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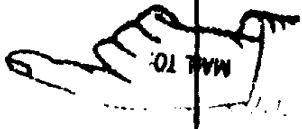
RECORDATION REQUESTED BY:

NBD Bank Lemont  
1200 South State Street  
Lemont, IL 60439

WHEN RECORDED MAIL TO:

NBD Bank Lemont  
1200 South State Street  
Lemont, IL 60439

Prepared by:  
D. B...



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DEPT-01 RECORDING \$29.50  
T45555 TRAM 5156 09/10/92 14:16:00  
64876 \* E \* -92-672368  
COOK COUNTY RECORDER

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MORTGAGE

THIS MORTGAGE IS DATED AUGUST 25, 1992, between CVETKO B. BORIZOV and CHRISTINA BORIZOVA, HIS WIFE, whose address is 11280 WEST 84TH PLACE, WILLOWSPRINGS, IL 60480 (referred to below as "Grantor"); and NBD Bank Lemont, whose address is 1200 South State Street, Lemont, IL 60439 (referred to below as "Lender").

GRANT OF MORTGAGE. For valuable consideration, Grantor mortgages, warrants, and conveys to Lender all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, located in COOK County, State of Illinois (the "Real Property"):

LOT 2 IN KAPPEL'S SUB OF THE S 150 FT. OF THE N 885 FT. OF THE E 1/2 OF THE NE 1/4 OF THE SE 1/4 OF SECTION 31, TOWNSHIP 38 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

The Real Property or its address is commonly known as 11280 WEST 84TH PLACE, WILLOWSPRINGS, IL 60480. The Real Property tax identification number is 15-31-401-023.

Grantor presently assigns to Lender all of Grantor's right, title, and interest in and to all leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

DEFINITIONS. The following words shall have the following meanings when used in this Mortgage. Terms not otherwise defined in this Mortgage shall have the meanings attributed to such terms in the Uniform Commercial Code. All references to dollar amounts shall mean amounts in lawful money of the United States of America.

Credit Agreement. The words "Credit Agreement" mean the revolving line of credit agreement dated August 25, 1992, between Lender and Grantor with a credit limit of \$170,000.00, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the Credit Agreement. The maturity date of this Mortgage is August 25, 1997. The interest rate under the revolving line of credit is a variable interest rate based upon an index. The index currently is 6.00% per annum. The interest rate to be applied to the outstanding account balance shall be at a rate 1.000 percentage points above the index for balances of \$40,000.00 and under and at a rate 0.500 percentage points above the index for balances of \$50,000.00 and above, subject however to the following maximum rate. Under no circumstances shall the interest rate be more than the lesser of 18.000% per annum or the maximum rate permitted by applicable law.

Existing Indebtedness. The words "Existing Indebtedness" mean the indebtedness described below in the Existing Indebtedness section of this Mortgage.

Grantor. The word "Grantor" means CVETKO B. BORIZOV and CHRISTINA BORIZOVA. The Grantor is the mortgagor under this Mortgage.

Guarantor. The word "Guarantor" means and includes without limitation, each and all of the guarantors, sureties, and accommodation parties in connection with the indebtedness.

Improvements. The word "Improvements" means and includes without limitation all existing and future improvements, fixtures, buildings, structures, mobile homes affixed on the Real Property, facilities, additions and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal and interest payable under the Credit Agreement and any amounts expended or advanced by Lender to discharge obligations of Grantor or expenses incurred by Lender to enforce obligations of Grantor under this Mortgage, together with interest on such amounts as provided in this Mortgage. Specifically, without limitation, this Mortgage secures a revolving line of credit, which obligates Lender to make advances to Grantor so long as Grantor complies with all the terms of the Credit Agreement. Such advances may be made, repaid, and remade from time to time, subject to the limitation that the total outstanding balance owing at any one time, not including finance charges on such balance at a fixed or variable rate or sum as provided in the Credit Agreement, any temporary overages, other charges, and any amounts expended or advanced as provided in this paragraph shall not exceed the Credit Limit as provided in the Credit Agreement. It is the intention of Grantor and Lender that this Mortgage secures the balance outstanding under the Credit Agreement from time to time from zero up to the Credit Limit as provided above and any intermediate balance.

