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THIS INSTRUMENT PREPARED BY:

C. FONTARELLI

WHEN RECORDED MAIL TO
HOME SAVINGS OF AMERICA
P.O. BOX 7075
PASADENA, CALIFORNIA 91109-7075



ALL NOTICES TO LENDER SHALL BE
MAILED OR DELIVERED TO THE ABOVE
ADDRESS.

LOAN NO. 1041154-4

Mortgage, Assignment of Rents and Security Agreement

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2 of 3

This Mortgage (the "Instrument") is made this 23rd day of MARCH, 1989, between

ANDRZEJ CHLEBEK AND DONNA CHLEBEK, HUSBAND AND WIFE

(the "Mortgagor") whose address is 7918 SOUTH NAGLE
BURBANK, IL. 60459

and HOME SAVINGS OF AMERICA, F.A.,
a federally chartered savings and loan association (the "Lender"), whose address is P.O. Box 7075, Pasadena, California 91109-7075.
WITNESSETH: Mortgagor irrevocably grants, conveys, transfers and assigns to Lender that real property in Cook County, Illinois, described as:

COOK
LOTS 14 AND 15, IN BLOCK 1 IN CLEAR PARK, A SUBDIVISION OF THE NORTHWEST 1/4 OF THE
NORTHEAST 1/4 OF SECTION 20, TOWNSHIP 33 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL
MERIDIAN IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS 5835 WEST 63rd STREET, CHICAGO, IL. 60638

PTN: 19-20-201-011 & 19-20-201-010

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TOGETHER with all interest which Mortgagor now has or may hereafter acquire in or to said property, and in and to: (a) all easements and rights of way appurtenant thereto, and all heretofore or hereafter vacated alleys and streets abutting said property; (b) all buildings, structures, tenements, improvements, fixtures and appurtenances now or hereafter placed thereon, including, but not limited to, all fixtures, apparatus, machinery, equipment, engines, boilers, incinerators, building materials, appliances and goods of every nature whatsoever now or hereafter located in, on, or used, or intended to be used in connection with said property, including, but not limited to, those for the purposes of supplying or distributing air cooling, air conditioning, gas, electricity, water, air, refrigeration, ventilation, laundry, drying, dishwashing, garbage disposal and other services; and all related machinery and equipment, fire prevention and extinguishing apparatus, security and access control apparatus, plumbing, bathtubs, 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, pool equipment, but not limited to and agreed that such items, including replacements and additions thereto, be conclusively deemed to be affixed to and be part of the real property that is conveyed hereby; (c) all cabinets, shelving, furniture, displays, lights, machinery and other trade fixtures attached or otherwise installed on said property used for a trade or business, it being intended and agreed that such items, including replacements and additions thereto, be conclusively deemed to be affixed to and be part of the real property that is conveyed hereby; (d) all royalties, minerals, oil and gas rights and profits, water and water rights (whether or not appurtenant) owned by Mortgagor and shares of stock pertaining to such water or water rights, ownership of which affects said property; and (e) the rents, income, issues, and profits of all properties covered by this instrument; and (f) all accounts, accounts receivable, chattel paper, insurance claims, condemnation awards, general intangibles, contract rights, instruments, documents and other rights of Mortgagor arising out of or related to Mortgagor's ownership of such property, SUBJECT, HOWEVER, to the terms and conditions herein set forth. Mortgagor agrees to execute and deliver, from time to time, such further instruments as may be requested by Lender to evidence or confirm the lien of this instrument on any such properties. The properties conveyed to Trustee hereunder are hereinafter referred to as the "Property".

FOR THE PURPOSE OF SECURING:

(1) Payment of the sum of \$ 149,600.00 with interest thereon, according to the terms of a promissory note of even date herewith and having a final maturity date of APRIL 15, 2019 made by Mortgagor payable to Lender or order, and all modifications, extensions or renewals thereof (the "Note"). (2) Payment of such additional sums with interest thereon: (a) as may be hereafter advanced by Lender pursuant to paragraph 34 hereof (herein "Future Advances"); and (b) as may be incurred, paid out, or advanced by Lender, or may otherwise be due Lender under any provision of this instrument. (3) If this is a construction loan, performance by Mortgagor of the covenants and agreements contained in a construction loan agreement between Mortgagor and Lender, of even date herewith, as provided in paragraph 17 hereof. (4) Performance of each agreement of Mortgagor contained herein or incorporated herein by reference or contained in any other agreements or covenants executed by Mortgagor relating to the loan secured hereby. (5) If this loan is secured by a leasehold, performance and keeping by Mortgagor of each of the covenants and agreements required to be kept and performed by Mortgagor as lessee pursuant to the terms of the lease and any and all other instruments creating Mortgagor's leasehold interest in or defining Mortgagor's rights as lessee in respect to the Property. (6) Performance by Mortgagor with each and every monetary obligation to be performed by Mortgagor under any recorded covenants, conditions and restrictions pertaining to the Property. (7) At Lender's option, payment, with interest thereon, of any other present or future indebtedness or obligation of Mortgagor (or of any successor in interest of Mortgagor) to such Property owing to Lender, whether created directly or acquired by absolute or contingent assignment, whether due or not, whether otherwise secured or not, or whether existing at the time of the execution of this instrument or arising thereafter, the exercise of such option to be evidenced by a notice in writing to Mortgagor or any successor in interest to Mortgagor. (8) Performance of all agreements of Mortgagor to pay fees and charges to the Lender relating to the loan secured hereby. (9) Payment of charges, as allowed by law when such charges are made, for any statement issued by Lender regarding the obligation secured hereby.

