

UNOFFICIAL COPY

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MORTGAGE

MAIL TO

GLADSTONE-NORWOOD TRUST & SAVINGS BANK
Main Office: 5200 N. Central Ave., Chicago, IL 60630
Facility Office: 6353 N. Central Ave., Chicago, IL 60644
All Phones: 792-0440

Gladstone-Norwood Tr & Svgs Bank,
as Trustee, under Trust Agreement
No. 143 dated MAY 22, 1978.
5200 N. Central
Chicago, IL 60630
Telephone Number
708-792-0440

LENDER

BORROWER

ADDRESS OF REAL PROPERTY

MAIL

92167930

5842 N. Merrimac
Chicago, IL 60646

As Specified in the Promissory Note or Credit Agreement.
Telephone Number

1. GRANT. Grantor hereby mortgages, grants, assigns and conveys to Lender identified above, the real property described in Schedule A which is attached to this Mortgage and incorporated herein together with all future and present improvements and fixtures; privileges, hereditaments, and appurtenances; leases, licenses, and other agreements; rents, issues and profits; water, well, ditch, reservoir and mineral rights and stock, and standing timber and crops pertaining to the real property (cumulatively "Property").
2. OBLIGATIONS. This Mortgage shall secure the payment and performance of all of Borrower and Grantor's present and future, indebtedness, liabilities, obligations and covenants (cumulatively "Obligations") to Lender pursuant to:
 - (a) this Mortgage and the following promissory notes and other agreements:

INTEREST RATE	PRINCIPAL AMOUNT/ CREDIT LIMIT	FUNDING/ AGREEMENT DATE	MATURITY DATE	CUSTOMER NUMBER	LOAN NUMBER
9.50	\$117,000.00	01/13/92	01/13/95	363314863	216983756

RL-116795-C

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(X) all other present or future, written or oral, agreements between Borrower or Grantor and Lender (whether executed for the same or different purposes than the preceding documents);

b) all amendments, modifications, replacements or substitutions to any of the foregoing.

3. PURPOSE. This Mortgage and the Obligations described herein are executed and incurred for **BUSINESS** purposes.
4. FUTURE ADVANCES. This Mortgage secures the repayment of all advances that Lender may extend to Borrower or Grantor under the promissory notes and other agreements evidencing the revolving credit loans described in paragraph 2. The Mortgage secures not only existing indebtedness, but also secures future advances, whether such advances are obligatory or to be made at the option of Lender to the same extent as if such future advances were made on the date of the execution of this Mortgage, and although there may be no indebtedness outstanding at the time any advance is made. The total amount of indebtedness secured by this Mortgage under the promissory notes and agreements described above may increase or decrease from time to time, but the total of all such indebtedness so secured shall not exceed 200% of the principal amount stated in paragraph 2. X This Mortgage secures the repayment of all advances that Lender may extend to Borrower or Grantor under the promissory notes and other agreements described in paragraph 2, but the total of all such indebtedness so secured shall not exceed 200% of the principal amount stated in paragraph 2.

5. EXPENSES. To the extent permitted by law, this Mortgage secures the repayment of all amounts expended by Lender to perform Grantor's covenants under this Mortgage or to maintain, preserve, or dispose of the Property, including but not limited to, amounts expended for the payment of taxes, special assessments, or insurance on the Property, plus interest thereon.

6. CONSTRUCTION PURPOSES. If checked, this Mortgage secures an indebtedness for construction purposes.

7. REPRESENTATIONS, WARRANTIES AND COVENANTS. Grantor represents, warrants and covenants to Lender that:

(a) Grantor shall maintain the Property free of all liens, security interests, encumbrances and claims except for this Mortgage and those described in Schedule B which is attached to this Mortgage and incorporated herein by reference.