Lender. The word "Lender" means NBD Bank Lemont, its successors and assigns. The Lender is the mortgagee under this Mortgage.

Mortgage. The word "Mortgage" means this Mortgage between Grantor and Lender, and includes without limitation all assignments and security interest provisions relating to the Personal Property and Rents.

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the property, interests and rights described above in the "Grant of Mortgage" section.

Related Documents. The words "Related Documents" mean and include without limitation all promissory notes, credit agreements, loan agreements, guarantees, security agreements, mortgages, deeds of trust, and all other instruments and documents, whether now or hereafter existing, executed in connection with Grantor's indebtedness to Lender.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (1) PAYMENT OF THE INDEBTEDNESS AND (2) PERFORMANCE OF ALL OBLIGATIONS OF GRANTOR UNDER THIS MORTGAGE AND THE RELATED DOCUMENTS. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Mortgage, Grantor shall pay to Lender all amounts secured by this Mortgage as they become due, and shall strictly perform all of Grantor's obligations under this Mortgage.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor agrees that Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until default, Grantor may remain in possession and control of and operate and manage the Property and collect the Rents from the Property.

Duty to Maintain. Grantor shall maintain the Property in tenable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Hazardous Substances. The terms "hazardous waste," "hazardous substance," "disposal," "release," and "threatened release," as used in the

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MORTGAGE  
(Continued)

Mortgage, shall have the same meanings as set forth in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1980, Pub. L. No. 96-510 (SARA), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 49 U.S.C. Section 6901, et seq., or other applicable state or Federal laws, rules, or regulations adopted pursuant to any of the foregoing. Grantor represents and warrants to Lender that: (a) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any hazardous waste or substance by any person on, under, or about the Property; (b) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (i) any use, generation, manufacture, storage, treatment, disposal, release, or threatened release of any hazardous waste or substance by any prior owner or occupant of the Property or (ii) any actual or threatened litigation or claims of any kind by any person relating to such matter. (c) Except as previously disclosed to and acknowledged by Lender in writing, (i) neither Grantor nor any agent, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of, or release any hazardous waste or substance on, under, or about the Property and (ii) any such activity shall be conducted in compliance with all applicable Federal, state, and local laws, regulations and ordinances, including without limitation those laws, regulations, and ordinances described above. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests as Lender may deem appropriate to determine compliance of the Property with the section of the Mortgage. Any inspectors or test made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender or Grantor or any other person. The representative and warranties contained herein are based on Grantor's due diligence in investigating the Property for hazardous waste. Grantor hereby (a) releases and warrants any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such law, and (b) agrees to indemnify and hold harmless Lender against any and all claims, losses, damages, penalties, and expenses which Lender may directly or indirectly sustain (including attorney's fees and all costs) resulting from a breach of the section of the Mortgage or as a consequence of any use, generation, manufacture, storage, treatment, disposal, release, or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Mortgage, including the obligation to indemnify, shall survive the payment of the indebtedness and the satisfaction and reconveyance of the lien of the Mortgage and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

Kalamazoo, Mich. Grantor shall not cause, conduct or permit any nuisance nor convert, partition, or alter any stepping of or waste on or to the Property or a portion of the Property. Specially without limitation, Grantor will not remove, or grant to any other party the right to remove, any timber, mineral (including oil and gas), soil, gravel or rock products without the prior written consent of Lender.

Removal of improvements. Grantor shall not demolish or remove any improvements from the Real Property without the prior written consent of Lender. As a condition to the removal of any improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such improvements with improvements of at least equal value.

Lender's right to enter. Lender and its agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to repair, improve, or otherwise use the Property for purposes of Grantor's compliance with the terms and conditions of the Mortgage.

Compliance with Governmental Requirements. Grantor shall comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property. Grantor may comply in good faith with any such law, ordinance, or regulation and without compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to condition nor have unconditioned the Property. Grantor shall do all other acts, in addition to those set forth above in the section, which from time to time and use of the Property are reasonably necessary to protect and preserve the Property.