Mortgagor covenants that Mortgagor is lawfully seized of the estate hereby conveyed and has the right to grant, convey, transfer and assign the Property to Lender.

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Upon Lender's request, Mortgagor shall assign to Lender, by written instrument satisfactory to Lender, all leases now existing or hereafter made of all or any part of the Property and all security deposits made by tenants in connection with such leases of the Property. Mortgagor shall assign to Lender, by written instrument satisfactory to Lender, all leases now existing or hereafter made by Mortgagor to Lender of any lease of the Property, and all security deposits made by tenants in connection with such leases of the Property. Upon management by Mortgagor to Lender of any lease of the Property, Lender shall have all of the rights and powers possessed by Mortgagor prior to such management and Lender shall have the right to modify, extend or terminate such existing leases and to execute new leases in Lender's sole discretion.

(17) **Construction Loan Provisions.** Mortgagor agrees to comply with the covenants and conditions of the construction loan agreement, in Lender's sole discretion.

It is hereby incorporated by reference in and made a part of this instrument, and such advances may be obligated to the construction loan agreement shall be included in the amount of the loan. All sums disbursed by Lender prior to completion of the improvements to protect the security provided in the construction loan agreement. All sums disbursed by Lender prior to completion of the improvements to protect the security provided in the construction loan agreement shall be included in the amount of the loan. All sums disbursed by Lender prior to completion of the improvements to protect the security provided in the construction loan agreement shall be included in the amount of the loan.

(18) **Assignment of Rents; Appointment of Receiver; Lender in Possession.** As part of the consideration for the loan evidenced by this Note, Mortgagor hereby irrevocably and unconditionally assigns and transfers to Lender all the rents and revenues of the Property, including those now due, paid, due, or to become due by virtue of any lease or other agreement for the occupancy or use of all or any part of the Property, regardless of to whom the rents and revenues of the Property may be payable. Mortgagor hereby authorizes Lender or Lender's agents to collect the rents and revenues and hereby directs each tenant of the Property to pay such rents to Lender or Lender's agents; provided, however, that prior to written notice given by Lender to Mortgagor of the breach by Mortgagor of any covenant or agreement of Mortgagor in this instrument, Mortgagor shall collect and receive all rents and revenues of the Property as trustee for the benefit of Lender and Mortgagor, to apply the rents and revenues so collected to the sums secured by this instrument in the order provided in paragraph 3 hereof, with the balance, so long as no such breach has occurred, to the account of Mortgagor, it being intended by Mortgagor and Lender that the assignment of rents constitutes an absolute assignment and not an assignment for additional security only. Upon delivery of written notice by Lender to Mortgagor of the breach by Mortgagor of any covenant or agreement of Mortgagor in this instrument, and without the necessity of Lender entering upon and taking and maintaining full control of the Property in person, by agent or by a court-appointed receiver, Lender shall immediately be entitled to possession of all rents and revenues of the Property as specified in this paragraph 3 as the same become due and payable, including, but not limited to, rents then due and unpaid, and all such rents shall immediately upon delivery of such notice be held by Mortgagor as trustee for the benefit of Lender only; provided, however, that the written notice by Lender to Mortgagor of such breach shall contain a statement that Lender exercises its rights to such rents. Mortgagor agrees that upon delivery of such notice of breach by Lender to Mortgagor, 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 thereof, 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 assignment of a default by Mortgagor.

Mortgagor hereby warrants that Mortgagor has not executed any prior assignment of said rents, that Mortgagor 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 3, 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. Mortgagor warrants that Mortgagor will not thereafter covenant that Mortgagor 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 breach of any covenant or agreement in this instrument, Lender may in person, by agent or by a court-appointed receiver, register of the adequacy of Lender's security, enter, upon and take possession and maintain full control of the Property in order to perform all acts necessary and appropriate for the operation and maintenance thereof and the conducting thereof of any business or businesses then being conducted by Mortgagor, 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 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 Mortgagor's breach of any covenant or agreement of Mortgagor in this instrument, Mortgagor 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 Mortgagor of the breach by Mortgagor of any covenant or agreement or agreement of Mortgagor 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, attorneys' fees, receivers' fees, premiums on receivers' bonds, costs of any obligation or liability of Mortgagor as lessor or landlord of the Property and all other 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 Mortgagor, anyone claiming under or through Mortgagor or anyone having an interest in the Property by reason of anything done or left undone by Lender under this paragraph 3.

