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JUNIOR MORTGAGE AND SECURITY AGREEMENT

THIS MORTGAGE is made as of October 9, 1987, by and between First Illinois Bank of Evanston, N.A., a national banking association, not personally, but as Trustee under the provisions of a Trust Agreement dated September 23, 1987, and known as Trust No. R-3437 ("Mortgagor"), and Elizabeth J. Jackson and Craig M. Jackson, her son, ("Mortgagee").

THE LIEN OF THIS MORTGAGE IS EXPRESSSUBORDINATE TO THE LIEN OF THE PRE-EXISTING MORTGAGE DESCRIBED IN PARGRAPH 31 BELOW ("SENIOR MORTGAGE").

R E C I T A L S:

Mortgagor has concurrently executed and delivered to Mortgagee a Mortgage Note dated this day in the principal sum of Fifty Thousand Dollars ($50,000), made payable to the Mortgagee ("the Note") in and by which the Mortgagor promises to pay out of that portion of the trust estate subject to said Trust Agreement, the principal sum together with unpaid interest on or before November 10, 1992, with interest payable on the principal sum at the rate and on the dates as are made and provided in the Note; all of the principal and interest being payable at such place as the holders of the Note may, from time to time, in writing appoint, and in absence of such appointment, then at the office of Mortgagor at 16037 University, South Holland, Illinois 60473.

This instrument was prepared by
Arnold H. Dwinn
55 W. Monroe Street - Room 790
Chicago, Illinois 60603

Property of Cook County Clerk's Office

1456-58 W Wilmemar
Chgo, Ill 60640

COOK COUNTY, ILLINOIS
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All EQD

MAIL TO: Modesto, Reynolds & McDermott
111 W Washington
Chgo, Illinois 60602

BOX 333—WJ

Parcel D2 7126199

NOW, THEREFORE, to secure (i) the payment of the principal of and interest on the Note, (ii) the payment of any and all other indebtedness and liabilities, now or at any time hereafter owing or to become due from Mortgagor to Mortgagee, whether under this Mortgage or otherwise, however evidenced, created or incurred, whether direct, indirect, primary, secondary, fixed or contingent, including future advances the aggregate of which shall not exceed 50% of the original principal amount of the Note; and (iii) the performance and observance of all terms, conditions and provisions of this Mortgage, the Note, and any other agreement or instrument concurrently or hereafter executed by Mortgagor and delivered to Mortgagee, and in further consideration of the sum of Ten Dollars ($10.00) in hand paid;

GRANT OF MORTGAGE

Mortgagor does by these presents GRANT, REMISE, RELEASE, ALIEN AND CONVEY unto the Mortgagee, its successors and assigns, the real estate and all of its estate, right, title and interest therein situate, described in Exhibit A (which real estate, together with the other property described below, is referred to as "the premises");

OTHER ASSETS

TOGETHER with all improvements, tenements, easements, fixtures and appurtenances, and all rents, issues and profits for so long and during all such times as Mortgagor may be entitled which are pledged primarily and on a parity with the premises and not secondarily, and all present and future shades, awnings, venetian blinds, screens, screen doors, storm doors and windows, stoves and ranges, curtain fixtures, partitions, attached floor covering, and all present and future fixtures, apparatus, equipment or articles used to supply heat, gas, air conditioning, water, light, power,

sprinkler protection, waste removal, refrigeration (whether single units or centrally controlled), and ventilation, including (without restricting the foregoing) all fixtures, apparatus, equipment and articles, other than such as constitute trade fixtures used in the operation of any business conducted upon the premises as distinguished from fixtures which relate to the use, occupancy and enjoyment of the premises, it being understood that the enumeration of any specific articles of property shall not exclude or be held to exclude any items of property not specifically mentioned. To the fullest extent permitted by law, all of the land, estate and property hereinabove described, whether affixed or annexed or not (except where otherwise specified) and all rights conveyed and mortgaged are intended so to be as a unit and are understood, agreed and declared to form a part and parcel of the real estate and to be appropriated to the use of the real estate, and shall for the purposes of this Mortgage be deemed to be real estate and conveyed and mortgaged by this Mortgage.

GRANT OF SECURITY INTEREST

As to any of the above items which are not part of the real estate, this Mortgage is deemed to be a Security Agreement for the purpose of creating a security in such items, whether now existing or to be acquired, which security interest Mortgagor grants for the purpose of securing the payment and performance of obligations described under this Mortgage.

TO HAVE AND TO HOLD the premises to the Mortgagee, its successors and assigns, forever, for the purposes and uses set forth.

IT IS FURTHER UNDERSTOOD AND AGREED THAT:

MAINTENANCE, REPAIR AND RESTORATION OF IMPROVEMENTS, PAYMENT OF PRIOR LIENS, ETC.