DUE ON SALE - CONSENT BY LENDER. Lender may, at its option, declare immediately due and payable all sums secured by the Mortgage upon the sale or transfer, without the Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A sale or transfer means the conveyance of Real Property or any part, lease or interest therein, whether legal or equitable, whether voluntary or involuntary, whether by outright sale, deed, installment sale contract, or other contract, for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by any assignment, transfer, or other conveyance of Real Property interest. If any Grantor is a corporation or partnership, transfer also includes any change in ownership or other method of conveyance of Real Property interest. If any Grantor is a corporation or partnership, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock or partnership interest, as the case may be, of Grantor. However, the option shall not be exercised by Lender if such exercise is prohibited by Federal law or applicable law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are a part of the Mortgage. Payment. Grantor shall pay when due (and in advance prior to banking any) all taxes, payroll taxes, special taxes, assessments, water charges and sewer service charges levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under the Mortgage, except for the lien of taxes and assessments on the Property, except for the Existing Indebtedness referred to below, and except as otherwise provided in the following paragraph.

Right To Consent. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or is filed, within fifteen (15) days after the date of filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorney's fees or other charges that could accrue as a result of a foreclosure or sale under the lien. In any event, Grantor shall defend itself and Lender and shall satisfy any adverse judgment debt or enforcement action against the Property. Grantor shall provide evidence of payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of all taxes and assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced for any additions, alterations, or materials are supplied to the Property. If any mechanic's lien, subcontractor's lien, or other lien could be asserted in connection with the work, services, or materials furnished, or any work is commenced for any additions, alterations, or materials, Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of the Mortgage. Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard coverage endorsements on a replacement basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any replacement clauses, and with a standard mortgage clause in favor of Lender. Policies shall be written by such insurance companies and in such form as may be reasonably acceptable to Lender. Grantor shall deliver to Lender certificates of coverage from each insurer containing a stipulation that coverage will not be canceled or diminished without a minimum of ten (10) days' prior written notice to Lender.

Appropriation of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at its election, apply the proceeds to the reduction of the indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration. If Grantor is not in default hereunder, any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under the Mortgage, then to prepay accrued interest, and the remainder, if any, shall be applied to the principal balance of the indebtedness. If Lender holds any unexpired insurance at date. Any unexpired insurance shall turn to the benefit of, and pass to, the purchaser of the Property covered by the Mortgage at any business sale or other sale held under the provisions of the Mortgage, or at any foreclosure sale of such Property.

Compliance with Existing Indebtedness. During the period in which any existing indebtedness described below is in effect, compliance with the insurance provisions contained in the instrument evidencing such indebtedness shall constitute compliance with the insurance provisions under the Mortgage, to the extent compliance with the terms of the Mortgage would constitute a duplication of insurance requirement. If any proceeds from the insurance become payable on loss, the provisions of the Mortgage for division of proceeds shall apply only to that portion of the proceeds not payable to the holder of the Existing Indebtedness.

GRANTOR'S OBLIGATION TO MAINTAIN EXISTING INDEBTEDNESS. Grantor shall comply with any provision of the Mortgage, including any obligation to maintain Existing Indebtedness in good standing as required below, or if any such obligation is not maintained, Grantor shall be deemed to be in default under the Mortgage. Lender's obligation to pay interest on Grantor's behalf may, but shall not be limited to, the obligation to pay interest on Grantor's behalf in so doing will not be changed by the fact that the mortgage is assigned to Lender. Lender shall not be liable for any loss or damage to the Property, including any loss or damage to the balance of the credit line and be apportioned among and be

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PROCEEDS FROM THE SALE OF THE PROPERTY. Grantor shall be deemed to be in default under the Mortgage, to the extent compliance with the terms of the Mortgage would constitute a duplication of insurance requirement. If any proceeds from the insurance become payable on loss, the provisions of the Mortgage for division of proceeds shall apply only to that portion of the proceeds not payable to the holder of the Existing Indebtedness.

GRANTOR'S OBLIGATION TO MAINTAIN EXISTING INDEBTEDNESS. Grantor shall comply with any provision of the Mortgage, including any obligation to maintain Existing Indebtedness in good standing as required below, or if any such obligation is not maintained, Grantor shall be deemed to be in default under the Mortgage. Lender's obligation to pay interest on Grantor's behalf may, but shall not be limited to, the obligation to pay interest on Grantor's behalf in so doing will not be changed by the fact that the mortgage is assigned to Lender. Lender shall not be liable for any loss or damage to the Property, including any loss or damage to the balance of the credit line and be apportioned among and be

payable with any installment payments to become due during either (i) the term of any applicable insurance policy or (ii) the remaining term of the Credit Agreement, or (c) be treated as a balloon payment which will be due and payable at the Credit Agreement's maturity. This Mortgage also will secure payment of these amounts. The rights provided for in this paragraph shall be in addition to any other rights or any remedies to which Lender may be entitled on account of the default. Any such action by Lender shall not be construed as curing the default so as to bar Lender from any remedy that it otherwise would have had.