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 Mortgagor to Lender secured by this instrument pursuant to paragraph 8 hereof. Unless Lender and Mortgagor agree in writing to other terms of payment, such amounts shall be immediately due and payable by Mortgagor and shall bear interest from the date of disbursement of the rents as adjusted from time to time in accordance with the terms of the Note, compounded monthly, 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 Mortgagor 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.

(19) **Acceleration in Case of Insolvency.** Notwithstanding anything in this Note to the contrary, if Mortgagor or the owner of the beneficial interest of Mortgagor should voluntarily file a petition under the Federal Bankruptcy Act, or such Act from time to time be amended, or under any similar or successor Federal statute relating to bankruptcy, insolvency, arrangements or reorganizations, or under any state bankruptcy or insolvency act, or file an answer in an involuntary proceeding or proceeding in insolvency, or file a petition, or if said Mortgagor or owner shall fail to obtain a vacation or stay of an involuntary proceeding brought for the reorganization, dissolution, classification or judgment of a bankruptcy court or similar state court, or if said Mortgagor or owner shall make an assignment for the benefit of creditors, or if there is an attachment, execution or other judicial seizure of any portion of their respective assets and such seizure is not discharged within ten days, then Lender may, at Lender's option, declare all indebtedness due under this Mortgage and the Note secured hereby to be immediately due and payable without prior notice, and Lender may invoke any remedies permitted by Paragraph 18 of this Mortgage. Any attorney's fees and other expenses incurred by Lender in connection with such bankruptcy or any of the other aforesaid events shall be additional indebtedness secured by this Mortgage and payable on demand.

(20) **Transfers of the Property or Beneficial Interest in Mortgagor.** On sale or transfer of: (a) all or any part of the Property, or any interest therein; or (b) beneficial interest in Mortgagor (if Mortgagor is not a natural person or persons but is a corporation, partnership, trust or other legal entity), Lender may, at Lender's option, declare all of the sums secured by this instrument to be immediately due and payable, and Lender may invoke any remedies permitted by Paragraph 18 of this Mortgage. This option shall not apply in case of:

(i) transfers by devise or descent or by operation of law upon the death of a joint tenant;

(ii) the grant of a leasehold interest in a part of the Property for three years or less, including all renewal options, for such longer lease term as Lender may permit by prior written approval (except any interest in the ground lease, if this instrument is on a leasehold);

(iii) sales or transfers of beneficial interest in Mortgagor provided that such sales or transfers, together with any prior sales or transfers of beneficial interest in Mortgagor, do not result in more than 25% of the beneficial interest in Mortgagor having been sold or transferred since commencement of amortization of the Note; and

(iv) sales or transfers of fixtures or any personal property pursuant to the replacement thereof with property of the same kind and quality.

(21) **Acceleration; Remedies.** Upon Mortgagor's breach of any covenant or agreement of Mortgagor in this instrument or the Note, including, but not limited to, the covenants to pay when due any sums secured by this instrument, Lender, at Lender's option, may declare all of the sums secured by this instrument to be immediately due and payable without further demand.

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Mortgagor shall not surrender the leasehold estate and interest herein conveyed nor terminate or cancel the ground lease creating said estate and interest, and Mortgagor shall not, without the express written consent of Lender, assign or sublease said ground lease. Mortgagor covenants and agrees that there shall not be a merger of the ground lease and the leasehold estate created thereby, with the fee estate covered by the ground lease by reason of said leasehold estate and said fee estate, or any part of either, coming into common ownership, unless Lender shall consent in writing to such merger, if Mortgagor shall acquire such fee estate, then this instrument shall simultaneously and without further action be spread so as to become a lien on such fee estate.

(7) Use of Property. Unless required by applicable law or unless Lender has otherwise agreed in writing, Mortgagor shall not allow changes in the use for which all or any part of the Property was intended at the time this instrument was executed. Mortgagor shall not initiate or acquiesce in a change in the zoning classification of the Property without Lender's prior written consent.

(8) Protection of Lender's Security. If Mortgagor fails to perform the covenants and agreements contained in this instrument, or if any action or proceeding is commenced which affects the Property or title thereto or the interest of Lender therein, including, but not limited to, eminent domain, insolvency, building code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Lender at Lender's option may make such appearances, disburse such sums and take such action as Lender deems necessary, in its sole discretion, to protect Lender's interest, including, but not limited to: (a) disbursement of attorneys' fees; (b) entry upon the Property to make repairs or otherwise to protect the same as security for the indebtedness secured by this instrument; (c) procurement of satisfactory insurance as provided in paragraph 5 hereof; and (d) if this instrument is on a leasehold, exercise of any option to renew or extend the ground lease on behalf of Mortgagor and the curing of any default of Mortgagor in the terms and conditions of the ground lease.