1. Mortgagor shall (a) promptly repair, restore or rebuild any buildings or improvements now or hereafter on the premises which may become damaged or be destroyed; (b) keep the premises in good condition and repair, without waste, and free from mechanics' liens or other liens or claims for lien not expressly subordinated to the lien of this Mortgage; (c) pay when due any indebtedness which may be secured by a lien or charge on the premises superior to the lien hereof, and upon request exhibit satisfactory evidence of the discharge of such prior lien to Mortgagee; (d) complete within a reasonable time any building or buildings now or at any time in the process of erection upon said premises; (e) comply with all requirements of law, municipal ordinances, or restrictions of record with respect to the premises and the use thereof; (f) make no material alterations in said premises except as required by law or municipal ordinance; (g) suffer or permit no change in the general nature of the occupancy of the premises, without Mortgagee's written consent which consent shall not unreasonably be withheld; (h) initiate or acquiesce in no zoning reclassification, annexation, subdivision, dedication, vacation relating to all or any part of the premises, without Mortgagee's written consent, which consent shall not unreasonably be withheld; (i) pay each item of indebtedness secured by this Mortgage when due according to the terms hereof or of the Note.

PAYMENT OF TAXES

2. Mortgagor shall pay before any penalty attaches all general taxes, and shall pay special taxes, special assessments, water charges, sewer service charges, and other charges against the premises when due, and shall, upon written request, furnish to Mortgagee duplicate receipts therefor. Mortgagor may, in good faith and with reasonable diligence, contest the validity or amount of any such taxes or assessments provided: (1) that such contest shall have the effect of preventing the collection of the tax or assessment so contested and the sale or forfeiture of all or any portion of the premises, to satisfy the same; (2) that Mortgagor has, before such taxes or assessments shall have been increased by any interest, penalties or costs, notified Mortgagee in writing of the intention of Mortgagor to contest the same, and (3) that Mortgagor shall have deposited with Mortgagee at such place as Mortgagee may from time to time in writing appoint, and in the absence of such appointment, then at the office of the Mortgagee, a sum of money which (when added to funds, if any, then on deposit for such taxes) shall be sufficient in the judgment of the Mortgagee to pay in full such contested taxes and assessments and all penalties and interest that might become due thereon, and shall keep on deposit an amount so sufficient at all times, increasing such amount to cover additional penalties and interest whenever, in the judgment of the Mortgagee, such increase is advisable. In case the Mortgagor shall fail to prosecute such objections with reasonable diligence or shall fail to maintain sufficient funds on deposit as hereinabove provided, the Mortgagee may at its option apply the money so deposited in payment of or on account of such taxes and assessments, or that part thereof then unpaid, together with all penalties and interest. If the amount of the money so deposited shall be insufficient for the payment in

full of such taxes and assessments, together with all penalties and interest thereon, the Mortgagor shall upon demand either (a) deposit with the Mortgagee a sum which when added to the funds then on deposit shall be sufficient to make such payment in full, or (b) in case the Mortgagee shall have applied funds on deposit on account of such taxes and assessments, restore said deposit to a sufficient amount. The Mortgagee shall, upon the final disposition of such contest, apply the money so deposited in full payment of such taxes and assessments then unpaid, together with all penalties and interest (provided the Mortgagor is not then in default) when so requested in writing by the Mortgagor and furnished with sufficient funds to make such payment in full with an official bill for such taxes.

INSURANCE

3. Mortgagor shall keep all buildings and improvements now or to be situated on the premises insured against loss or damage by fire, tornado, windstorm and extended coverage perils and such other hazards as may reasonably be required by Mortgagee, including, without limitation on the generality of the foregoing, war damage insurance whenever in the opinion of the Mortgagee such protection is necessary and is available from an agency of the United States of America. Mortgagor shall also provide liability insurance with such limits for personal injury and death and property damage as Mortgagee may require. All policies of insurance to be furnished shall be in forms, companies and amounts satisfactory to Mortgagee, with mortgagee clauses attached to all polices in favor of and in form satisfactory to Mortgagee, including a provision requiring that the coverage shall not be terminated or materially modified without ten (10) days prior written notice to the Mortgagee. To the extent that such policies are not delivered to the holder of the Senior Mortgage, Mortgagor shall deliver all policies, including additional and renewal policies, to Mortgagee, and, in the case of insurance about to expire, shall deliver renewal policies not less than ten (10) days prior to their respective dates of expiration.

