 88392365

COMBINED SECURITY AGREEMENT AND ASSIGNMENT OF RENTS BY LAND TRUST BENEFICIARIES

This Agreement is dated August 23, 1988 and affects certain property ("Property") located at 7400 South Coles, Chicago, Illinois 60649 (Property Address) and more particularly described on Exhibit "A" hereto, which is the subject matter of a Trust Agreement ("Trust Agreement") dated March 3, 1985 and known as Trust No. 11-2322 ("Trust") between South Chicago * as Trustee of said Trust and the undersigned parties ("Beneficiaries") holding the entire beneficial interest in said Trust.

* Savings Bank

RECITALS:

A. Simultaneously with the execution of this Agreement, the Beneficiaries have directed the Trustee to execute and deliver to the undersigned mortgage lender ("Lender") a Multifamily Mortgage (the "Mortgage") applicable to the property to secure certain indebtedness of Trustee ~~xxxx~~ evidenced by a Note ("Note") ~~xxxxx~~ payable to the order of Lender bearing even date with the Mortgage.

B. Section 15 of the Mortgage grants to Lender a security interest in certain personal property located on or about the Property and Section 26 of the Mortgage assigns to Lender the rents and revenues of the Property. (Said personal property, fixtures, rents and revenues are referred to in this instrument as "Supplemental Collateral").

C. The parties intend that the Note shall be secured by the Supplemental Collateral whether or not ownership thereof shall be in the Trustee or in the Beneficiary, and whether or not the Supplemental Collateral shall be real property or personal property, and whether now or hereafter located in, on or about the property.

NOW, THEREFORE, Beneficiaries hereby confirm and grant to Lender the same security interest in the Supplemental Collateral and such other rights with respect thereto as Lender would otherwise have acquired if the Supplemental Collateral had been owned by the Trustee at the time of execution of the Mortgage or at any time thereafter. Such rights expressly include, without limitation, Lender's rights under the provisions of Sections 15 and 26 of the Mortgage, which provisions are hereby approved by Beneficiaries and are appended as Exhibit B to this Agreement for further identification. This instrument or any reproduction thereof may be filed or recorded by Lender as a financing statement for the purpose of perfecting Lender's security interest in the Supplemental Collateral pursuant to the Illinois Uniform Commercial Code.

IN WITNESS WHEREOF, the Beneficiaries and Lender have executed this instrument the day and date first above written.

Frank Culjak
Beneficiary Frank Culjak

Vila Culjak
Beneficiary Vila Culjak

Beneficiary

Being all of the Beneficiaries of said Trust

MAIL TO

Instrument prepared by and after recordation to be sent to:

Michael D. Stronberg
First Illinois Corporation
800 Davis Street
Evanston, Illinois 60204

88392365

Lender: First Illinois Bank of Evanston, N.A.

By: Veronica G. Mersch

Title: Vice President

Address of Beneficiaries: 10704 Mackinaw
Chicago, Illinois 60617

Address of Property: 7400 South Coles
Chicago, Illinois 60649

INDIVIDUAL BENEFICIARY ACKNOWLEDGMENT

STATE OF ILLINOIS, County ss:

I, The undersigned, a Notary Public in and for said county and state, do hereby certify that Frank Guljak & Vila Guljak 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 and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 23rd day of AUG., 1988.

My Commission Expires:

OFFICIAL SEAL
JOHN VIDOVIC
NOTARY PUBLIC STATE OF ILLINOIS
COMMISSION EXP. JAN 24,1991

John Vidovic
Notary Public

INDIVIDUAL [illegible] BENEFICIARY ACKNOWLEDGMENT

STATE OF ILLINOIS, County ss:

The foregoing instrument was acknowledged before me this (date)

by (person acknowledging), general partner on behalf of (name of partnership), a limited partnership.

My Commission Expires:

Notary Public

88392365

CORPORATE ACKNOWLEDGMENT

STATE OF ILLINOIS, County ss:

The foregoing instrument was acknowledged before me this (date)

by (person acknowledging) (office)

(name of corporation) a (state) corporation, on be of the corporation.

My Commission Expires:

Notary Public

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

LOTS 1 AND 2 IN J.A. KELLY'S RESUBDIVISION OF THE EASTERLY 104.50 FEET OF LOT 40 IN THIRD DIVISION OF SOUTH SHORE SUBDIVISION OF THE NORTH FRACTIONAL 1/2 OF SECTION 30, TOWNSHIP 38 NORTH, RANGE 15, EAST OF THE THIRD PRINCIPAL MERIDIAN, AS SHOWN ON THE PLAT OF SAID RESUBDIVISION RECORDED JULY 18, 1914, AS DOCUMENT NUMBER 5459764, IN COOK COUNTY, ILLINOIS.

