxes or ground rents, accompanied by the bills for such insurance premiums, taxes or ground rents. Notwithstanding the foregoing, Lender may, at its option, make or cause such institution to make any such application of the Funds without any direction or request to do so by Borrower.

Upon payment in full of all sums secured by this Mortgage, Lender shall promptly refund to Borrower any Funds held by Lender. If under Paragraph 17 hereof the Property is sold or the Property is otherwise acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Mortgage.

3. Prior Encumbrance; Charges; Liens. Borrower shall fully and timely perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement with a lien which has or appears to have any priority over this Mortgage, including Borrower's covenants to make any payments when due. A default under any prior mortgage or deed of trust or other security agreement with a lien which has or appears to have any priority over this Mortgage may at the option of Lender be declared and deemed to be a default under this Mortgage. Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any, in the manner provided under Paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the payee thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph, and in the event Borrower shall make payment directly, Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which may attain priority over this Mortgage (other than any prior first mortgage or deed of trust); provided, that Borrower shall not be required to discharge any such lien so long as Borrower shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender, or shall in good faith contest such lien by, or defend enforcement of such lien in, legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof.

4. Hazard Insurance. Borrower shall, at its cost, keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards (collectively referred to as "Hazards") as Lender may require. Borrower shall maintain Hazard insurance for the entire term of the Note or such other periods as Lender may require and in an amount equal to the lesser of (A) the maximum insurable value of the Property or (B) the amount of the line of credit secured by this Mortgage plus the outstanding amount of any obligation secured in priority over this Mortgage, but in no event shall such amounts be less than the amount necessary to satisfy the coinsurance requirement contained in the insurance policy.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgagee clause in favor of and in a form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has or appears to have any priority over this Mortgage. All premiums on insurance policies shall be paid in the manner provided in Paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the insurance carrier. If Borrower makes the premium payment directly, Borrower shall promptly furnish to Lender all renewal notices and, if requested by Lender, all receipts of paid premiums. If policies and renewals are held by any other person, Borrower shall supply copies of such to Lender within ten (10) calendar days after issuance.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Subject to the rights and terms of any mortgage, deed of trust or other security agreement with a lien which has or appears to have any priority over this Mortgage and unless Borrower and Lender otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Mortgage is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Mortgage would be impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower. Such application shall not cure or waive any default or notice of default under this Mortgage or invalidate any act done pursuant to such notice.

If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender in writing within thirty (30) calendar days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is irrevocably authorized to settle the claim and to collect and apply the insurance porceeds at Lender's sole option either to restoration or repair of the Property or to the sums secured by this Mortgage.

If under Paragraph 17 hereof the Property is acquired by Lender, all right, title and interest of Borrower in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to such sale or acquisition shall become the property of Lender to the extent of the sums secured by this Mortgage immediately prior to such sale or acquisition.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the installments referred to in Paragraphs 1 and 2 hereof or change the amount of such installments.

5. <u>Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments</u>. Borrower shall use, improve and maintain the Property in compliance with applicable laws, statutes, ordinances, orders, requirements, decrees or regulations, shall keep the Property in good condition and repair, including the repair or restoration of any improvements on the Property which may be damaged or destroyed, shall not commit or permit waste or permit impairment or deterioration of the Property, and shall fully and promptly comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or a planned unit development, Borrower shall promptly perform all of Borrower's obligations under the declaration or 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, all as may be amended from time to time. If a condominium or planned unit development rider is executed by Borrower and recorded together with this Mortgage, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider were a part hereof.

6. Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in this Mortgage or in the Credit Documents, or if any action or proceeding is commenced which affects Lender's interest in the Property or the rights or powers of Lender hereunder, including but not limited to eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Lender without demand upon Borrower but upon notice to Borrower pursuant to Paragraph 11 hereof, may, without releasing Borrower from any obligation in this Mortgage, make such appearances, defend the action or proceeding, disburse such sums, including reasonable attorneys' fees, and take such action as Lender deems necessary to protect the security of this Mortgage. If Lender has required mortgage insurance as a condition of making the loan secured by this Mortgage, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

Any amounts disbursed by Lender pursuant to this Paragraph 6, with interest thereon at the rate from time to time in effect under the Note, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree, in writing, to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment therefor and if such are not paid within the time period set forth in such notice, such amounts may be charged by Lender as a draw on the Note. Nothing contained in this Paragraph 6 shall require Lender to incur any expense or take any action hereunder and any action taken shall not release Borrower from any obligation in this Mortgage.