(b) Neither Grantor nor, to the best of Grantor's knowledge, any other party has used, generated, released, discharged, stored, or disposed of any hazardous waste, toxic substance, or related material (cumulatively "Hazardous Materials") in connection with the Property or transported any Hazardous Materials to or from the Property. Grantor shall not commit or permit such actions to be taken in the future. The term "Hazardous Materials" shall mean any substance, material, or waste which is or becomes regulated by any governmental authority, including, but not limited to: (i) petroleum; (ii) asbestos; (iii) polychlorinated biphenyls; (iv) those substances, materials or wastes designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act or listed pursuant to Section 307 of the Clean Water Act or any amendments or replacements to these statutes; (v) those substances, materials or wastes defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act or any amendments or replacements to that statute; or (vi) those substances, materials or wastes defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, or any amendments or replacements to that statute;

(c) Grantor has the right and is duly authorized to execute and perform its Obligations under this Mortgage and these actions do not and shall not conflict with the provisions of any statute, regulation, ordinance, rule of law, contract or other agreement which may be binding on Grantor at any time;

(d) No action or proceeding is or shall be pending or threatened which might materially affect the Property;

(e) Grantor has not violated and shall not violate any statute, regulation, ordinance, rule of law, contract or other agreement which might materially affect the Property (including, but not limited to, those governing Hazardous Materials) or Lender's rights or interest in the Property pursuant to this Mortgage.

8. TRANSFER OF PROPERTY. Grantor shall not assign, convey, lease, sell or transfer (cumulatively "Transfer") any of the Property without Lender's prior written consent. Lender shall be entitled to withhold its consent to any such Transfer if Lender in good faith deems that the Transfer would increase the risk of the non-payment or non-performance of any of the Obligations.

9. INQUIRES AND NOTIFICATION TO THIRD PARTIES. Grantor hereby authorizes Lender to contact any third party and make any inquiry pertaining to Grantor's financial condition or the Property. In addition, Lender is authorized to provide oral or written notice of its interest in the Property to any third party.

10. INTERFERENCE WITH LEASES AND OTHER AGREEMENTS. Grantor shall not take or fail to take any action which may cause or permit the termination or the withholding of any payment in connection with any lease or other agreement ("Agreement") pertaining to the Property. In addition, Grantor, without Lender's prior written consent, shall not: (a) collect any monies payable under any Agreement more than one month in advance; (b) modify any Agreement; (c) assign or allow a lien, security interest or other encumbrance to be placed upon Lender's rights, title and interest in and to any Agreement or the amounts payable thereunder; or (d) terminate or cancel any Agreement except for the nonpayment of any sum or other material breach by the other party thereto. If Grantor receives at any time any written communication asserting a default by Grantor under an Agreement or purporting to terminate or cancel any Agreement, Grantor shall promptly forward a copy of such communication (and any subsequent communications relating thereto) to Lender.

11. COLLECTION OF INDEBTEDNESS FROM THIRD PARTY. Lender shall be entitled to notify or require Grantor to notify any third party (including, but not limited to, lessees, licensees, governmental authorities and insurance companies) to pay Lender any indebtedness or obligation owing to Grantor with respect to the Property (cumulatively "Indebtedness") whether or not a default exists under this Mortgage. Grantor shall diligently collect the Indebtedness owing to Grantor from these third parties until the giving of such notification. In the event that Grantor possesses or receives possession of any instrument or other remittances with respect to the indebtedness following the giving of such notification or if the instruments or other remittances constitute the prepayment of any Indebtedness or the payment of any insurance or condemnation proceeds, Grantor shall hold such instruments and other remittances in trust for Lender apart from its other property, endorse the instruments and other remittances to Lender, and immediately provide Lender with possession of the instruments and other remittances. Lender shall be entitled, but not required to collect (by legal proceedings or otherwise), extend the time for payment, compromise, exchange or release any obligor or collateral upon, or otherwise settle any of the indebtedness whether or not an event of default exists under this Agreement. Lender shall not be liable to Grantor for any action, error, mistake, omission or delay pertaining to the actions described in this paragraph or any damages resulting therefrom.