**WARRANTY; DEFENSE OF TITLE.** The following provisions relating to ownership of the Property are a part of this Mortgage.

**Title.** Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in the Existing Indebtedness section below or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Mortgage, and (b) Grantor has the full right, power, and authority to execute and deliver this Mortgage to Lender.

**Defense of Title.** Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Lender under this Mortgage, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

**Compliance With Laws.** Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

**EXISTING INDEBTEDNESS.** The following provisions concerning existing indebtedness (the "Existing Indebtedness") are a part of this Mortgage.

**Existing Lien.** The lien of this Mortgage securing the indebtedness may be secondary and inferior to an existing lien. Grantor expressly covenants and agrees to pay, or see to the payment of, the Existing Indebtedness and to prevent any default on such indebtedness, any default under the instruments evidencing such indebtedness, or any default under any security documents for such indebtedness.

**No Modification.** Grantor shall not enter into any agreement with the holder of any mortgage, deed of trust, or other security agreement which has priority over this Mortgage by which that agreement is modified, amended, extended, or renewed without the prior written consent of Lender. Grantor shall neither request nor accept any future advances under any such security agreement without the prior written consent of Lender.

**CONDEMNATION.** The following provisions relating to condemnation of the Property are a part of this Mortgage.

**Application of Net Proceeds.** If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees necessarily paid or incurred by Grantor or Lender in connection with the condemnation.

**Proceedings.** If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments as may be requested by it from time to time to permit such participation.

**IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES.** The following provisions relating to governmental taxes, fees and charges are a part of this Mortgage:

**Current Taxes, Fees and Charges.** Upon request by Lender, Grantor shall execute such documents in addition to this Mortgage and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Mortgage, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Mortgage.

**Taxes.** The following shall constitute taxes to which this section applies: (a) a specific tax upon this type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (b) a specific tax on Grantor which Grantor is authorized or required to deduct from payments on the indebtedness secured by this type of Mortgage; (c) a tax on this type of Mortgage chargeable against the Lender or the holder of the Credit Agreement; and (d) a specific tax on all or any portion of the indebtedness or on payments of principal and interest made by Grantor.

**Subsequent Taxes.** If any tax to which this section applies is enacted subsequent to the date of this Mortgage, this event shall have the same effect as an Event of Default (as defined below), and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (a) pays the tax before it becomes delinquent, or (b) contacts the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

**SECURITY AGREEMENT; FINANCING STATEMENTS.** The following provisions relating to this Mortgage as a security agreement are a part of this Mortgage.

**Security Agreement.** This instrument shall constitute a security agreement to the extent any of the Property constitutes fixtures or other personal property, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

**Security Interest.** Upon request by Lender, Grantor shall execute financing statements and take whatever other action is requested by Lender to perfect and continue Lender's security interest in the Real and Personal Property. In addition to recording this Mortgage in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Mortgage as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing the security interest. Upon default, Grantor shall assemble the Personal Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender.

**Addresses.** The mailing addresses of Grantor (debtor) and Lender (secured party), from which information concerning the security interest granted by this Mortgage may be obtained (each as required by the Uniform Commercial Code), are as stated on the first page of this Mortgage.

**FURTHER ASSURANCES; ATTORNEY-IN-FACT.** The following provisions relating to further assurances and attorney-in-fact are a part of this Mortgage.

**Further Assurances.** At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (a) the obligations of Grantor under the Credit Agreement, this Mortgage, and the Related Documents, and (b) the liens and security interests created by this Mortgage on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or agreed to the contrary by Lender in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

**Attorney-in-Fact.** If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

**FULL PERFORMANCE.** If Grantor pays all the indebtedness when due, terminates the credit line account, and otherwise performs all the obligations imposed upon Grantor under this Mortgage, Lender shall execute and deliver to Grantor a suitable satisfaction of this Mortgage and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Real and the Personal Property. Grantor will pay, if permitted by applicable law, any reasonable termination fee as determined by Lender from time to time.

