REAL ESTATE MORTGAGE

AND ASSIGNMENT OF RENTS

90617851

THE ABOVE SPACE FOR RECORDERS USE ONLY

~~THIS INDENTURE WITNESSETH, that~~ SEE RIDER ATTACHED

herein referred to as "Mortgagors", being indebted to Mortgagee, of the City of Chicago, State of Illinois, in the sum of

($_____) Dollars evidenced by the promissory note of Mortgagors of even date herewith payable to the order of Mortgagee in installments as follows:

_____ installments of $_____ each, beginning on _____ 19____ and continuing on the same day of each month thereafter until the entire sum is paid.

All of said principal and interest being made payable at the office of Mortgagee at 55 W. Monroe, St., Chicago, Illinois, or at such other place as the holder of the Note may from time to time appoint in writing. All such payments on account of the indebtedness evidenced by said Note shall be first applied to interest on the unpaid principal balance and the remainder to principal. Each of the installments of principal shall bear interest after maturity until paid at the rate provided in said Note.

NOW, THEREFORE, the Mortgagors to secure payment of said note, or any renewals of said note or any additional advances hereafter made by Mortgagee to or on behalf of Mortgagor, and for repayment of any other indebtedness now or hereafter due from Mortgagors to Mortgagee, in accordance with the terms, provisions and limitations of this mortgage and ~~the performance of the covenants and agreements herein contained~~, MORTGAGE AND WARRANT to Mortgagee, its successors and assigns, the following real estate situated in the County of Cook, State of Illinois (free from all rights and benefits under and by virtue of the Homestead Exemption Laws of the State of Illinois, which said rights and benefits the Mortgagors do hereby expressly release and waive and free from all right to retain possession of said real estate after default in payment for breach of any of the covenants and agreements herein contained), to-wit:

Unit Number 16-D in Steeple Run Condominiums as delineated on a survey of the following described Real Estate: certain lots or parts thereof in Steeple Run Unit 2, a subdivision of part of the South West 1/4 of Section 19, Township 36 North, Range 13 East of the Third Principal Meridian, which Survey is attached as Exhibit "C" to the Declaration of Condominium recorded February 4, 1988 as Document 88052756 together with its undivided percentage interest in the common elements, in Cook County, Illinois.

P.I.N. 28-19-300-049

Street Address: 7104 Olde Gatehouse Road, Tinley Park, Il

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COOK COUNTY RECORDER

which with the property hereinafter described, is referred to herein as the "premises."

TOGETHER with all improvements, tenements, easements, fixtures, and appurtenances thereto belonging, and all rents, issues and profits thereof for so long and during all such times as Mortgagors may be entitled thereto (which are pledged primarily and on a parity with said real estate and not secondarily) and all apparatus, equipment or articles now or hereafter therein or thereon used to supply heat, gas, air conditioning, water, light, power, refrigeration (whether single units or centrally controlled), and ventilation, including (without restricting the foregoing), screens, window shades, storm doors and windows, floor coverings, inador beds, awnings, stoves and water heaters. All of the foregoing are declared to be a part of said real estate whether physically attached thereto or not, and it is agreed that all similar apparatus, equipment or articles hereafter placed in the premises by the mortgagors or their successors or assigns shall be considered as constituting part of the real estate.

This mortgage consists of two pages. The covenants, conditions and provisions appearing on the reverse side of this mortgage are incorporated herein by reference and are a part hereof and shall be binding on the mortgagors, their heirs, successors and assigns.

WITNESS the hand..... and seal..... of Mortgagor this 18 day of December 1990

..... [SEAL] John DeMarco [SEAL]

..... [SEAL] ..... [SEAL]

STATE OF ILLINOIS, } ss. I, James J McDonough

County of Cook } a Notary Public in and for and residing in said County, in the State aforesaid, DO HEREBY CERTIFY that John DeMarco, divorced and not remarried

who is personally known to me to be the same person whose name is subscribed to the the foregoing mortgage, appeared before me this day in person and acknowledged that he signed, sealed and delivered the said mortgage as his free and voluntary act for the uses and purposes therein set forth, including the release and waiver of the right of homestead.