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12. USE AND MAINTENANCE OF PROPERTY. Grantor shall take all actions and make any repairs needed to maintain the Property in good condition. Grantor shall not commit or permit any violation to be committed with respect to the Property. Grantor shall use the Property solely in compliance with applicable law and insurance policies. Grantor shall not make any alterations, additions or improvements to the Property without Lender's prior written consent. Without limiting the foregoing, all alterations, additions and improvements made to the Property shall be subject to the interest belonging to Lender, shall not be removed without Lender's prior written consent, and shall be made at Grantor's sole expense.

13. LOSS OR DAMAGE. Grantor shall bear the entire risk of any loss, theft, destruction or damage (cumulatively "Loss or Damage") to the Property or any portion thereof from any cause whatsoever. In the event of any Loss or Damage, Grantor shall, at the option of Lender, repair the affected Property to its previous condition or pay or cause to be paid to Lender the decrease in the fair market value of the affected Property.

14. INSURANCE. The Property will be kept insured for its full value against all hazards including loss or damage caused by fire, collision, theft or other casualty. Grantor may obtain insurance on the Property from such companies as are acceptable to Lender in its sole discretion. The insurance policies shall require the insurance company to provide Lender with at least thirty (30) days' written notice before such policies are altered or cancelled in any manner. The insurance policies shall name Lender as a loss payee and provide that no act or omission of Grantor or any other person shall affect the right of Lender to be paid the insurance proceeds pertaining to the loss or damage of the Property. In the event Grantor fails to acquire or maintain insurance, Lender (after providing notice as may be required by law) may in its discretion procure appropriate insurance coverage upon the Property and charge the insurance cost as an advance of principal under the promissory note. Grantor shall furnish Lender with evidence of insurance indicating the required coverage. Lender may act as attorney-in-fact for Grantor in making and settling claims under insurance policies, cancelling any policy or endorsing Grantor's name on any draft or negotiable instrument drawn by any insurer.

15. ZONING AND PRIVATE COVENANTS. Grantor shall not initiate or consent to any change in the zoning provisions or private covenants affecting the use of the Property without Lender's prior written consent. If Grantor's use of the Property becomes a nonconforming use under any zoning provision, Grantor shall not cause or permit such use to be discontinued or abandoned without the prior written consent of Lender. Grantor will immediately provide Lender with written notice of any proposed changes to the zoning provisions or private covenants affecting the Property.

16. CONDEMNATION. Grantor shall immediately provide Lender with written notice of any actual or threatened condemnation or eminent domain proceeding pertaining to the Property. All monies payable to Grantor from such condemnation or taking are hereby assigned to Lender and shall be applied first to the payment of Lender's attorneys' fees, legal expenses and other costs (including appraisal fees) in connection with the condemnation or eminent domain proceedings and then, at the option of Lender, to the payment of the Obligations or the restoration or repair of the Property.

17. LENDER'S RIGHT TO COMMENCE OR DEFEND LEGAL ACTIONS. Grantor shall immediately provide Lender with written notice of any actual or threatened action, suit, or other proceeding affecting the Property. Grantor hereby appoints Lender as its attorney-in-fact to commence, intervene in, and defend such actions, suits, or other legal proceedings and to compromise or settle any claim or controversy pertaining thereto. Lender shall not be liable to Grantor for any action, error, mistake, omission or delay pertaining to the actions described in this paragraph or any damages resulting therefrom. Nothing contained herein will prevent Lender from taking the actions described in this paragraph in its own name.

18. INDEMNIFICATION. Lender shall not assume or be responsible for the performance of any of Grantor's Obligations with respect to the Property under any circumstances. Grantor shall immediately provide Lender and its shareholders, directors, officers, employees and agents with written notice of and indemnify and hold Lender harmless from all claims, damages, liabilities (including attorneys' fees and legal expenses), causes of action, actions, suits and other legal proceedings (cumulatively "Claims") pertaining to the Property (including, but not limited to, those involving Hazardous Materials). Grantor, upon the request of Lender, shall hire legal counsel to defend Lender from such Claims, and pay the attorneys' fees, legal expenses and other costs incurred in connection therewith. In the alternative, Lender shall be entitled to employ its own legal counsel to defend such Claims at Grantor's cost.