ADJUSTMENT OF LOSSES WITH INSURER AND APPLICATION OF PROCEEDS OF INSURANCE

4. In case of loss, and subject to the prior rights of the holder of the Senior Mortgage, the Mortgagee (or after entry of the decree of foreclosure, purchaser at the same, or the decree creditor, as the case may be) is hereby authorized either (a) to settle and adjust any claim under such insurance policies without consent of Mortgagor, or (b) to allow Mortgagor to agree with the insurance company or companies on the amount to be paid upon the loss. In either case Mortgagee is authorized to collect and receipt for any such insurance money. If (a) Mortgagor is obligated to restore or replace the damaged or destroyed buildings or improvements under the terms of any lease or leases which are or may be prior to the lien of the Mortgage, (b) such damage or destruction does not result in cancellation or termination of such lease, and (c) the insurers do not deny liability as to the insureds, such proceeds, after deducting therefrom any expenses incurred in the collection thereof, shall be used to reimburse Mortgagor for the cost of rebuilding or restoration of buildings and improvements on the premises. In all other cases, such insurance proceeds may, at the option of Mortgagee, either be applied by Mortgagee to reduce the indebtedness secured by this

Mortgage, whether due or not, or be held by the Mortgagee and used to reimburse Mortgagor for the cost of the rebuilding or restoration of buildings or improvements on the premises. The buildings and improvements shall be so restored or rebuilt as to be of at least equal value and substantially the same character as prior to such damage or destruction. In the event Mortgagor is entitled to reimbursement out of insurance proceeds, such proceeds shall be made available, from time to time, upon the Mortgagee being furnished with satisfactory evidence of the estimated cost of completion thereof and with such architect's certificates, waivers of lien, contractors sworn statements and other evidence of cost and of payments as the Mortgagee may reasonably require and approve, and if the estimated cost of the work exceeds ten percent (10%) of the original principal amount of the indebtedness secured hereby, with all plans and specifications for such rebuilding or restoration as the Mortgagee may reasonably require and approve. No payment made prior to the final completion of the work shall exceed ninety percent (90%) of the value of the work performed, from time to time, and at all times the undisbursed balance of said proceeds remaining in the hands of the Mortgagee shall be at least sufficient to pay for the cost of completion of the work free and clear of liens.

In case of loss after foreclosure proceedings have been instituted, the proceeds of any such insurance policy or policies, if not so applied in rebuilding or restoring the buildings or improvements, shall be used to pay the amount due in accordance with any decree of foreclosure that may be entered in any such proceedings, and the balance, if any, shall be paid to the owner of the equity of redemption if he shall then be entitled to the same or as the court may direct. In case of the foreclosure of this Mortgage, the court in its decree may provide that the mortgagee's clause attached to each of said insurance policies may be cancelled and that the decree creditor may cause a new loss clause to be attached to each of said policies making the loss payable to the decree creditor; and any such foreclosure decree may further provide that in case of one or more redemptions under said decree, pursuant to the statute in such case made and provided, then and in every such case, each successive redemptor may cause the preceding loss clause attached to each insurance policy to be cancelled and a new loss clause to be attached, making the loss payable to such redemptor. In the event of foreclosure sale, Mortgagee is authorized, without the consent of the Mortgagor, to assign any and all insurance policies to the purchaser at the sale, or to take such other steps as Mortgagee may deem advisable, to cause the interest of such purchaser to be protected by any of the insurance policies.

STAMP TAX

5. If, by the laws of the United States of America, or of any state having jurisdiction over the Mortgagor, any tax is due or becomes due in respect of the issuance of the Note or any other indebtedness secured, the Mortgagor covenants and agrees to pay such tax in the manner required by any such law. The Mortgagor further covenants to hold harmless and agrees to indemnify the Mortgagee, its successors or assigns, against any liability incurred by reason of the imposition of any tax on the issuance of the Note.

PREPAYMENT PRIVILEGE

6. At such time as the Mortgagor is not in default either under the terms of the Note or under the terms of this Mortgage, the Mortgagor shall have the privilege of making prepayments on the principal of the Note (in addition to the required payments) in accordance with the terms and conditions set forth in the Note.

EFFECT OF EXTENSIONS OF TIME

7. If the payment of indebtedness is extended or varied or if any part of the security be released, all persons now or at any time hereafter liable therefor, or interested in the premises, shall be held to assent to such extension, variation or release, and their liability and the lien and all provisions of this Mortgage shall continue in full force, the right of reccurse against all such persons being expressly reserved by the Mortgagee, notwithstanding such extension, variation or release.

EFFECT OF CHANGES IN LAWS REGARDING TAXATION

8. In the event of the enactment after this date of any law of the state in which the premises are located deducting from the value of land for the purpose of taxation any lien, or imposing upon the Mortgagee the payment of the whole or any part of the taxes or assessments or charges or liens herein required to be paid by Mortgagor, or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or the Mortgagee's interest in the premises, or the manner of collection of taxes, so as to affect this Mortgage or the debt secured or the holder, then, and in any such event, the Mortgagor, upon demand by the Mortgagee, shall pay such taxes or assessments, or reimburse the Mortgagee; provided, however, that if in the opinion of counsel for the Mortgagee (a) it might be unlawful to require Mortgagor to make such payment or (b) the making of such payment might result in the imposition of interest beyond the maximum amount permitted by law, then and in such event, the Mortgagee may elect, by notice in writing given to the Mortgagor, to declare all of the secured indebtedness to be and become due and payable sixty (60) days from the giving of such notice.