7. Inspection. Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that, except in an emergency, Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Property.

8. Condemnation. The proceeds of any award or claim for damages, 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 to Lender, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage. Borrower agrees to execute such further documents as may be required by the condemnation authority to effectuate this paragraph. In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, there shall be applied to the sums secured by this Mortgage such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Mortgage immediately prior to the date of taking bears to the fair market value of the Property immediately prior to the date of taking, with the balance of the proceeds paid to Borrower.

If the Property is abandoned by Borrower, of if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within thirty (30) days after the date such notice is mailed, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Mortgage.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the installments referred to in Paragraphs 1 and 2 hereof or change the amount of such installments.

9. Borrower Not Released; Forbearance by Lender Not a Waiver. Extension of the time for payment, acceptance by Lender of payments other than according to the terms of the Note, modification in payment terms of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower, or the waiver or failure to exercise any right granted herein or under the Credit Documents shall not operate to release, in any manner, the liability of the original Borrower, Borrower's successors in interest, or any guarantor or surety thereof. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify payment terms of the sums secured by this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest. Lender shall not be deemed, by any act of omission or commission, to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by Lender. Any such waiver shall apply only to the extent specifically set forth in the writing. A waiver as to one event shall not be construed as continuing or as a waiver as to any other event. The procurement of insurance or the payment of taxes, other liens or charges by Lender shall not be a waiver of Lender's right as otherwise provided in this Mortgage to accelerate the maturity of the indebtedness secured by this Mortgage in the event of Borrower's default under this Mortgage or the other Credit Documents.

10. Successors and Assigns Bound; Joint and Several Liability; Co-Signers; Captions. As used herein, the terms "Borrower" and "Lender" shall include their respective heirs, devisees, endorsees, guarantors, sureties, endorsers, legal representatives, successors, assigns and subsequent holders of the Note. All of the terms, covenants, conditions and agreements set forth herein shall be binding upon and inure to the benefit of such parties, except that no rights shall inure to any successor of Borrower unless consented to by Lender as herein provided. Borrower hereby acknowledges that Lender may freely assign or transfer all or any part of Lender's rights hereunder. If one or more person or entity signs this Mortgage, each of them is jointly and severally obligated hereunder. Any Borrower who co-signs this Mortgage, but does not execute the Note, (a) is co-signing this Mortgage only to encumber that Borrower's interest in the Property under the lien and terms of this Mortgage and to release homestead rights if any, (b) is not personally liable on the Note or under this Mortgage, and (c) agrees that Lender and any other Borrower hereunder may agree to extend, modify, forebear, or make any other accommodations with regard to the terms of this Mortgage or the Note, without that Borrower's consent and without releasing that Borrower or modifying this Mortgage as to that Borrower's interest in the Property. The captions and headings of the paragraphs of this Mortgage are for convenience and reference only; they in no way define, limit or construe the scope or intent hereof. In this Mortgage, whenever the context so requires, the neuter shall include the masculine and feminine and the singular shall include the plural, where appropriate.

11. Notices. Except for any notice required under applicable law to be given in another manner: (a) any notice to Borrower provided for in this Mortgage shall be given by hand delivering it to, or by mailing such notice by registered or certified mail addressed to, Borrower at the Property Address or at such other address as Borrower may designate by written notice to Lender as provided herein; and (b) any notice to Lender shall be given by registered or certified mail to Lender at 800 Waukegan Road, Glenview, Illinois 60025 or to such other address as Lender may designate by written notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given on the date hand delivery is actually made or the date notice is

deposited into the U.S. mail system as registered or certified mail addressed as provided in this Paragraph 11.