**DEFAULT.** Each of the following, at the option of Lender, shall constitute an event of default ("Event of Default") under this Mortgage: (a) Grantor commits fraud or makes a material misrepresentation at any time in connection with the credit line account. This can include, for example, a false statement about Grantor's income, assets, liabilities, or any other aspects of Grantor's financial condition. (b) Grantor does not meet the repayment terms of the credit line account. (c) Grantor's action or inaction adversely affects the collateral for the credit line account or Lender's rights in the collateral. This can include, for example, failure to maintain required insurance, waste or destructive use of the dwelling, failure to pay taxes, death of all persons liable on the account, transfer of title or sale of the dwelling, creation of a lien on the dwelling without Lender's permission, foreclosure by the holder of another lien, or the use of funds or the dwelling for prohibited purposes.

**RIGHTS AND REMEDIES ON DEFAULT.** Upon the occurrence of any Event of Default and at any time thereafter, Lender, at its option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

**Accelerate Indebtedness.** Lender shall have the right at its option without notice to Grantor to declare the entire indebtedness immediately due and payable, including any prepayment penalty which Grantor would be required to pay.

**UCC Remedies.** With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under

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The Uniform Commercial Code.

**Collect Funds.** Lender shall have the right, without notice to Grantor, to take possession of the Property and collect the Funds, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Funds are collected by Lender, Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

**Mortgage in Possession.** Lender shall have the right to be placed as mortgagee in possession or to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property pending foreclosure or sale, and to collect the Funds from the Property and apply the proceeds, over and above the cost of the receivership, against the indebtedness. The mortgagee in possession or receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall extend whether or not the apparent value of the Property exceeds the indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

**Judicial Foreclosure.** Lender may obtain a judicial decree foreclosing Grantor's interest in all or any part of the Property.

**Deficiency Judgment.** If permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this section.

**Other Remedies.** Lender shall have all other rights and remedies provided in the Mortgage or the Credit Agreement or available at law or in equity.

**Sale of the Property.** To the extent permitted by applicable law, Grantor hereby waives any and all right to have the property marketed. In exercising the rights and remedies, Lender shall be free to sell all or any part of the Property, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

**Notice of Sale.** Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition.

**Waiver; Election of Remedies.** A waiver by any party of a breach of a provision of the Mortgage shall not constitute a waiver of or prejudice the party's rights otherwise provided to demand strict compliance with that provision or any other provision. Election by Lender to pursue any remedy shall not be construed as a waiver of or prejudice the party's rights otherwise provided to demand strict compliance with that provision or any other provision. Election by Lender to pursue any remedy shall not be construed as a waiver of or prejudice the party's rights otherwise provided to demand strict compliance with that provision or any other provision. Election by Lender to pursue any remedy shall not be construed as a waiver of or prejudice the party's rights otherwise provided to demand strict compliance with that provision or any other provision.

**Attorney's Fees; Expenses.** Lender institutes any suit or action to enforce any of the terms of the Mortgage, Lender shall be entitled to recover such sum as the court may award as reasonable attorney's fees at trial and on any appeal. Whether or not any court action is involved, all reasonable expenses incurred by Lender in the prosecution of the Mortgage, including the cost of preparation of the Mortgage, shall be paid by Lender. Lender shall be entitled to recover its right to become a part of the indebtedness payable on demand and shall bear interest from the date of expenditure until repaid at the Credit Agreement rate. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorney's fees and legal expenses, whether or not there is a lawsuit, including attorney's fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals and any anticipated post-judgment collection activities, the cost of asserting a receiver, obtaining the reports (including for court reports, surveys, reports, and appraisal fees, and the insurance, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

**NOTICES TO GRANTEE AND OTHER PARTIES.** Any notice under the Mortgage, including without limitation any notice of default and any notice of sale to Grantor, shall be in writing and shall be effective when delivered or, if mailed, shall be deemed effective when deposited in the United States mail first class, registered mail, postage prepaid, directed to the address shown near the beginning of the Mortgage. Any party may change its address for notices under the Mortgage by giving formal written notice to the other parties, specifying that the purpose of the notice is to change its address. All copies of notices of foreclosure from the holder of the Mortgage shall be sent to Lender's address, as shown near the beginning of the Mortgage. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address.