GIVEN under my hand and Notarial Seal this 18 day of December, A. D. 19 90

OFFICIAL SEAL
JAMES J. MCDONOUGH
NOTARY PUBLIC STATE OF ILLINOIS
MY COMMISSION EXP. MAY 30, 1992

James J McDonough
Notary Public

90-617851

ADDITIONAL COVENANTS, CONDITIONS AND PROVISIONS REFERRED TO ON THE REVERSE SIDE OF THIS MORTGAGE AND INCORPORATED THEREIN BY REFERENCE.

1. Mortgagors shall (1) promptly repair, restore or rebuild any buildings or improvements now or hereafter on the premises which may become damaged or be destroyed; (2) keep said premises in good condition and repair, without waste, and free from mechanic's or other liens or claims for lien not expressly subordinated to the lien hereof; (3) 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 or to holder of the note; (4) complete within a reasonable time any building or buildings now or at any time in process of erection upon said premises; (5) comply with all requirements of law or municipal ordinances with respect to the premises and the use thereof; (6) make no material alterations in said premises except as required by law or municipal ordinance.

2. Mortgagors 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 or to holders of the note duplicate receipts therefor. To prevent default hereunder Mortgagors shall pay in full under protest, in the manner provided by statute, any tax or assessment which Mortgagors may desire to contest.

3. Mortgagors shall keep all buildings and improvements now and hereafter situated on said premises insured against loss or damage by fire, lightning and windstorm under policies providing for payment by the insurance companies of moneys sufficient either to pay the cost of replacing or repairing the same or to pay in full the indebtedness secured hereby, all in companies satisfactory to the holders of the note, under insurance policies payable, in case of loss or damage, to Mortgagee, such rights to be evidenced by the standard mortgage clause to be attached to each policy, and shall deliver all policies including additional and renewal policies to holder of the note and in case of insurance about to expire, shall deliver renewal policies not less than ten days prior to the respective dates of expiration.

4. In case of default therein, Mortgagee or the holder of the note may, but need not, make any payment or perform any act hereinbefore required of Mortgagors 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 thereof, or redeem from any tax sale or forfeiture, affecting said premises or contest any tax or assessment. All moneys paid for any of these purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' fees, and any other moneys advanced by Mortgagee or the holders of the note to protect the mortgaged premises and the lien hereof, shall be so much additional indebtedness secured hereby and shall become immediately due and payable without notice. Inaction of Mortgagee or holders of the note shall never be considered as a waiver of any right accruing to them on account of any default hereunder on the part of the Mortgagors.

5. The Mortgagee or the holder of the note hereby secured making any payment hereby authorized 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 thereof.

~~6. Mortgagors shall pay each item of indebtedness herein mentioned both principal and interest, when due according to the terms hereof. At the option of the holder of the note, and without notice to the Mortgagors, all unpaid indebtedness secured by this Mortgage shall, notwithstanding anything in the note or in this Mortgage to the contrary, become due and payable (a) immediately in the case of default in making payment of any instalment of principal or interest on the note, or (b) when default shall occur and continue for three days in the performance of any other agreement of the Mortgagors herein contained.~~

SEE RIDER ATTACHED

7. When the indebtedness hereby secured shall become due whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereof. In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee or holder of the note 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, guarantee policies, Torrens certificates and similar data and assurances with respect to title as Mortgagee or holder of the note may deem to be 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 shall become so much additional indebtedness secured hereby and immediately due and payable, when paid or incurred by Mortgagee or holder of the note in connection with (a) any proceeding, including probate and bankruptcy proceedings, to which either of them shall be a party, either as plaintiff, claimant or defendant, by reason of this Mortgage or any indebtedness hereby secured; or (b) preparations for the commencement of any suit for the foreclosure hereof after accrual of such right to foreclose whether or not actually commenced or (c) preparations for the defense of any threatened suit or proceeding which might affect the premises or the security hereof whether or not actually commenced.

8. 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 hereof; second, all other items which under the terms hereof constitute secured indebtedness additional to that evidenced by the note, with interest thereon as herein provided; third, all principal and interest remaining unpaid on the note; fourth, any overplus to Mortgagors, their heirs, legal representatives or assigns as their rights may appear.