12. Governing Law; Severability. This Mortgage shall be governed by the laws of the State of Illinois, which laws shall also govern and control the construction, enforceability and interpretation of this Mortgage. The foregoing sentence shall not limit the applicability of federal law to this Mortgage. Every provision hereof is intended to be severable. If any clause, phrase, provision or portion of this Mortgage or the application thereof is determined by a court of competent jurisdiction to be invalid or unenforceable under applicable law, the remaining clauses, phrases, provisions and portions of this Mortgage shall not be affected or impaired thereby, but each such remaining clause, phrase, provision and portion shall be valid and enforceable to the fullest extent permitted by law.

13. Borrower's Copy. Borrower shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution or after recordation hereof.

14. Remedies Cumulative. Lender may exercise all of the rights and remedies provided in this Mortgage and in the Credit Documents, or which may be available to Lender by law, and all such rights and remedies shall be cumulative and concurrent, and may be pursued singly, successively or together, at Lender's sole discretion, and may be exercised as often as occasion therefor shall occur.

15. Events of Default.

A. An Event of Default will occur hereunder upon the expiration of the applicable grace period, if any, after Lender gives Borrower written notice of the breach of Borrower's promises under the Note or any of the Credit Documents and upon Borrower's failure to cure such breach and to provide Lender with evidence reasonably satisfactory to it of such cure, within the applicable grace period, if any. In each case, the grace period begins to run on the day after the notice is given, and expires at 11:59 p.m., Central time, on the last day of the period. All grace periods are expressed in calendar days, not business days. If there is no grace period applicable to a particular type of default, the Event of Default will be complete upon the giving of the notice. Such notice shall be given to Borrower in accordance with Paragraph 11 hereof and shall contain the following information: (1) the nature of Borrower's breach; (2) the action, if any, required or permitted to cure such breach; (3) the applicable grace period, if any, during which such breach must be cured; and (4) whether failure to cure such breach within the specified grace period, if any, will result in acceleration of the sums secured by this Mortgage and the potential foreclosure of this Mortgage. The notice shall further inform Borrower of the right, if any, under applicable law, to reinstate his revolving line of credit under this Mortgage after acceleration.

B. Set forth below is a list of events which, upon the lapse of the applicable grace period, if any, shown parenthetically after such event, will constitute an Event of Default: (1) Borrower fails to pay when due any amounts due under the Credit Documents (thirty (30) day grace period); (2) Lender's receipt of actual knowledge that Borrower omitted material information or made any false or misleading statements on Borrower's credit application (no grace period); (3) Borrower's death or change in marital status and the transfer of Borrower's interest in the Property or, in the event that title to the Property is held by a Trust, the beneficial interest thereof (the "Beneficial Interest") to someone who either is (i) not also a signer of all the Credit Documents (no grace period) or (ii) a signer of all the Credit Documents if such transfer, in Lender's reasonable judgment, materially impairs the security for the line of credit described in the Credit Documents (no grace period); (4) Borrower files for bankruptcy, or bankruptcy proceed-

ings are instituted against Borrower and not dismissed within sixty (60) calendar days, under any provision of any state or federal bankruptcy law in effect at the time of filing (no grace period); (5) Borrower makes an assignment for the benefit of its creditors, becomes insolvent or becomes unable to meet its obligations generally as they become due (no grace period); (6) Borrower further encumbers the Property or the Beneficial Interest, if any, or suffers a lien, claim of lien or encumbrance against the Property or the Beneficial Interest, if any (thirty [30] day grace period in which to remove the lien, claim of lien or encumbrance); (7) Borrower defaults or an action is filed alleging a default under any credit instrument or mortgage evidencing or securing an obligation of Borrower with priority in right of payment over the line of credit described in the Credit Documents or whose lien has or appears to have any priority over the lien hereof (no grace period), or any other creditor of Borrower attempts to (or actually does) seize or obtain a writ of attachment against the Property or the Beneficial Interest, if any (no grace period); (8) Borrower fails to keep any other covenant contained in any of the Credit Documents not otherwise specified in this Paragraph 15 (ten [10] day grace period, unless the failure is by its nature not curable, in which case no grace period or, if another grace period is specified in the Credit Documents, that grace period shall prevail).