All furniture, fixtures, apparatus, machinery and equipment, whether now owned or hereafter acquired, now or hereafter located upon or used in connection with or held or acquired for use in connection with, the real estate (including present and future improvements) described in Exhibit A attached hereto, commonly known as 7400 South Coles, Chicago, Il. 60649 ("Real Estate"), including any and all accessories, parts, replacements, accessions, and all proceeds of any of the foregoing; together with all tenant security deposits and insurance premium rebates to which borrower is or may be entitled to and all sums on deposit with Lender applicable to the Real Estate;

TOGETHER with all buildings, improvements, and tenements now or hereafter erected on the property, and all heretofore or hereafter vacated alleys and streets abutting the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water, water rights, and water stock appurtenant to the property, and all fixtures, machinery, equipment, engines, boilers, incinerators, building materials, appliances and goods of every nature whatsoever now or hereafter located in, or on, or used, or intended to be used in connection with the property, including, but not limited to, those for the purposes of supplying or distributing heating, cooling, electricity, gas, water, air and light; and all elevators, and related machinery and equipment, fire prevention and extinguishing apparatus, security and access control apparatus, plumbing, bath tubs, water heaters, water closets, sinks, ranges, stoves, refrigerators, dishwashers, disposals, washers, dryers, awnings, storm windows, storm doors, screens, blinds, shades, curtains and curtain rods, mirrors, cabinets, panelling, rugs, attached floor coverings, furniture, pictures, antennas, trees and plants, and . . . . . ; all of which, including replacements and additions thereto, are herein referred to as the "Property".

15. UNIFORM COMMERCIAL CODE SECURITY AGREEMENT.

This instrument is intended to be a security agreement pursuant to the Uniform Commercial Code for any o the items specified above as part of the Property which, under applicable law, may be subject to a security interes pursuant to the Uniform Commercial Code, and Borrower hereby grants Lender a security interest in said items Borrower agrees that Lender may file this Instrument, or a reproduction thereof, in the real estate records or othe appropriate index, as a financing statement for any of the items specified above as part of the Property. Any re production of this Instrument or of any other security agreement or financing statement shall be sufficient as financing statement. In addition, Borrower agrees to execute and deliver to Lender, upon Lender's request, an financing statements, as well as extensions, renewals and amendments thereof, and reproductions of this Instru ment in such form as Lender may require to perfect a security interest with respect to said items. Borrower shal pay all costs of filing such financing statements and any extensions, renewals, amendments and releases thereof and shall pay all reasonable costs and expenses of any record searches for financing statements Lender may reason ably require. Without the prior written consent of Lender, Borrower shall not create or suffer to be created pursu ant to the Uniform Commercial Code any other security interest in said items, including replacements an additions thereto. Upon Borrower's breach of any covenant or agreement of Borrower contained in this Instru ment, including the covenants to pay when due all sums secured by this Instrument, Lender shall have the reme dies of a secured party under the Uniform Commercial Code and, at Lender's option, may also invoke th remedies provided in paragraph 27 of this Instrument as to such items. In exercising any of said remedies, Lende may proceed against the items of real property and any items of personal property specified above as part of th Property separately or together and in any order whatsoever, without in any way affecting the availability of Lend er s remedies under the Uniform Commercial Code or of the remedies provided in paragraph 27 of this Instrument.

26. ASSIGNMENT OF RENTS; APPOINTMENT OF RECEIVER; LENDER IN POSSESSION.

As part of the consideration for the indebtedness evidenced by the Note, Borrower hereby absolutely an unconditionally assigns and transfers to Lender all the rents and revenues of the Property, including those nov due, past due, or to become due by virtue of any lease or other agreement for the occupancy or use of all or an part of the Property, regardless of to whom the rents and revenues of the Property are payable. Borrower bereb authorizes Lender or Lender's agents to collect the aforesaid rents and revenues and hereby directs each tenant o the Property to pay such rents to Lender or Lender's agents; provided, however, that prior to written notice give by Lender to Borrower of the breach by Borrower of any covenant or agreement of Borrower in this Instrument Borrower shall collect and receive all rents and revenues of the Property as trustee for the benefit of Lender an Borrower, to apply the rents and revenues so collected to the sums secured by this Instrument in the order provide in paragraph 3 hereof with the balance, so long as no such breach has occurred, to the account of Borrower, i being intended by Borrower and Lender that this assignment of rents constitutes an absolute assignment and not a assignment for additional security only. Upon delivery of written notice by Lender to Borrower of the breach b Borrower of any covenant or agreement of Borrower in this Instrument, and without the necessity of Lender enter ing upon and taking and maintaining full control of the Property in person, by agent or by a court-appointed re ceiver, Lender shall immediately be entitled to possession of all rents and revenues of the Property as specified in this paragraph 26 as the same become due and payable, including but not limited to rents then due and unpaid, an all such rents shall immediately upon delivery of such notice be held by Borrower as trustee for the benefit o Lender only; provided, however, that the written notice by Lender to Borrower of the breach by Borrower shal contain a statement that Lender exercises its rights to such rents. Borrower agrees that commencing upon delivery of such written notice of Borrower's breach by Lender to Borrower, each tenant of the Property shall make such rents payable to and pay such rents to Lender or Lender's agents on Lender's written demand to each tenant there for, delivered to each tenant personally, by mail or by delivering such demand to each rental unit, without any liability on the part of said tenant to inquire further as to the existence of a default by Borrower.