MORTGAGEE'S PERFORMANCE OF DEFAULTED ACTS

9. In case of default, Mortgagee may, but need not, make any payment or perform any act required of Mortgagor in any form and manner deemed expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim, or redeem from any tax sale or forfeiture affecting premises or contest any tax or assessment. All moneys paid for any of the purposes authorized and all expenses paid or incurred, including attorneys' fees, and any other moneys advanced by Mortgagee to protect the premises and the lien, shall be so much additional secured indebtedness, and shall become immediately due and payable without notice and with interest at the post maturity rate. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to it on account of any default on the part of Mortgagor.

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MORTGAGEE'S RELIANCE ON TAX BILLS, ETC.

10. Mortgagee in making any payment authorized: (a) relating to taxes and assessments, may do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim; or (b) for the purchase, discharge, compromise or settlement of any other prior lien, may do so without inquiry as to the validity or amount of any claim for lien which may be asserted.

ACCELERATION OF INDEBTEDNESS IN CASE OF DEFAULT

11. If (a) default be made in the due and punctual payment of the Note secured by this Mortgage or the Note secured by the Senior Mortgage, or any installment due in accordance with the terms of such Senior Mortgage, either of principal or interest or in the payment of any other indebtedness or the performance of any other obligation secured by this Mortgage; or (b) the Mortgagor, any beneficiary or any guarantor of the Note shall file a petition in voluntary bankruptcy or under Chapter X or Chapter XI of the Federal Bankruptcy Act or any similar law, state or federal, whether now or hereafter existing, or an answer admitting insolvency or inability to pay its debts, or fail to obtain a vacation or stay of involuntary proceedings within ten (10) days, as hereinafter provided; or (c) the Mortgagor, any beneficiary or any guarantor of the Note shall be adjudicated a bankrupt, or a trustee or a receiver shall be appointed for the Mortgagor, any beneficiary thereof or any guarantor of the Note secured or for all of the property of Mortgagor, any beneficiary or any guarantor of the Note in any involuntary proceeding, or any court shall have taken jurisdiction of the property of the Mortgagor, any beneficiary or any guarantor of the Note or the major part thereof in any involuntary proceeding for the reorganization, dissolution, liquidation or winding up of the Mortgagor, any beneficiary or any guarantor of the Note and such trustee or receiver shall not be discharged or such jurisdiction relinquished or vacated or stayed on appeal or otherwise stayed within twenty (20) days; or (d) the Mortgagor, any beneficiary of Mortgagor or any guarantor of the Note shall make an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due, or shall consent to the appointment of a receiver or trustee or liquidator of all of its property or the major part of its property; or (e) default shall be made in the due observance or performance of any other of the covenants, agreements, or conditions contained in this Mortgage, required to be kept or performed or observed by the Mortgagor and the same shall continue for ten (10) days after notice from Mortgagor to Mortgagee, then and in every such case stated above the whole of the indebtedness secured by this Mortgage shall, at once at the option of the Mortgagee, become immediately due and payable, together with accrued interest, without notice to Mortgagor.

FORECLOSURE; EXPENSE OF LITIGATION

12. When all or any part of the secured indebtedness shall become due, whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien for such indebtedness. In any suit to foreclose the lien or enforce any other remedy of the Mortgagee under this Mortgage or the Note, there shall be

allowed and included as additional indebtedness in the decree for sale or other judgment or decree all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, Torrens certificates, and similar data and assurances with respect to title as Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the premises. All expenditures and expenses of the nature in this paragraph mentioned, and such expenses and fees as may be incurred in the protection of the premises and the maintenance of the lien of this Mortgage, including the fees of any attorney employed by Mortgagee in any litigation or proceeding affecting this Mortgage, the Note or the premises, including probate and bankruptcy proceedings, or in preparations for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by Mortgagor, with interest thereon at the post maturity rate and shall be secured by this Mortgage.

APPLICATION OF PROCEEDS OF FORECLOSURE SALE

13. The proceeds of any foreclosure sale of the premises shall be distributed and applied in the following order of priority: First, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in the preceding paragraph; second, all other items which constitute secured indebtedness additional to that evidenced by the Note, with interest as provided; third, all principal and interest remaining unpaid on the Note; fourth, any overplus to Mortgagor, its successors or assigns, as their rights may appear.

APPOINTMENT OF RECEIVER

14. Upon, or at any time after the filing of a complaint to foreclose this Mortgage, the court in which such complaint is filed may appoint a receiver of the premises. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of Mortgagor at the time of application for such receiver and without regard to the then value of the premises or whether the same shall be then occupied as a homestead or not and the Mortgagee or any holder of the Note may be appointed as such receiver. Such receiver shall have power to collect the rents, issues and profits of said premises during the pendency of such foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, whether there be redemption or not, as well as during any further times when Mortgagor, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the premises during the whole of said period. The court from time to time may authorize the receiver to apply the net income in his hands in payment in whole or in part of: (a) the secured indebtedness, or by any decree foreclosing this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien or of such decree, provided such

application is made prior to foreclosure sale; (b) the deficiency in case of a sale and deficiency.