16. Transfer of the Property. If Borrower, or any beneficiary of the Trust if Borrower is a Trust, sells, conveys, assigns or transfers, or promises or contracts to sell, convey, assign or transfer, all or any part of the Property or any interest therein, or all or any part of the Beneficial Interest, if any, or amends or terminates any ground leases affecting the Property, or if title to the Property or the Beneficial Interest, if any, or any direct or indirect interest therein, is otherwise sold or transferred, voluntarily or involuntarily, including without limitation sale or transfer in any proceeding for foreclosure or judicial sale of the Property or the Beneficial Interest, if any, in each case without Lender's prior written consent, Lender shall be entitled to immediately accelerate the amounts due under the Note and declare all indebtedness secured by this Mortgage to be immediately due and payable. Failure to pay such indebtedness within thirty (30) days after notice to Borrower of such acceleration shall constitute an Event of Default. Any use or attempted use by Borrower of the revolving line of credit evidenced by the Note after Borrower's sale, transfer, or promise to sell or transfer the Property or the Beneficial Interest, if any, or any direct or indirect interest therein, or amendment or termination of any ground leases affecting the Property, shall constitute a separate Event of Default.

As an alternative to declaring all sums secured by this Mortgage to be immediately due and payable, Lender may waive its option to accelerate and agree in writing, prior to close of the sale or transfer or the promise to sell or transfer, to the transferee's assumption of the outstanding obligation under the Note, on terms satisfactory to Lender, subject to Lender's right, described in Paragraph 5 of the Note, to cancel further advances or accelerate the outstanding balance of the line of credit. Lender's acceptance of the transferee's assumption of the obligation under the Note shall not release Borrower from any of its obligations under the Note and the Credit Documents, and Borrower shall assume the status of the guarantor of the Note until paid in full. Borrower understands that Lender will not permit the assumption of the outstanding balance under the Note in any event and will declare the entire outstanding principal balance plus accrued interest and other charges due to be immediately due and payable (see Paragraph 17 hereof), unless (i) Borrower has submitted to Lender a written acknowledgement from the transferee that the transferee has received (a) a copy of each of the Credit Documents and (b) notice of the amount of Borrower's outstanding principal balance on the line of credit; (ii) Borrower has submitted to Lender a written acknowledgement from transferee that transferee has received such material and understands that Lender's

security interest reflected by this Mortgage and the Security Agreement, if any, will remain on the Property and the Beneficial Interest, if any, until the entire outstanding principal balance of Borrower's line of credit as of the date of such sale or transfer or promise, plus any subsequent borrowings made under Borrower's line of credit before Lender has actual knowledge of the sale or transfer, together with accrued interest and other charges, is paid in full; (iii) Borrower causes to be submitted to Lender from the transferee a loan application as required by Lender so that Lender may evaluate the creditworthiness of the transferee as if a new loan were being made to the transferee; and (iv) Lender does not, in its sole opinion, believe that (A) its security will be impaired or (B) a breach of any promise or agreement in this Mortgage or the Security Agreement, if any, will occur or (C) such transfer will permit the acceleration of any loan which has priority in right of payment over the indebtedness evidenced by the Note. Further advances on the line of credit will cease as of the date of the written assumption agreement signed by the transferee and Lender. The transferee and Borrower shall retain the right to repay the Note before the final payment date set forth in Paragraph 3 of the Note, in whole or in part, at any time without premium or penalty.

17. Acceleration; Remedies (including Freezing the Line). Upon the existence of an Event of Default, Lender may, at its sole option, terminate the line, declare all of the sums secured by this Mortgage to be immediately due and payable without further demand, and invoke any remedies permitted by applicable law. Lender shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this Paragraph 17, including, but not limited to, reasonable attorneys' fees and costs of documentary evidence, abstracts and title reports.