Any amounts disbursed by Lender pursuant to this paragraph 8, with interest thereon, shall become additional indebtedness secured by this instrument. Unless Mortgagor and Lender agree to other terms of payment, such amounts shall be immediately due and payable and shall bear interest from the date of disbursement at the rate as adjusted from time to time in accordance with the terms of the Note, compounded monthly, unless collection from Mortgagor 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 Mortgagor under applicable law. Mortgagor hereby covenants and agrees that Lender shall be subrogated to the lien of any mortgage or other lien discharged, in whole or in part, by any advances made by Lender hereunder. Nothing contained in this paragraph 8 shall require Lender to incur any expense or take any action hereunder.

(9) Inspection. Lender may make or cause to be made reasonable entries upon and inspections of the Property.

(10) Books and Records. Mortgagor shall keep and maintain at all times at Mortgagor's address as provided in the Note, or such other place as Lender may approve in writing, complete and accurate books of accounts and records, in accordance with generally accepted accounting principles, consistently applied, adequate to reflect correctly the results of the operation of the Property and copies of all written contracts, budgets, change orders, leases and other instruments which affect the Property. Such books, records, contracts, budgets, change orders, leases and other instruments shall be subject to examination and inspection at any reasonable time by Lender. Within seven days of Lender's request, Mortgagor shall furnish to Lender a balance sheet, a statement of income and expenses of the Property and a statement of changes in financial position, each in reasonable detail and certified by Mortgagor and, if Lender shall require, by an independent certified public accountant. Mortgagor shall furnish, together with the foregoing financial statements and at any other time upon Lender's request, a rent schedule for the Property, certified by Mortgagor or Mortgagor's beneficiary, showing the name of each tenant, and for each tenant, the space occupied, the lease expiration date, the rent payable and the rent paid. In addition to the foregoing, at Lender's request, Mortgagor shall furnish such financial statements and other documents or records within 120 days following the close of each calendar year. All financial statements and other documents or records pursuant to this paragraph 10 shall be provided at Mortgagor's sole expense.

(11) Condemnation. Mortgagor shall promptly notify Lender of any action or proceeding relating to any condemnation or other taking, whether direct or indirect or whether by eminent domain or otherwise, of the Property, or part thereof, and Mortgagor shall appear in and prosecute any such action or proceeding unless otherwise directed by Lender in writing. Mortgagor authorizes Lender, at Lender's option, as attorney-in-fact for Mortgagor, to commence, appear in and prosecute, in Lender's or Mortgagor's name, any action or proceeding relating to any such condemnation or other taking of the Property, and to settle or compromise any claim in connection with such condemnation or other taking. The proceeds of any award, payment or claim for damages, direct or consequential, in connection with any such condemnation or other taking, of the Property, or part thereof, or for conveyances in lieu of condemnation, are hereby assigned to and shall be paid to Lender subject, if this instrument is on a leasehold, to the rights of the lessor under the ground lease.

Mortgagor authorizes Lender to apply such awards, payments, proceeds or damages, after the deduction of Lender's expenses incurred in the collection of such amounts, at Lender's option, to restoration or repair of the Property or to payment of the sums secured by this instrument, whether or not then due, in the order of application set forth in paragraph 3 hereof, with the balance, if any, to Mortgagor. Unless Mortgagor and Lender otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to in paragraphs 1 and 2 hereof or change the amount of such installments. Mortgagor agrees to execute such further evidence of assignment of any awards, proceeds, damages or claims arising in connection with such condemnation or taking as Lender may require.

(12) Lien Not Released. From time to time, Lender may, at Lender's option, without giving notice to or obtaining the consent of Mortgagor, Mortgagor's successors or assigns or of any junior lienholder or guarantors, without liability on Lender's part and notwithstanding Mortgagor's breach of any covenant or agreement of Mortgagor in this instrument, extend the time for payment of said indebtedness or any part thereof, reduce the payments thereon, release any other persons secondarily or otherwise liable on any of said indebtedness, accept a renewal note or notes therefor, modify the terms and time of payment of said indebtedness, release from the lien of this instrument any part of the Property, take or release other or additional security, reconvey any part of the Property, consent to any map or plan of the Property, consent to the granting of any easement, join in any extension or subordination agreement, and agree in writing with Mortgagor to modify the rate of interest or period of amortization of the Note or change the amount of the monthly installments payable thereunder. Any actions taken by Lender pursuant to the terms of this paragraph 12 shall not affect the obligations of Mortgagor or Mortgagor's successors or assigns to pay the sums secured by this instrument and to observe the covenants of Mortgagor contained herein, shall not affect the guaranty of any person, corporation, partnership or other entity for payment of the indebtedness secured hereby, and shall not affect the lien or priority of lien hereof on the Property. Mortgagor shall pay Lender a reasonable service charge, together with such title insurance premiums and attorneys' fees as may be incurred, at Lender's option, for any such action if taken at Mortgagor's request.