Borrower hereby covenants that Borrower has not executed any prior assignment of said rents, that Borrowe has not performed, and will not perform, any acts or has not executed, and will not execute, any instrument which would prevent Lender from exercising its rights under this paragraph 26, and that at the time of execution of this Instrument there has been no anticipation or prepayment of any of the rents of the Property for more than two months prior to the due dates of such rents. Borrower covenants that Borrower will not hereafter collect or accept

payment of any rents of the Property more than two months prior to the due dates of such rents. Borrower further covenants that Borrower will execute and deliver to Lender such further assignments of rents and revenues of the Property as Lender may from time to time request.

Upon Borrower's breach of any covenant or agreement of Borrower in this Instrument, Lender may in person, by agent or by a court-appointed receiver, regardless of the adequacy of Lender's security, enter upon and take and maintain full control of the Property in order to perform all acts necessary and appropriate for the operation and maintenance thereof including, but not limited to, the execution, cancellation or modification of leases, the collection of all rents and revenues of the Property, the making of repairs to the Property and the execution or termination of contracts providing for the management or maintenance of the Property, all on such terms as are deemed best to protect the security of this Instrument. In the event Lender elects to seek the appointment of a receiver for the Property upon Borrower's breach of any covenant or agreement of Borrower in this Instrument, Borrower hereby expressly consents to the appointment of such receiver. Lender or the receiver shall be entitled to receive a reasonable fee for so managing the Property.

All rents and revenues collected subsequent to delivery of written notice by Lender to Borrower of the breach by Borrower of any covenant or agreement of Borrower in this Instrument shall be applied first to the costs, if any, of taking control of and managing the Property and collecting the rents, including, but not limited to, attorney's fees, receiver's fees, premiums on receiver's bonds, costs of repairs to the Property, premiums on insurance policies, taxes, assessments and other charges on the Property, and the costs of discharging any obligation or liability of Borrower as lessor or landlord of the Property and then to the sums secured by this Instrument. Lender or the receiver shall have access to the books and records used in the operation and maintenance of the Property and shall be liable to account only for those rents actually received. Lender shall not be liable to Borrower, anyone claiming under or through Borrower or anyone having an interest in the Property by reason of anything done or left undone by Lender under this paragraph 26.

If the rents of the Property are not sufficient to meet the costs, if any, of taking control of and managing the Property and collecting the rents, any funds expended by Lender for such purposes shall become indebtedness of Borrower to Lender secured by this Instrument pursuant to paragraph 8 hereof. Unless Lender and Borrower agree in writing to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof and shall bear interest from the date of disbursement at the rate stated in the Note unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate which may be collected from Borrower under applicable law.

Any entering upon and taking and maintaining of control of the Property by Lender or the receiver and any application of rents as provided herein shall not cure or waive any default hereunder or invalidate any other right or remedy of Lender under applicable law or provided herein. This assignment of rents of the Property shall terminate at such time as this Instrument ceases to secure indebtedness held by Lender.

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EXHIBIT "A"

LOTS 1 AND 2 IN J.A. KELLY'S RESUBDIVISION OF THE EASTERLY 104.50 FEET OF LOT 40 IN THIRD DIVISION OF SOUTH SHORE SUBDIVISION OF THE NORTH FRACTIONAL 1/2 OF SECTION 30, TOWNSHIP 38 NORTH, RANGE 15, EAST OF THE THIRD PRINCIPAL MERIDIAN, AS SHOWN ON THE PLAT OF SAID RESUBDIVISION RECORDED JULY 18, 1914, AS DOCUMENT NUMBER 5459764, IN COOK COUNTY, ILLINOIS.

Permanent Tax ID: 21-30-120-018

Common Address: 7400 South Coles, Chicago, Illinois 60649

DEPT-01 $14.30

T#1111 TRAN 4913 08/29/88 11:07:00

#9692 # A *-88-392365

COOK COUNTY RECORDER

88392365

16.00 mail

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