19. TAXES AND ASSESSMENTS. Grantor shall pay all taxes and assessments relating to Property when due. Upon the request of Lender, Grantor shall deposit with Lender each month one-twelfth (1/12) of the estimated annual insurance premium, taxes and assessments pertaining to the Property. These amounts shall be applied to the payment of taxes, assessments and insurance as required on the Property.

20. INSPECTION OF PROPERTY, BOOKS, RECORDS AND REPORTS. Grantor shall allow Lender or its agents to examine and inspect the Property and examine and make copies of Grantor's books and records pertaining to the Property from time to time. Grantor shall provide any assistance required by Lender for these purposes. All of the signatures and information contained in Grantor's books and records shall be genuine, true, accurate and complete in all respects. Grantor shall note the existence of Lender's beneficial interest in its books and records pertaining to the Property. Additionally, Grantor shall report, in a form satisfactory to Lender, such information as Lender may request regarding Grantor's financial condition or the Property. The information shall be for such periods, shall reflect Grantor's records at such times, and shall be rendered with such frequency as Lender may designate. All information furnished by Grantor to Lender shall be true, accurate and complete in all respects.

21. ESTOPPEL CERTIFICATES. Within ten (10) days after any request by Lender, Grantor shall deliver to Lender, or any intended transferee of Lender's rights with respect to the Obligations, a signed and acknowledged statement specifying (a) the outstanding balance on the Obligations; and (b) whether Grantor possesses any claims, defenses, set-offs or counterclaims with respect to the Obligations and, if so, the nature or such claims, defenses, set-offs or counterclaims. Grantor will be conclusively bound by any representation that Lender may make to the intended transferee with respect to these matters in the event that Grantor fails to provide the requested statement in a timely manner.

22. DEFAULT. Grantor shall be in default under this Mortgage in the event that Grantor, Borrower or any guarantor of any Obligation:

- (a) fails to pay any Obligation to Lender when due;
- (b) fails to perform any Obligation or breaches any warranty or covenant to Lender contained in this Mortgage or any other present or future, written or oral, agreement;
- (c) allows the Property to be damaged, destroyed, lost or stolen in any material respect;
- (d) seeks to revoke, terminate or otherwise limit its liability under any guaranty to Lender;
- (e) allow the Property to be used by anyone to transport or store goods the possession, transportation, or use of which, is illegal;
- (f) causes Lender to deem itself insecure in good faith for any reason.

23. RIGHTS OF LENDER ON DEFAULT. If there is a default under this Mortgage, Lender shall be entitled to exercise one or more of the following remedies without notice or demand (except as required by law):

- (a) to declare the Obligations immediately due and payable in full;
- (b) to collect the outstanding Obligations with or without resorting to judicial process;
- (c) to require Grantor to deliver and make available to Lender any personal property constituting the Property at a place reasonably convenient to Grantor and Lender;
- (d) to take immediate possession, management and control of the Property without seeking the appointment of a receiver;
- (e) to collect all of the rents, issues, and profits from the Property from the date of default through the expiration of the last redemption period following the foreclosure of this Mortgage;
- (f) to apply for and obtain, without notice and upon ex parte application, the appointment of a receiver for the Property without regard to Grantor's financial condition or solvency, the adequacy of the Property to secure the payment or performance of the Obligations, or the existence of any waste to the Property;
- (g) to foreclose this Mortgage;
- (h) to set-off Grantor's Obligations against any amounts due to Lender including, but not limited to, monies, instruments, and deposit accounts maintained with Lender; and
- (i) to exercise all other rights available to Lender under any other written agreement or applicable law.

Lender's rights are cumulative and may be exercised together, separately, and in any order. In the event that Lender institutes an action seeking the recovery of any of the Property by way of a prejudgment remedy in an action against Grantor, Grantor waives the posting of any bond which might otherwise be required.