**MISCELLANEOUS PROVISIONS.** The following miscellaneous provisions are a part of the Mortgage:

**Amendments.** The Mortgage, together with any Released Document, constitutes the entire understanding and agreement of the parties as to the matters set forth in the Mortgage. No alteration or amendment to the Mortgage shall be effective unless given in writing and signed by the party or parties sought to be changed or bound (by the alteration or amendment).

**Applicable Law.** This Mortgage has been delivered to Lender and accepted by Lender in the State of Illinois. This Mortgage shall be governed by and construed in accordance with the laws of the State of Illinois.

**Caption Headings.** Caption headings in the Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of the Mortgage.

**Merger.** There shall be no merger of the interest or estate created by the Mortgage with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

**Multiple Parties.** All obligations of Grantor under the Mortgage shall be joint and several, and a reference to Grantor shall mean each and every Grantor. This means that each of the persons signing below is responsible for all obligations in the Mortgage.

**Severability.** If a court of competent jurisdiction finds any provision of the Mortgage to be invalid or unenforceable as to any person or circumstance, such finding shall not render the provision invalid or unenforceable as to any other person or circumstance. If feasible, any such offending provision shall be deemed to be modified to be valid and enforceable as to any other person or circumstance. If feasible, any such offending provision shall be deemed to be modified to be valid and enforceable as to any other person or circumstance. If feasible, any such offending provision shall be deemed to be modified to be valid and enforceable as to any other person or circumstance.

**Successors and Assigns.** Subject to the limitations stated in the Mortgage on transfer of Grantor's interest, this Mortgage shall be binding upon Lender, without notice to Grantor, may deal with Grantor's successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, forborne or extension without releasing Grantor from the obligations of the Mortgage or liability under the indebtedness by way of Time is of the Essence. Time is of the essence in the performance of the Mortgage.

**Waivers and Consents.** Lender shall not be deemed to have waived any rights under the Mortgage (or under the Related Documents) unless such waiver is in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right that operates as a waiver of such right or any other right. A waiver by any party of a provision of the Mortgage shall not constitute a waiver of or prejudice the party's right otherwise to demand strict compliance with that provision or any other provision. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of or prejudice the party's right otherwise to demand strict compliance with that provision or any other provision. No delay or omission on the part of Lender in exercising any right that operates as a waiver of such right or any other right. A waiver by any party of a provision of the Mortgage shall not constitute a waiver of or prejudice the party's right otherwise to demand strict compliance with that provision or any other provision. No delay or omission on the part of Lender in exercising any right that operates as a waiver of such right or any other right. A waiver by any party of a provision of the Mortgage shall not constitute a waiver of or prejudice the party's right otherwise to demand strict compliance with that provision or any other provision.

**Indemnification.** Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Illinois as to all indebtedness secured by the Mortgage.

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**Subsequent Interest.** Lender is required in the Mortgage, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent interests where such consent is required.

**EACH GRANTEE ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE, AND EACH GRANTEE AGREES TO ITS TERMS.**

GRANTOR: \_\_\_\_\_  
X

COVETKO, S. BOHICZOV

CHRISTINA BOHICZOV

*Christina Bohiczov*  
X

*Robert Bohiczov*  
X

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892224926

This Mortgage prepared by:

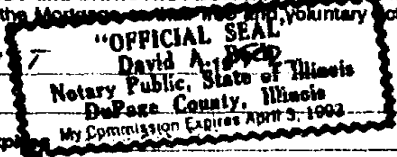
INDIVIDUAL ACKNOWLEDGMENT

STATE OF ILLINOIS )  
COUNTY OF DuPAGE ) ss

On this day before me, the undersigned Notary Public, personally appeared CVETKO B. BORIZOV and CHRISTINA BORIZOV, to me known to be the individuals described in and who executed the Mortgage, and acknowledged that they signed the Mortgage as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 25 day of AUGUST

By [Signature] Residing at \_\_\_\_\_  
Notary Public in and for the State of ILLINOIS My commission expires \_\_\_\_\_



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