ASSIGNMENT OF RENTS AND LEASES

15. To further secure the secured indebtedness, Mortgagor sells, assigns and transfers to the Mortgagee all the rents, issues and profits now due and which may become due under or by virtue of any lease, whether written or verbal, or any letting of, or of any agreement for the use or occupancy of the premises, which may have been or may be made or agreed to or which may be made or agreed to by the Mortgagee under the powers granted, it being the intention to establish an absolute transfer and assignment of all of such leases and agreements, and all the avails, to the Mortgagee, subject to the rights of the holder of the Senior Mortgage, and Mortgagor does appoint irrevocably the Mortgagee its true and lawful attorney in its name and stead (with or without taking possession of the premises as provided in paragraph 19) to rent, lease or let all or any portion of said premises to any party or parties at such rental and upon such terms as said Mortgagee shall, in its discretion, determine, and to collect all of said avails, rents, issues and profits arising from or accruing at any time hereafter, and all now due or that may become due under each and every of the leases and agreements, written or verbal, or other tenancy existing, or which may hereafter exist on the premises, with the same rights and powers and subject to the same immunities, exoneration of liability and rights of recourse and indemnity as the Mortgagee would have upon taking possession.

The Mortgagor represents and agrees that no rent has been or will be paid by any person in possession of any portion of the above described premises for more than one installment in advance and that the payment of none of the rents to accrue for any portion of the said premises has been or will be waived, released, reduced, discounted or otherwise discharged or compromised by the Mortgagor. The Mortgagor waives any rights of set off against any person in possession of any portion of the premises. If any lease provides for the abatement of rent during repair of the premises demised by reason of fire or other casualty, the Mortgagor shall furnish to the Mortgagee rental insurance, the policies to be in amount and form and written by such insurance companies as shall be satisfactory to the Mortgagee. Mortgagor agrees that it will not assign any of the rents or profits of the premises, except to a purchaser or grantee of the premises.

Nothing shall be construed as constituting the Mortgagee a mortgagee in possession in the absence of the taking of actual possession of the premises by the Mortgagee pursuant to paragraph 19. In the exercise of the powers granted the Mortgagee, no liability shall be asserted or enforced against the Mortgagee, all such liability being expressly waived and released by Mortgagor.

The Mortgagor further agrees to assign and transfer to the Mortgagee all future leases upon all or any part of the premises hereinbefore described and to execute and deliver, at the request of the Mortgagee, all such further assurances and assignments in the premises as the Mortgagee shall from time to time require.

Although it is the intention of the parties that the assignment contained in this paragraph shall be a present assignment, it is expressly understood and agreed, anything herein

contained to the contrary notwithstanding, that the Mortgagee shall not exercise any of the rights or powers conferred upon it by this paragraph until a default shall exist.

OBSERVANCE OF LEASE ASSIGNMENT

16. In the event the Mortgagor, as additional security for the payment of the indebtedness described in and secured hereby, has sold, transferred and assigned, or may hereafter sell, transfer and assign, to the Mortgagee, its successors and assigns, any interest of the Mortgagor as Lessor in any lease or leases, the Mortgagor expressly covenants and agrees that if the lessee or any of the lessees under said lease or leases so assigned or the Mortgagor, as lessor, shall fail to perform and fulfill any term, covenant, condition or provision in said lease or leases, or any of them, on its or their part to be performed or fulfilled, at the times and in the manner in such lease or leases provided, or if Mortgagor shall suffer or permit to occur any breach or default under the provisions of any assignment of any lease or leases of the premises given as additional security for the payment of the secured indebtedness and such default shall continue for three (3) days, then and in any such event, such breach or default shall constitute a default and at the option of the Mortgagee, and without notice to the Mortgagor, all unpaid secured indebtedness shall, notwithstanding anything in the Note or in this Mortgage to the contrary, become due and payable as in the case of other defaults.

MORTGAGEE'S RIGHTS OF POSSESSION IN CASE OF DEFAULT

17. In any case in which under the provision of this Mortgage the Mortgagee has a right to institute foreclosure proceedings, whether before or after the whole indebtedness secured hereby is declared to be immediately due as aforesaid, or whether before or after the institution of legal proceedings to foreclose the lien or before or after judicial sale, upon demand of Mortgagee, Mortgagor shall surrender to Mortgagee and Mortgagee shall be entitled to take actual possession of the premises personally, or by its agent or attorneys, as for condition broken, and Mortgagee in its discretion may, with or without force and with or without process of law, enter upon and take and maintain possession of all or any part of the premises, together with all documents, books, records, papers and accounts of the Mortgagor or then owner of the premises, and may exclude the Mortgagor, its agents or servants, wholly from the premises and may as attorney in fact or agent of the Mortgagor, or in its own name as Mortgagee and under the power granted in this Mortgage, hold, operate, manage and control the premises and conduct the business, if any, either personally or by its agents, and with full power to use such measures, legal or equitable, as in its discretion or in the discretion of its successors or assigns may be deemed proper or necessary to enforce the payment or security of the avails, rents, issues, and profits of the premises, including actions for the recovery of rent, actions in forcible detainer and actions in distress for rent, hereby granting full power and authority to exercise each and every of the rights, privileges and powers granted at any and all times, without notice to the Mortgagor, and with full power to cancel or terminate any lease or sublease for any cause or on any ground which would entitle Mortgagor to cancel the same, to elect to disaffirm any lease or sublease made subsequent to this Mortgage or subordinated to the lien of this

Mortgage, to make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements to the premises as to it may seem judicious, insure and reinsure the same and all risks incidental to Mortgagee's possession, operation and management thereof and to receive all of such avails, rents, issues and profits.