(13) Forbearance by Lender Not a Waiver. No waiver by Lender of any right under this instrument shall be effective unless in writing. Waiver by Lender of any right granted to Lender under this instrument or of any provision of this instrument as to any transaction or occurrence shall not be deemed a waiver as to any future transaction or occurrence. By accepting payment of any sum secured hereby after its due date or by making any payment or performing any act on behalf of Mortgagor that Mortgagor was obligated hereunder but failed to make or perform, or by adding any payment so made by Lender to the indebtedness secured hereby, Lender does not waive its right to require prompt payment when due of all sums so secured or to require prompt performance of all other acts required hereunder, or to declare a default for failure so to pay.

(14) Estoppel Certificate. Mortgagor shall within ten days of a written request from Lender furnish Lender with a written statement, duly acknowledged, setting forth the sums secured by this instrument and any right of set-off, counterclaim or other defense which exists against such sums and the obligations of this instrument.

(15) Uniform Commercial Code Security Agreement. This instrument is intended to be a security agreement pursuant to the Uniform Commercial Code for any of the items specified above as part of the Property which, under applicable law, may be subject to a security interest pursuant to the Uniform Commercial Code, and Mortgagor hereby grants Lender a security interest in said items. Mortgagor agrees that Lender may file this instrument, or a reproduction thereof, in the appropriate records or index for Uniform Commercial Code filings as a financing statement for any of the items specified above as part of the Property. Any reproduction of this instrument or of any other security agreement or financing statement shall be sufficient as a financing statement. In addition, Mortgagor agrees to execute and deliver to Lender, upon Lender's request, any financing statements, as well as extensions, renewals and amendments thereof, and reproductions of this instrument in such form as Lender may require to perfect a security interest with respect to said items. Mortgagor shall 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 reasonably require. Without the prior written consent of Lender, Mortgagor shall not create or suffer to be created pursuant to the Uniform Commercial Code any other security interest in said items, including replacements and additions thereto. Upon Mortgagor's breach of any covenant or agreement of Mortgagor contained in this instrument, including the covenants to pay when due all sums secured by this instrument, Lender shall have the remedies of a secured party under the Uniform Commercial Code and, at Lender's option, may invoke the remedies provided in paragraph 21 of this instrument as to such items. In exercising any of said remedies, Lender may proceed against the items of real property and any items of personal property specified above as part of the Property separately or together and in any order whatsoever, without in any way affecting the availability of Lender's remedies under the Uniform Commercial Code or of the remedies provided in paragraph 21 of this instrument.

(16) Lease of the Property. As used in this paragraph 16, the word "lease" shall mean "sublease" if this instrument is on a leasehold. Mortgagor shall comply with and observe Mortgagor's obligations as landlord under all leases of the Property or any part thereof. Mortgagor, at Lender's request, shall furnish Lender with executed copies of all leases now existing or hereafter made of all or any part of the Property, and all leases now or hereafter entered into will be in form and substance subject to the approval of Lender. Unless otherwise waived by Lender, all leases of the Property shall specifically provide that such leases: (a) are subordinate to this instrument; (b) that the tenant attorns to Lender, such attornment to be effective upon Lender's acquisition of title to the Property; (c) that the tenant agrees to execute such further evidences of attornment as Lender may from time to time request; (d) that the attornment of the tenant shall not be terminated by foreclosure; and (e) that Lender may, at Lender's option, accept or reject such attornments. Mortgagor shall not, without Lender's written consent, execute, modify, surrender or terminate, either orally or in writing, any lease now existing or hereafter made of all or any part of the Property providing for a term of three years or more, permit an assignment or sublease of such a lease without Lender's written consent, or request or consent to the subordination of any lease of all or any part of the Property to any lien subordinate to this instrument. If Mortgagor becomes aware that any tenant proposes to do, or is doing, any act or thing which may give rise to any right of set-off against rent, Mortgagor shall: (i) take such steps as shall be reasonably calculated to prevent the accrual of any right to a set-off against rent; (ii) notify Lender thereof and of the amount of said set-off; and (iii) within ten days after such accrual, reimburse the tenant who shall have acquired such right to set-off or take such other steps as shall effectively discharge such set-off and as shall assure that rents thereafter due shall continue to be payable without set-off or deduction.

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reason of negative amortization as provided in the Note.

interest rate may be adjusted from time to time in accordance with a monthly increase or decrease in an index as provided in said Note. From time to time the monthly installment payments due under said Note may not be sufficient to pay all interest due in which case unpaid interest will be added to principal. In no case will the unpaid interest added to the principal exceed one hundred and fifty percent (150%) of the original principal indebtedness. Mortgagee agrees that at Lender's request it shall provide to Lender additional title insurance to the full amount of the outstanding principal indebtedness due hereunder if the principal indebtedness has increased by an amount in excess of \$100,000.00. Lender may collect a fee of \$50.00 or such greater maximum amount as is allowed by law for furnishing any statement of obligation or any other statement regarding the condition of balance owing under the Note secured by this instrument.