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24. APPLICATION OF FORECLOSURE PROCEEDS. The Sheriff shall apply the proceeds from its foreclosure of this Mortgage and the sale of the Property in the following manner: first, to the payment of any sheriff's fee and the satisfaction of its expenses and costs; then to reimburse Lender for its expenses and costs of the sale or in connection with securing, preserving and maintaining the Property, seeking or obtaining the appointment of a receiver for the Property, (including, but not limited to, attorneys' fees, legal expenses, filing fees, notification costs, and appraisal costs); then to the payment of the Obligations; and then to any third party as provided by law.

25. WAIVER OF HOMESTEAD AND OTHER EXEMPTIONS. Grantor hereby waives all homestead or other exemptions to which Grantor would otherwise be entitled under any applicable law.

26. REIMBURSEMENT OF AMOUNTS EXPENDED BY LENDER. Upon demand, Grantor shall immediately reimburse Lender for all amounts (including attorneys' fees and legal expenses) expended by Lender in the performance of any action required to be taken by Grantor or the exercise of any right or remedy of Lender under this Mortgage, together with interest thereon at the lower of the highest rate described in any Obligation or the highest rate allowed by law from the date of payment until the date of reimbursement. These sums shall be included in the definition of Obligations herein and shall be secured by the interest granted herein.

27. APPLICATION OF PAYMENTS. All payments made by or on behalf of Grantor may be applied against the amounts paid by Lender (including attorneys' fees and legal expenses) in connection with the exercise of its rights or remedies described in this Mortgage and then to the payment of the remaining Obligations in whatever order Lender chooses.

28. POWER OF ATTORNEY. Grantor hereby appoints Lender as its attorney-in-fact to endorse Grantor's name on all instruments and other documents pertaining to the Obligations. In addition, Lender shall be entitled, but not required, to perform any action or execute any document required to be taken or executed by Grantor under this Mortgage. Lender's performance of such action or execution of such documents shall not relieve Grantor from any Obligation or cure any default under this Mortgage. The powers of attorney described in this paragraph are coupled with an interest and are irrevocable.

29. SUBROGATION OF LENDER. Lender shall be subrogated to the rights of the holder of any previous lien, security interest or encumbrance discharged with funds advanced by Lender regardless of whether these liens, security interests or other encumbrances have been released of record.

30. COLLECTION COSTS. If Lender hires an attorney to assist in collecting any amount due or enforcing any right or remedy under this Agreement, Grantor agrees to pay Lender's attorneys' fees and collection costs.

31. PARTIAL RELEASE. Lender may release its interest in a portion of the Property by executing and recording one or more partial releases without affecting its interest in the remaining portion of the Property.

32. MODIFICATION AND WAIVER. The modification or waiver of any of Grantor's Obligations or Lender's rights under this Mortgage must be contained in a writing signed by Lender. Lender may perform any of Grantor's Obligations or delay or fail to exercise any of its rights without causing a waiver of those Obligations or rights. A waiver on one occasion shall not constitute a waiver on any other occasion. Grantor's Obligations under this Mortgage shall not be affected if Lender amends, compromises, exchanges, fails to exercise, impairs or releases any of the Obligations belonging to any Grantor, third party or any of its rights against any Grantor, third party or the Property.

33. SUCCESSORS AND ASSIGNS. This Mortgage shall be binding upon and inure to the benefit of Grantor and Lender and their respective successors, assigns, trustees, receivers, administrators, personal representatives, legatees and devisees.

34. NOTICES. Any notice or other communication to be provided under this Mortgage shall be in writing and sent to the parties at the addresses described in this Mortgage or such other address as the parties may designate in writing from time to time.

35. SEVERABILITY. If any provision of this Mortgage violates the law or is unenforceable, the rest of the Mortgage shall continue to be valid and enforceable.

36. APPLICABLE LAW. This Mortgage shall be governed by the laws of the state indicated in Lender's address. Grantor consents to the jurisdiction and venue of any court located in the state indicated in Lender's address in the event of any legal proceeding under this Mortgage.