The Mortgagee shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability under any leases, and the Mortgagor shall and does agree to indemnify and hold the Mortgagee harmless of and from any and all liability, loss or damage which it may or might incur under such leases or under or by reason of the assignment and of and from any and all claims and demands whatsoever which may be asserted against it by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in such leases. Should the Mortgagee incur any such liability, loss or damage, under said leases or under or by reason of the assignment, or in the defense of any claims or demands, the amount, including costs, expenses and reasonable attorneys' fees, shall be secured by this Mortgage, and the Mortgagor shall reimburse the Mortgagee immediately upon demand.

APPLICATION OF INCOME RECEIVED BY MORTGAGEE

18. The Mortgagee in the exercise of the rights and powers conferred upon it by paragraph 15 and paragraph 17 shall have full power to use and apply the avails, rents, issues and profits of the premises to the payment of or on account of the following, in such order as the Mortgagee may determine:

(a) to the payment of the operating expenses of the premises, including cost of management and leasing (which shall include reasonable compensation to the Mortgagee and its agent or agents, if management be delegated to an agent or agents, and shall also include lease commissions and other compensation and expenses of seeking and procuring tenants and entering into leases), established claims for damages, if any, and premiums on insurance hereinabove authorized;

(b) to the payment of taxes and special assessments now due or which may hereafter become due on the premises;

(c) to the payment of all repairs, decorating, renewals, replacements, alterations, additions, rebetterments, and improvements of the premises, including the cost from time to time of installing or replacing refrigeration and gas or electric stoves, and of placing such property in such condition as will, in the judgment of the Mortgagee, make it readily rentable;

(d) to the payment of any secured indebtedness or any deficiency which may result from any foreclosure sale;

(e) to the payments due to the holder of the Senior Mortgage.

MORTGAGEE'S RIGHT OF INSPECTION

19. Mortgagee shall have the right to inspect the premises at all reasonable times and access thereto shall be permitted for that purpose.

CONDEMNATION

20. Subject to the rights of the holder of the Senior Mortgage, Mortgagor assigns, transfers and sets over unto Mortgagee the entire proceeds of any award or any claim for damages for any of the mortgaged property taken or damaged under the power of eminent domain or by condemnation. Mortgagee may elect to apply the proceeds of the award upon or in reduction of the secured indebtedness, whether due or not, or to require Mortgagor to restore or rebuild, in which event the proceeds shall be held by Mortgagee and used to reimburse Mortgagor for the cost of the rebuilding or restoring of buildings or improvements on the premises, in accordance with plans and specifications to be submitted to and approved by Mortgagee. If the Mortgagor is obligated to restore or replace the damaged or destroyed buildings or improvements under the terms of any lease or leases which are or may be prior to the lien of this Mortgage and if such taking does not result in cancellation or termination of such lease, the award shall be used to reimburse Mortgagor for the cost of the rebuilding or restoring of buildings or improvements on the premises, provided Mortgagor is not then in default under this Mortgage. In the event Mortgagor is required or authorized by Mortgagee's election, or by virtue of any lease, to rebuild or restore, the proceeds of the award shall be paid out in the same manner as is provided in paragraph 6 for the payment of insurance proceeds toward the cost of rebuilding or restoration. If the amount of such award is insufficient to cover the cost of rebuilding or restoration, Mortgagor shall pay such cost in excess of the award, before being entitled to reimbursement out of the award. Any surplus which may remain out of such award after payment of such cost of rebuilding or restoration shall, at the option of Mortgagee, be applied on account of the secured indebtedness or be paid to any other party entitled. In the event that the proceeds of any such award are paid to Mortgagee but are not sufficient to pay in full the secured indebtedness, such payment shall be deemed to be a partial prepayment of principal on the Note and Mortgagee shall release from the lien of this Mortgage so much real estate as is provided in the Note in the event of a partial prepayment by Mortgagor.

RELEASE UPON PAYMENT AND DISCHARGE OF MORTGAGOR'S OBLIGATIONS

21. If Mortgagor shall fully pay all principal and interest on the Note, and all other secured indebtedness and comply with all of the other terms and provisions of this Mortgage, then this Mortgage shall be null and void. Mortgagee shall release this Mortgage and the lien of this Mortgage by proper instrument upon payment and discharge of all secured indebtedness and payment of a reasonable fee to Mortgagee for the execution of such release.