As additional specific protection, notwithstanding any other term of this Mortgage, Lender, without declaring or asserting an Event of Default or invoking any of its remedies pertaining to Events of Default, may, immediately and without notice, freeze the line upon the occurrence of any event enumerated in Paragraphs 15 or 16 of this Mortgage, including without limitation Lender's receipt of notice from any source of a lien, claim of lien or encumbrance, either superior or inferior to the lien of this Mortgage. Notice of any such feeeze shall be given in accordance with the provisions of Paragraph 11 of this Mortgage. Freezing the line will not preclude Lender from subsequently exercising any right or remedy set forth herein or in any of the Credit Documents.

18. Assignment of Rents; Appointment of Receiver; Lender in Possession. As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that prior to acceleration under Paragraph 17 hereof or the occurrence of an Event of Default hereunder or abandonment of the Property, Borrower shall have the right to collect and retain such rents as they become due and payable.

Upon acceleration under Paragraph 17 hereof, or abandonment, Lender, at any time without notice, in person, by agent or by judicially appointed receiver, and without regard to the adequacy of any security for the indebtedness secured by this Mortgage, shall be entitled to enter upon, take possession of, and manage the Property, and in its own name sue for or collect the rents of the Property, including those past due. All rents collected by Lender or the receiver shall be applied first to payment of the costs of operation and management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Mortgage. Lender and the receiver shall be liable to account only for those rents actually received. The entering upon and taking possession of the Property and the collection and application of the rents shall not cure or waive any Event of Default or notice of default hereunder or invalidate any act done pursuant to such notice.

19. Release. Upon payment and discharge of all sums secured by this Mortgage and termination of the Account, this Mortgage shall become null and void and Lender shall release this Mortgage without charge to Borrower.

20. Request For Notices. Borrower requests that copies of any notice of default be addressed to Borrower and sent to the Property Address. Lender requests that copies of notices of default, sale and foreclosure from the holder of any lien which has priority over this Mortgage be sent to Lender's address, as set forth on page one of this Mortgage.

21. Incorporation of Terms. All of the terms, conditions and provisions of the Note are by this reference incorporated herein as if set forth in full. Any Event of Default under the Note shall constitute an Event of Default hereunder, without further notice to Borrower.

22. Time of Essence. Time is of the essence to this Mortgage and all provisions relating thereto are to be strictly construed.

23. Actual Knowledge. For purposes of this Mortgage and each of the other Credit Documents, Lender will not be deemed to have received actual knowledge of information required to be conveyed to Lender in writing by Borrower until the date of actual receipt of such information at 800 Waukegan Road, Glenview, Illinois 60025 (or such other address specified by Lender to Borrower). Such date shall be conclusively determined by reference to the return receipt in possession of Borrower. If such return receipt is not available, such date shall be conclusively determined by reference to the "Received" date stamped on such written notice by Lender or Lender's agent. With regard to other events or information not provided by Borrower under the Credit Documents, Lender will be deemed to have actual knowledge of such event or information as of the date Lender receives a written notice of such event or information from a source Lender reasonably believes to be reliable, including but not limited to, a court or other governmental agency, institutional lender, or title company. The actual date of receipt shall be determined by reference to the "Received" date stamped on such written notice by Lender or Lender's agent.

24. Taxes. In the event of the passage after the date of this Mortgage of any law changing in any way the laws now in force for the taxation of mortgages, or debts secured thereby, or the manner of operation of such taxes, so as to affect the interest of Lender, then and in such event Borrower shall pay the full amount of such taxes.

25. Waiver of Statutory Rights. Borrower shall not and will not apply for or vail itself of any homestead, appraisement, valuation, redemption, stay, extension, or exemption laws, or any so-called "moratorium laws," now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but hereby waives the benefit of such laws. Borrower, for itself and all who may claim through or under it, waives any and all right to have the property and estates comprising the Property marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Property sold as an entirety. Borrower hereby waives any and all rights of redemption from sale under any order or decree of foreclosure, pursuant to rights herein granted, on behalf of Borrower, all persons beneficially interested in the Property and each and every person acquiring any interest in or title to the Property or the Beneficial Interest subsequent to the date of this Mortgage, and on behalf of all other persons, to the extent permitted by Illinois law.