9. Upon, or at any time after the filing of a bill to foreclose this mortgage, the court in which such bill is filed may appoint a receiver of said premises. Such appointment may be made either before or after sale without notice, without regard to the solvency or insolvency of Mortgagors 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 hereunder 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 Mortgagors, 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: (1) The indebtedness secured hereby, or by any decree foreclosing this Mortgage or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to foreclosure sale; (2) the deficiency in case of a sale and deficiency.

10. No action for the enforcement of the lien or any provision hereof 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 hereby secured.

11. Mortgagee or the holder of the note shall have the right to inspect the premises at all reasonable times and access thereto shall be permitted for that purpose.

12. If Mortgagors shall sell, assign or transfer any right, title or interest in said premises, or any portion thereof, without the written consent of the holder of the note secured hereby, holder shall have the right, at holder's option, to declare all unpaid indebtedness secured by this mortgage to be immediately due and payable, anything in said note or this mortgage to the contrary notwithstanding.

THIS INSTRUMENT WAS PREPARED BY

Leonard M. Cohen, 33 North LaSalle St., Chicago

Chicago, Illinois 60602

MAIL TO: Puritan Finance Corporation
55 West Monroe Street
Chicago, Illinois 60603
Attn: James McDonough

DELIVERY INSTRUCTIONS

FOR RECORDERS INDEX PURPOSES INSERT STREET ADDRESS OF ABOVE DESCRIBED PROPERTY HERE

7104 Olde Gatehouse Road

Tinley Park, Illinois

90617851

THIS INDENTURE WITNESSETH, pursuant to Continuing Guaranty of even date herewith (the "Guaranty") John DeMarco, divorced and not yet remarried ("Mortgagors"), has unconditionally guaranteed to Puritan Finance Corporation ("Mortgagee") the payment of all indebtedness, obligations and liabilities of The DeMarco Group, Inc., doing business as DeMarco Brothers Company, an llinois corporation ("DeMarco Group") to Mortgagee, whether now existing or hereafter created or arising, including, without limitation, DeMarco Group's promissory note of even date herewith in the principal amount of Two Hundred Thousand ($200,000) Dollars payable to the order of the Mortgagee on demand, together with interest therein described, which note evidences a secured revolving line of credit being extended by Mortgagee to DeMarco Group, and under which Mortgagee shall make loans and advances to DeMarco Group from time to time hereafter.

All payments of principal and interest under said note being payable at the office of the Mortgagee at 55 W. Monroe Street, Chicago, Illinois 60603.

In consideration of the foregoing and to secure the repayment of the aforesaid note, all futures loans and advances made by Mortgagee to DeMarco Group thereunder, all extensions, modifications, refinancings and renewals of said note, the Guaranty, the performance of the Mortgagors' covenants and agreements herein contained, the payment of all sums advanced by Mortgagee to protect the security of this Mortgage, and the payment of all costs and expenses (including reasonable attorney's fees) incurred by Mortgagee in the collection of the aforesaid note, the Guaranty and in foreclosing the lien of this Mortgage, Mortgagors do hereby

90617851

RIDER ATTACHED TO AND MADE A PART OF REAL ESTATE MORTGAGE AND ASSIGNMENT OF RENTS BETWEEN JOHN DEMARCO, AS MORTGAGOR, AND PURITAN FINANCE CORPORATION, AS MORTGAGEE

The Mortgage shall be amended as follows:

The following provision is added as Section No. 13:

"13. This Mortgage secures not only the indebtedness from The DeMarco Group, Inc. ("DeMarco Group) to Mortgagee on the date hereof but all such future advances, whether such advances are obligatory or to be made at the option of the Mortgagee, or otherwise, as are made within twenty years from the date of this Mortgage, to the same extent as if such future advances were made on the date of the execution of this Mortgage, although there may be no indebtedness outstanding at the time any advance is made. The total amount of indebtedness secured by this Mortgage may increase or decrease from time to time, but the total unpaid balance so secured at any one time shall not exceed a maximum principal amount of $200,000, plus interest thereon, and any disbursements made by Mortgagee for the payment of taxes, special assessments, or insurance on the premises, with interest on such disbursements at the variable rate described in note secured hereby."