GIVING OF NOTICE

22. Any notice which either party may desire or be required to give to the other party shall be in writing and the mailing by certified mail addressed as follows:

To the Mortgagor: c/o Arnold H. Dwinn
55 W. Monroe St. - Room 790
Chicago, Illinois 60603

To the Mortgagee: 16307 University
South Holland, Illinois 60603

or at such other place as either party may by notice in writing designated as a place for service of notice, shall constitute service of notice under this Mortgage.

WAIVER OF DEFENSE

23. No action for the enforcement of the lien or of any provision shall be subject to any defense which would not be good and available to the party interposing same in an action at law upon the Note secured.

WAIVER OF STATUTORY RIGHTS

24. Mortgagor shall not and will not apply for or avail itself of any appraisement, valuation, stay, extension or exemption laws, or any so-called "Moratorium Laws," now existing or hereafter enacted, in order to prevent or hinder the enforcement of foreclosure of this Mortgage, but hereby waives the benefit of such laws. Mortgagor for itself and all who may claim through or under it waives any and all right to have the property and estates comprising the mortgaged property marshalled upon any foreclosure of the lien of this Mortgage and agrees that any court having jurisdiction to foreclose such lien may order the mortgaged property sold as an entirety. Mortgagor expressly waives any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage on behalf of Mortgagor, the trust estate and all persons beneficially interested, and each and every person except decree or judgment creditors of the Mortgagor in its representative capacity and of the trust estate, acquiring any interest in or title to the premises subsequent to the date of this Mortgage.

POST MATURITY RATE

25. "Post maturity rate" shall mean interest at a rate which is two percent (2%) per year in excess of the rate payable prior to maturity.

FILING AND RECORDING FEES

26. Mortgagor will pay all filing, registration or recording fees, and all expenses incident to the execution and acknowledgement of this Mortgage and all federal, state, county and municipal taxes, and other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of the Note and this Mortgage.

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BUSINESS PURPOSE

27. Mortgagor or the beneficiaries of Mortgagor has been advised by its counsel that the proceeds of the loan secured by this Mortgage will be used for the purposes specified in Paragraph 6404 of Chapter 17 of the Illinois Revised Statutes, and that the principal obligation secured by this Mortgage constitutes a business loan which comes within the purview of such paragraph.

BINDING ON SUCCESSORS AND ASSIGNS

28. This Mortgage shall extend to and be binding upon Mortgagor and all persons claiming under or through Mortgagor, and the word "Mortgagor" shall include the Mortgagor and any subsequent owner or owners of the equity of redemption of the premises. The word "Mortgagee" shall include the successors and assigns of the Mortgagee, and the holder or holders, from time to time of the Note.

ALL COVENANTS TO RUN WITH LAND

29. All the covenants shall run with the land.

CAPTIONS

30. The captions and headings of various paragraphs of this Mortgage are for convenience only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

SENIOR MORTGAGE

31. Mortgagee acknowledges that this Mortgage is subject to the lien of that certain mortgage executed by Mortgagor in favor of First Illinois Bank of Evanston, N.A., in the original principal amount of $200,000.00, recorded on 11/6/, 1987 as document number 87601583 ("Senior Mortgage").

Mortgagor covenants and agrees to comply with all of the terms and provisions of the Senior Mortgage. If Mortgagor shall default in the performance of any term or provision contained in this Mortgage or in the Note, the owner or holder of the Note may, but shall not be obligated to, pay any principal or interest under the Senior Mortgage or the Note secured by the Senior Mortgage. To the extent the owner and holder of the Note pays any installment of principal or interest or any other sums due under the Senior Mortgage, the owner and holder shall become entitled to a lien on the premises covered by this Mortgage and by the Senior Mortgage, equal in rank and priority to the Senior Mortgage, and in addition to the extent necessary to make effective such rank and priority (a) the Mortgagee shall become subrogated to receive and enjoy all of the rights, liens, powers and privileges granted to the mortgagee under the Senior Mortgage, and (b) the Senior Mortgage shall remain in existence for the benefit of and to further secure the debt and other sums secured, or hereafter to become secured under this Mortgage.