26. Expense of Litigation. In any suit to foreclose the lien of this Mortgage or enforce any other remedy of the Lender under this Mortgage or the Note or the Credit Documents there shall be allowed and included, as additional indebtedness in the judgment or decree, all

expenditures and expenses which may be paid or incurred by or on behalf of Borrower for attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, survey costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all abstracts of title, title searches and examinations, title insurance policies, Torrens certificates, and similar data and assurances with respect to title as Lender may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or value of the Property. All expenditures and expenses of the nature in this paragraph mentioned, and such expenses and fees as may be incurred in the protection of said Property and the maintenance of the lien of this Mortgage, including the fees of any attorney employed by Lender in any litigation or proceeding affecting this Mortgage, the Note or the Property or in preparation for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by Borrower, with interest thereon at the rate from time to time in effect under the Note.

27. Future Advances. Upon request of Borrower, Lender, at Lender's option prior to release of this Mortgage, may increase the line of credit secured hereby and make advances to the full amount thereof (herein "Future Advances"). Such Future Advances with interest thereon, shall be secured by this Mortgage. At no time shall the principal amount of the indebtedness secured hereby, not including sums advanced in accordance herewith to protect the security of this Mortgage, exceed the original principal amount of the Note plus U.S. $100,000.00.

28. Trustee Exculpation. If this Mortgage is executed by a Trust, xxxxxxxxxxxxxxxxxxxxxxxxx, Trustee, executes this Mortgage as Trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such trustee, and it is expressly understood and agreed by the mortgagee herein and by every person now or hereafter claiming any right or security hereunder that nothing contained herein or in the Note secured by this Mortgage shall be construed as creating any liability on the Trustee personally to pay said Note or any interest that may accrue thereon, or any indebtedness accruing hereunder or to perform any covenants either express or implied herein contained, all such liability, if any, being expressly waived, and that any recovery on this Mortgage and the Note secured hereby shall be solely against and out of the Property hereby conveyed by enforcement of the provisions hereof and of said Note, but this waiver shall in no way affect the personal liability of any co-maker, co-signer, endorser or guarantor of said Note.

29. Priority of Advances. All advances under the line of credit established by the Note shall have the same priority as if made at the time of execution of this Mortgage.

IN WITNESS WHEREOF, Borrower has executed this Mortgage.

IF BORROWER IS (ARE) INDIVIDUAL(S):

Martin Ellis Date 12-28-85
Individual Borrower
MARTIN W. ELLIS

Martha J. Ellis Date 12/28/85
Individual Borrower
MARTHA J. ELLIS

_____ Date _____
Individual Borrower

_____ Date _____
Individual Borrower

STATE OF ILLINOIS)
) SS:
COUNTY OF Cook)

I, the undersigned, a Notary Public in and for said County, in the

State aforesaid, DO HEREBY CERTIFY that MARTIN W. ELLIS & MARTHA J. ELLIS, Husband and Wife personally known to me to be the same person(s) whose name(s) are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of the right of homestead.

Given under my hand and official seal, this 27th day of December, 19 85.

Marilyn J. Kowa
Notary Public

My Commission expires: November 16, 1987

IF BORROWER IS A TRUST:

_____, not personally but solely as trustee as aforesaid

Attest: By: _____
Its _____

_____
Its _____

(CORP SEAL)

STATE OF ILLINOIS)
) SS.
COUNTY OF _____)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that _____, _____ President of _____, a corporation, and _____, Secretary of said corporation, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such _____ President and _____ Secretary, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary acts, and as the free and voluntary act of said corporation, as Trustee, for the uses and purposes therein set forth; and the said _____ Secretary did also then and there acknowledge that he, as custodian of the corporate seal of said corporation, did affix the said corporate seal of said corporation to said instrument as his own free and voluntary act, and as the free and voluntary act of said corporation, as Trustee, for the uses and purposes therein set forth.

Given under my hand and official seal, this _____ day of _____, 19___.

_____
Notary Public

My Commission expires:

_____

This Instrument Prepared By:

Nikki Owens
Glenview State Bank
800 Waukegan Road
Glenview, Illinois 60025

Upon Recording, Return To:

Marilyn Koss
Glenview State Bank
800 Waukegan Road
Glenview, Illinois 60025

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