Section No. 6 on the reverse side of the Mortgage is hereby deleted in its entirety and replaced with the following new paragraph:

"6. At the option of the Mortgagee and without notice to Mortgagors, their heirs, personal representatives or assigns, all unpaid indebtedness secured by this Mortgage shall, notwithstanding anything in the note secured hereby, the Guaranty or in this Mortgage to the contrary, become due and payable upon the occurrence of any one or more of the following events of default: (a) DeMarco Group shall fail to pay any portion of the principal or interest due under the note secured hereby when due and such default shall continue uncured for ten days; or (b) DeMarco Group shall otherwise be declared in default under the Security Agreement of even date herewith between DeMarco Group, as debtor, and Mortgagee, as secured party, and such default shall not be cured within any grace period provided for therein; or (c) if Mortgagors shall fail to pay any amount due becoming due under the Guaranty and such default shall continue uncured for ten days after written notice is sent to Mortgagors to pay such sum; or (d) if Mortgagors fails to perform or observe any covenant, warranty, or other provision contained in the Guaranty or this Mortgage for a period in excess of thirty (30) days after the date on which the notice of such failure is sent to Mortgagors; or (e) if any representation or warranty contained in the note secured hereby, the Guaranty, this Mortgage or in any other loan document or instrument executed by DeMarco Group or Mortgagors in connection with the indebtedness hereby secured, shall have been materially false or misleading when made; or (f) admission by DeMarco Group or

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Mortgagors, in writing, including without limitation an answer or other pleading filed in any court, of DeMarco Group's or Mortgagors' insolvency or its or their inability to pay its or their debts generally as they fall due; or (g) institution by DeMarco Group or Mortgagors of bankruptcy, insolvency, reorganization, or arrangement proceedings of any kind under the United States Bankruptcy Code, whether as now existing or as hereafter amended, or any similar debtors' or creditors' rights law, federal or state, now or hereafter existing, or the making by DeMarco Group or Mortgagors of a general assignment for the benefit of creditors; or (h) institution of any such proceedings referred to in clause (g) above against DeMarco Group or Mortgagors that are consented to by such party or are not dismissed, vacated, or stayed within sixty (60) days after the filing thereof; or (i) appointment by any court of a receiver, trustee, or liquidator of or for, or assumption by any court of jursidiction of, all or any part of the premises or all or a major portion of the property of DeMarco Group or Mortgagors, if such appointment or assumption is consented to by DeMarco Group or Mortgagors or, within sixty days after such appointment or assumption, such receiver, trustee or liquidator is not discharged or such jurisdiction is not relinquished, vacated, or stayed."

The following provision is hereby added as new Section 14:

"14. To further secure payment of DeMarco Group's $200,000 note hereinabove described, the payment and performance of the Guaranty, all other indebtedness secured hereby and performance of all of the terms, covenants, conditions and agreements contained herein, Mortgagors hereby sell, assign and transfer to Mortgagee all of their right, title and interest in and to all leases now or hereafter affecting the premises, whether written or oral, and all other leases and agreements for the use thereof (collectively, the "Leases") and all rentals, issues, proceeds and profits now due and which may hereafter become due pursuant thereto, it being the intention hereby to establish an absolute transfer and assignment thereof to Mortgagee. Mortgagors hereby irrevocably appoint Mortgagee their agent, in their name and stead (with or without taking possession of the premises), to rent, lease or let all or any part of the premises to any party or parties, at such rental and upon such terms as 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 presently due or which may hereafter become due pursuant to each and every Lease or any other tenancy existing or which hereafter exists on the premises, with the same rights and powers and subject to the same rights and powers as Mortgagors would have. If no Event of Default under this Mortgage has occurred, Mortgagors shall have the right to collect all of the rents arising from Leases or renewals thereof. Upon an occurrence of an Event of Default, Mortgagee, at any time or times thereafter, may notify any and all of the tenants of the Leases that the Leases have been assigned to Mortgagee and Mortgagee may direct said tenants thereafter to make all rentals and payments due from tenants under the Leases directly

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to Mortgagee and shall have the right to enforce the terms of the Leases and obtain payment of and collect the rents, by legal proceedings or otherwise in the name of the Mortgagors. Mortgagors will at all times deliver to the Mortgagee duplicate originals or certified copies of all leases, agreements and documents relating to the premises and shall permit access by the Mortgagee to its books and records, insurance policies and other papers for examination and making copies and extracts thereof. The Mortgagee, its agents and designees shall have the right to inspect the premises at all reasonable times and access thereto shall be permitted for that purpose."

John DeMarco

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