In the event Mortgagor defaults with respect to any requirement of the Senior Mortgage, Mortgagor agrees that such default shall constitute a default under this Mortgage. In the event of such a default, in addition to any other rights or reme-

dies available to the Mortgagee, the Mortgagee may, but need not, make any payment or perform any act required to cure or attempt to cure any said default under the Senior Mortgage in any manner and form deemed expedient by Mortgagee. Mortgagee shall not be responsible for determining the validity or accuracy of any claim of default made by the Mortgagee under the Senior Mortgage, and the payment of any sum by Mortgagee in curing or attempting to cure any alleged default or omission shall be conclusively presumed to have been reasonable, justified and authorized. Mortgagor grants to Mortgagee an irrevocable power of attorney, which power of attorney is coupled with an interest, for the term of this Mortgage to cure any default or forfeiture which may occur under the Senior Mortgage. Mortgagor further agrees to execute a formal and recordable power of attorney granting such right at any time during the existence of this Mortgage if requested by Mortgagee. All monies paid by Mortgagee in curing any default of this Mortgage under the Senior Mortgage, including attorneys' fees and costs, shall bear interest from the date or dates of such payment at the post maturity rate, shall be paid by Mortgagor to Mortgagee upon demand, and shall be deemed a part of the debt secured by this Mortgage and recoverable as such in all respects. Any inaction on the part of the Mortgagee shall not be construed as a waiver of any right accruing to Mortgagee on account of any default.

In the event of a default or in the event Mortgagee feels that its security is in jeopardy it may prepay the entire balance due under the Senior Mortgage, and any prepayment fees or penalty incurred by Mortgagee in connection with such prepayment shall bear interest from the date of such payment at the post maturity rate, shall be paid by Mortgagor to Mortgagee upon demand, and shall be deemed a part of the debt secured by this Mortgage and recoverable in all respects.

EXCULPATION

32. THIS MORTGAGE is executed by First Illinois Bank of Evanston, N.A., not personally, but as Trustee in the exercise of the power and authority conferred upon and vested in it as such Trustee (and said Corporation warrants that it possesses full power and authority to execute this instrument), and it is expressly understood and agreed that nothing in this Mortgage or in the Note shall be construed as creating any liability on the Mortgagor or on the Corporation personally to pay the said installment note or any interest that may accrue, or any indebtedness accruing, or to perform any covenant either express or implied (it being understood and agreed that each of the provisions, except the warranty above contained in this execution clause, shall constitute a condition and not a covenant or agreement, regardless of whether the same may be couched in language of a promise or covenant or agreement), all such liability, if any, being expressly waived by Mortgagee and by every person now or hereafter claiming any right or security under this Mortgage, and that so far as the Mortgagor and its successor and said Corporation personally are concerned, the legal holder or holders of the Note and the owner or owners of any indebtedness accruing under this Mortgage shall look solely to any one or more of: (1) the premises conveyed and the rents, issues and profits, for the payment, by the enforcement of the lien created, in the

manner and in such principal note provided; (2) any other security given to secure the indebtedness; or (3) the personal liability of the guarantor, if any.

RIDER CONTAINING EXONERATION CLAUSE ATTACHED BEFORE EXECUTION

ATTEST:

First Illinois Bank of Evanston, N.A. not personally, but as Trustee as described

Its: CLIENT SERVICES OFFICER

By: Charles W. Tramel
Its: CLIENT EXECUTIVE

EXECUTED IN DUPLICATE

MORTGAGE

THIS MORTGAGE is executed by the First Illinois Bank of Evanston, N.A. not personally but 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 that nothing herein or in said Note contained shall be construed as creating any liability on First Illinois Bank of Evanston, N.A. personally to pay the 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 for the Trustee only by every person now or hereafter claiming any right or security hereunder, and that the legal holder or holders of said Note and the owner or owners of any indebtedness accruing hereunder shall look solely to the premises hereby conveyed for the payment thereof, or to the enforcement of the lien hereby created in the manner herein and in said Note provided or by action to enforce the personal liability if any guarantor, co-signer, or endorser.

Doc. 8741C, P.2

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STATE OF ILLINOIS)
) SS.
COUNTY OF C O O K)

I, CATHERINE CIOLINO, a Notary Public in and for such County and State, DO CERTIFY that [illegible], of FIRST ILLINOIS BANK of EVANSTON N.A. and [illegible] of the Bank, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as CLIENT EXECUTIVE and CLIENT SERVICES OFFICER, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said Bank, as Trustee, for the uses and purposes set forth; and that CLIENT SERVICES OFFICER then and there acknowledged that ~~the~~ (she), as custodian of the corporate seal of said Bank, did affix the corporate seal of said Bank to said instrument as ~~(his)~~ (her) own free and voluntary act and as the free and voluntary act of the Bank, as Trustee, for the uses and purposes set forth.

GIVEN under my hand and Notarial Seal this [illegible] day of October, 1987.

[illegible]
Notary Public

My commission expires:
11-15-88

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EXHIBIT "A"

THE WEST 1/2 OF LOT 6, THE WEST 9 FEET OF THE EAST 1/2 OF LOT 6 AND THE EAST 1/2 (EXCEPT THE WEST 4 FEET THEREOF) OF LOT 7 IN W. M. LE MOYNE'S SUBDIVISION OF LOTS 18, 19, 22 AND 23 IN ANDREW J. BROWN'S SUBDIVISION OF PART OF THE NORTH 1/2 OF THE SOUTH WEST 1/4 OF SECTION 8, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPT THE NORTH 6 FEET OF SAID PREMISES TAKEN FOR ALLEY) IN COOK COUNTY, ILLINOIS.