(31) **Waiver of Marshalling.** Notwithstanding the existence of any other security interests in the Property held by Lender or by any other party, Lender shall have the right to determine the order in which any or all of the Property shall be subjected to the remedies provided herein. Lender shall have the right to determine the order in which any or all portions of the indebtedness secured hereby are satisfied from the proceeds realized upon the exercise of the remedies provided herein. Mortgagee, any party who consents to this instrument and any party who now or hereafter acquires a security interest in the Property and who has actual or constructive notice hereby of this instrument, waives any and all right to request the marshalling of assets in connection with the exercise of any of the remedies permitted by applicable law or provided herein.

(32) **Waiver of Homestead.** Mortgagee hereby waives all right of homestead exemption in or relating to such Property.

(33) **Statement of Obligation.** Lender may collect a fee of \$50.00 or such greater maximum amount as is allowed by law for declaring the indebtedness secured by this instrument, irrespective of the maturity date specified in the Note or notes, immediately due and payable. Lender may make the loan evidenced by the Note or notes which this instrument secures, and in the event that Mortgagee has made any material misrepresentations or failed to disclose any material fact, Lender, at its option and without prior notice, shall have the right to induce Lender to make the loan evidenced by the Note or notes which this instrument secures, and in the event that Mortgagee has made any material misrepresentation or Non-disclosure, Mortgagee has made certain written representations and disclosures in order to induce Lender to make the loan evidenced by the Note or notes which this instrument secures, and in the event that Mortgagee has made any material misrepresentation or Non-disclosure, Mortgagee's claim would be barred by the applicable statute of limitations.

(29) **Misrepresentation or Non-disclosure.** Mortgagee has made certain written representations and disclosures in order to induce Lender to make the loan evidenced by the Note or notes which this instrument secures, and in the event that Mortgagee has made any material misrepresentation or Non-disclosure, Mortgagee's claim would be barred by the applicable statute of limitations. Mortgagee has made certain written representations and disclosures in order to induce Lender to make the loan evidenced by the Note or notes which this instrument secures, and in the event that Mortgagee has made any material misrepresentation or Non-disclosure, Mortgagee's claim would be barred by the applicable statute of limitations. Mortgagee has made certain written representations and disclosures in order to induce Lender to make the loan evidenced by the Note or notes which this instrument secures, and in the event that Mortgagee has made any material misrepresentation or Non-disclosure, Mortgagee's claim would be barred by the applicable statute of limitations.

(28) **Offset.** No indebtedness secured by this instrument shall be deemed to have been offset or compensated by all or part of any claim, cause of action, counterclaim or part of any claim, cause of action, counterclaim or cross-claim, whether liquidated or unliquidated, which Mortgagee now or hereafter may have or may claim to have against Lender, and, in respect to the indebtedness now or hereafter secured hereby, Mortgagee waives to the fullest extent permitted by law, the benefits of any applicable law, regulation or procedure which would otherwise be available to Lender, and the proceeds of any such law, regulation or procedure shall be applied to the satisfaction of the indebtedness secured hereby. Lender may, at its option, appear in and prosecute in its own name any action or proceeding to enforce any such cause of action and may make any compromise or settlement of the indebtedness secured hereby, and Lender shall not be deemed to have been offset or compensated by all or part of any claim, cause of action, counterclaim or part of any claim, cause of action, counterclaim or cross-claim, whether liquidated or unliquidated, which Mortgagee now or hereafter may have or may claim to have against Lender, and, in respect to the indebtedness now or hereafter secured hereby, Mortgagee waives to the fullest extent permitted by law, the benefits of any applicable law, regulation or procedure which would otherwise be available to Lender, and the proceeds of any such law, regulation or procedure shall be applied to the satisfaction of the indebtedness secured hereby.

(27) **Injury to Property.** All causes of action of Mortgagee, whether accrued before or after the date of this instrument for damages or injury to the Property or any part thereof, or in connection with the transaction financed in whole or in part by the funds loaned to Mortgagee by Lender, or in connection with or affecting the Property, or any part thereof, including causes of action arising in tort or contract and causes of action for fraud or concealment of a material fact, are, at Lender's option, assigned to Lender, and the proceeds thereof shall be applied to the satisfaction of the indebtedness secured hereby. Lender may, at its option, appear in and prosecute in its own name any action or proceeding to enforce any such cause of action and may make any compromise or settlement of the indebtedness secured hereby, and Lender shall not be deemed to have been offset or compensated by all or part of any claim, cause of action, counterclaim or part of any claim, cause of action, counterclaim or cross-claim, whether liquidated or unliquidated, which Mortgagee now or hereafter may have or may claim to have against Lender, and, in respect to the indebtedness now or hereafter secured hereby, Mortgagee waives to the fullest extent permitted by law, the benefits of any applicable law, regulation or procedure which would otherwise be available to Lender, and the proceeds of any such law, regulation or procedure shall be applied to the satisfaction of the indebtedness secured hereby.

(26) **Waiver of State or Federal Tax Liabilities.** Time of the essence for all of Mortgagee's obligations hereunder, and to the extent permitted by law, Mortgagee waives all present or future state or federal tax liabilities in respect to any debt, demand or obligation secured hereunder in any action or proceeding for the purpose of enforcing this instrument or any rights, demands or obligations secured hereunder. Mortgagee's obligations hereunder, and to the extent permitted by law, Mortgagee waives all present or future state or federal tax liabilities in respect to any debt, demand or obligation secured hereunder in any action or proceeding for the purpose of enforcing this instrument or any rights, demands or obligations secured hereunder.

(25) **Governing Law; Severability.** The loan secured by this Mortgage is made pursuant to, and shall be construed and governed by, the laws of the United States and the rules and regulations promulgated thereunder, including the federal laws, rules and regulations for federal savings and loan associations. If any paragraph, clause or provision of this Mortgage or the note or any other notes or obligations secured by this Mortgage is determined by a court of competent jurisdiction to be void, invalid or unenforceable, such decision shall affect only those paragraphs, clauses or provisions so determined and shall not affect the remaining paragraphs, clauses and provisions of this Mortgage or the note or other notes secured by this Mortgage.

(24) **Successors and Assigns; Joint and Several Liability; Agents; Captions.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Mortgagee, subject to the laws of the United States and the rules and regulations promulgated thereunder, including the federal laws, rules and regulations for federal savings and loan associations. If any paragraph, clause or provision of this Mortgage or the note or any other notes or obligations secured by this Mortgage is determined by a court of competent jurisdiction to be void, invalid or unenforceable, such decision shall affect only those paragraphs, clauses or provisions so determined and shall not affect the remaining paragraphs, clauses and provisions of this Mortgage or the note or other notes secured by this Mortgage.

(23) **Notice.** Except for any notice required under applicable law to be given in another manner, all notices and other communications required or permitted under this instrument shall be in writing and shall be personally delivered or sent by registered or certified mail, return receipt requested, and if mailed shall be deemed received on the third business day after deposit in the mail in the continental United States, postage prepaid, addressed to the party to receive such notice at the address set forth above. Notice of change of address shall be given by written notice in the manner set forth in this paragraph 23.

(22) **Remedies Cumulative.** Each remedy herein provided shall be exclusive of any other remedy herein or now or hereafter existing by law, and may be exercised concurrently, independently or successively in any order whatsoever. Every power or remedy hereby given to Mortgagee or to Lender, any one or more of them may pursue at their option, either before, contemporaneously with, or after the sale is made hereunder, and on any debt of Mortgagee, Lender may, at its option, offset against any indebtedness owed hereunder to it by Mortgagee or any party or any part of the indebtedness owing by it to Mortgagee, and the Lender is hereby authorized and empowered to do so by its option, without any further obligation to do, and without affecting the obligations hereof, to apply towards the payment of any indebtedness secured hereby of the Mortgagee, any and all sums of money belonging to Mortgagee which the Lender may have in its possession or under its control, including the proceeds of the sale of any property owned or controlled by the Lender. No offset by Lender hereunder shall reduce Mortgagee's obligation on the obligation secured hereby as they become due.

(21) **Foreclosure.** Upon the occurrence of a default under this instrument, Lender may, at its option, either before, contemporaneously with, or after the sale is made hereunder, and on any debt of Mortgagee, Lender may, at its option, offset against any indebtedness owed hereunder to it by Mortgagee or any party or any part of the indebtedness owing by it to Mortgagee, and the Lender is hereby authorized and empowered to do so by its option, without any further obligation to do, and without affecting the obligations hereof, to apply towards the payment of any indebtedness secured hereby of the Mortgagee, any and all sums of money belonging to Mortgagee which the Lender may have in its possession or under its control, including the proceeds of the sale of any property owned or controlled by the Lender. No offset by Lender hereunder shall reduce Mortgagee's obligation on the obligation secured hereby as they become due.

(20) **Foreclosure.** Upon the occurrence of a default under this instrument, Lender may, at its option, either before, contemporaneously with, or after the sale is made hereunder, and on any debt of Mortgagee, Lender may, at its option, offset against any indebtedness owed hereunder to it by Mortgagee or any party or any part of the indebtedness owing by it to Mortgagee, and the Lender is hereby authorized and empowered to do so by its option, without any further obligation to do, and without affecting the obligations hereof, to apply towards the payment of any indebtedness secured hereby of the Mortgagee, any and all sums of money belonging to Mortgagee which the Lender may have in its possession or under its control, including the proceeds of the sale of any property owned or controlled by the Lender. No offset by Lender hereunder shall reduce Mortgagee's obligation on the obligation secured hereby as they become due.

(19) **Foreclosure.** Upon the occurrence of a default under this instrument, Lender may, at its option, either before, contemporaneously with, or after the sale is made hereunder, and on any debt of Mortgagee, Lender may, at its option, offset against any indebtedness owed hereunder to it by Mortgagee or any party or any part of the indebtedness owing by it to Mortgagee, and the Lender is hereby authorized and empowered to do so by its option, without any further obligation to do, and without affecting the obligations hereof, to apply towards the payment of any indebtedness secured hereby of the Mortgagee, any and all sums of money belonging to Mortgagee which the Lender may have in its possession or under its control, including the proceeds of the sale of any property owned or controlled by the Lender. No offset by Lender hereunder shall reduce Mortgagee's obligation on the obligation secured hereby as they become due.

(18) **Foreclosure.** Upon the occurrence of a default under this instrument, Lender may, at its option, either before, contemporaneously with, or after the sale is made hereunder, and on any debt of Mortgagee, Lender may, at its option, offset against any indebtedness owed hereunder to it by Mortgagee or any party or any part of the indebtedness owing by it to Mortgagee, and the Lender is hereby authorized and empowered to do so by its option, without any further obligation to do, and without affecting the obligations hereof, to apply towards the payment of any indebtedness secured hereby of the Mortgagee, any and all sums of money belonging to Mortgagee which the Lender may have in its possession or under its control, including the proceeds of the sale of any property owned or controlled by the Lender. No offset by Lender hereunder shall reduce Mortgagee's obligation on the obligation secured hereby as they become due.

(17) **Foreclosure.** Upon the occurrence of a default under this instrument, Lender may, at its option, either before, contemporaneously with, or after the sale is made hereunder, and on any debt of Mortgagee, Lender may, at its option, offset against any indebtedness owed hereunder to it by Mortgagee or any party or any part of the indebtedness owing by it to Mortgagee, and the Lender is hereby authorized and empowered to do so by its option, without any further obligation to do, and without affecting the obligations hereof, to apply towards the payment of any indebtedness secured hereby of the Mortgagee, any and all sums of money belonging to Mortgagee which the Lender may have in its possession or under its control, including the proceeds of the sale of any property owned or controlled by the Lender. No offset by Lender hereunder shall reduce Mortgagee's obligation on the obligation secured hereby as they become due.

(16) **Foreclosure.** Upon the occurrence of a default under this instrument, Lender may, at its option, either before, contemporaneously with, or after the sale is made hereunder, and on any debt of Mortgagee, Lender may, at its option, offset against any indebtedness owed hereunder to it by Mortgagee or any party or any part of the indebtedness owing by it to Mortgagee, and the Lender is hereby authorized and empowered to do so by its option, without any further obligation to do, and without affecting the obligations hereof, to apply towards the payment of any indebtedness secured hereby of the Mortgagee, any and all sums of money belonging to Mortgagee which the Lender may have in its possession or under its control, including the proceeds of the sale of any property owned or controlled by the Lender. No offset by Lender hereunder shall reduce Mortgagee's obligation on the obligation secured hereby as they become due.

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UNOFFICIAL COPY

(34) Future Advances. Upon request of Mortgagor, Lender, at Lender's option prior to release of this Mortgage, may make Future Advances to Mortgagor. Such Future Advances, with interest thereon, shall be secured by this Mortgage when evidenced by promissory notes stating that said notes are secured hereby. At no time shall the principal amount of the indebtedness secured by this Mortgage, not including sums advanced in accordance herewith to protect the security of this Mortgage, exceed the original amount of the Note plus NONE

(35) General Provisions. (a) This Mortgage applies to, inures to the benefit of, and binds, all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. (b) The term "Lender" shall mean the owner and holder (including a pledgee) of any note secured hereby, whether or not named as Lender herein. (c) Wherever the context so requires, the masculine gender includes the feminine and neuter, the singular number includes the plural, and vice versa. (d) Captions and paragraph headings used herein are for convenience only, are not a part of this Mortgage and shall not be used in construing it.

IN WITNESS WHEREOF, MORTGAGOR has executed this Instrument or has caused the same to be executed by its representatives thereunto duly authorized.

LOAN NO. 1041154-4

Andrzej Chlebek
ANDRZEJ CHLEBEK

Donna Chlebek
DONNA CHLEBEK

89131696

DEPT 81 RECORDING +16.25
T#2222 TRAN 9180 03/27/89 14:29:00
#8994 # B *-89-131696
COOK COUNTY RECORDER

State of Illinois Cook County ss:

I, the undersigned a notary public in and for said county and state, do hereby certify that Andrzej Chlebek and Donna Chlebek, 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 and delivered the same 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 March 19 89

My commission expires: 3/15/90

Beaudrea Rash
Notary Public

89131696

STATE OF ILLINOIS }
COUNTY OF } SS:

I, a Notary Public, in and for and residing in County, in the State aforesaid, DO HEREBY CERTIFY that and the President and Secretary, respectively, of

personally known to me to be the same persons whose names are subscribed in the foregoing instrument as such President and Secretary, respectively, appeared before me this day in person and being first duly sworn by me severally acknowledged that they signed and delivered the said instrument as their free and voluntary act and as the free and voluntary act of said company, for the uses and purposes therein set forth and the said Secretary, as custodian of the corporate seal of said company, did affix the corporate seal of said company to said instrument as said Secretary's own free and voluntary act and as the free and voluntary act of said company, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal, this day of

Notary Public