37. MISCELLANEOUS. Grantor and Lender agree that time is of the essence. Grantor waives presentment, demand for payment, notice of dishonor and protest except as required by law. Grantor waives any right to a jury trial Grantor may have under applicable law. All references to Grantor in this Mortgage shall include all persons signing below. If there is more than one Grantor, their Obligations shall be joint and several. This Mortgage and any related documents represent the complete integrated understanding between Grantor and Lender pertaining to the terms and conditions of those documents.

38. ADDITIONAL TERMS:

Grantor acknowledges that Grantor has read, understands, and agrees to the terms and conditions of this Mortgage.

Dated JANUARY 13, 1992

GRANTOR: Gladstone-Norwood Tr & Svgs Bank as Trustee under Trust Agreement No.143

BY: *Richard D. ...*
Trust Officer
not personally, but as Trustee

GRANTOR:

BY:

TITLE:

TITLE:

Attest: *Eleanora Gatala*
Real Estate Loan Officer

GRANTOR:

GRANTOR:

BY:

BY:

TITLE:

TITLE:

LENDER: Gladstone-Norwood Tr & Svgs Bank

ATTEST

BY:

BY:

TITLE:

TITLE:

State of Illinois
County of Cook

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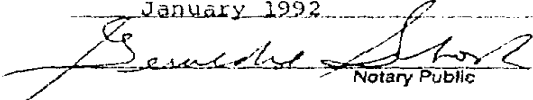
State of _____)
County of _____)

I, undersigned
a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Richard G. Brown and Eleanor Kabala personally known to me to be the same person are whose name are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they he signed, sealed and delivered the said instrument as their free and voluntary act, for the uses and purposes herein set forth.

I, _____
a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that _____ whose name _____ subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that _____ he signed, sealed and delivered the said instrument as _____ free and voluntary act, for the uses and purposes herein set forth.

Given under my hand and official seal, this 17th day of January 1992.

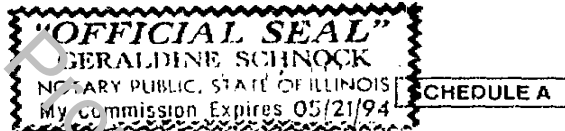
Given under my hand and official seal, this _____ day of _____


Notary Public

Notary Public

Commission expires: _____

Commission expires: _____



The street address of the Property (if applicable) is:

**5842 N. Merrimac
Chicago, IL 60646**

The permanent tax identification number of the Property is: **13-05-311-028**

The legal description of the Property is:

Lot 230 in William Zelosky's Roseale Manor, being a Subdivision of the Northwest 1/4 of the Southwest 1/4 of Section 5, Township 40 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois

92107999

SCHEDULE B

Mortgage dated September 21, 1987 and filed November 13, 1987 as document #LR 3667217 made by Gladstone-Norwood Trust & Savings Bank, as Trustee under Trust NO. 143 to Gladstone-Norwood Trust & Savings Bank to secure an indebtedness of \$77,000.00

Assignment of Renst dated September 21, 1987 and filed November 13, 1987 as document LR 3667218 to Gladstone-Norwood Trust & Savings Bank.

This document was prepared by: _____

Returned or mailed to: _____

EXHIBIT "A"

"ADDITIONAL TERMS" RIDER

This Rider is made this 13th day of January, 1992 and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (The "Security Instrument") of the same date given by the undersigned (The "Borrower") to secure Borrower's Note to Gladstone-Norwood Trust & Savings Bank.

36. Sale or Transfer of Premises or Interest Therein. Mortgagor agrees and understands that it shall constitute an event of default under this Mortgage and the Note entitling the remedies herein and in the Note to be exercised if (a) the Mortgagor, or any beneficiary of the Mortgage, shall convey title to or beneficial interest in, or otherwise suffer or permit any equitable or beneficial interest in the premises to become vested in any person or persons, firm or corporation or other entity recognized in law or equity other than the Mortgagor or the present beneficiary or beneficiaries, (b) allow any lien or security interest to attach to the premises or the beneficial interest in the premises other than the lien of this Mortgage, excluding taxes and assessments not yet due and payable (c) an articles of agreement for deed or other installment contract for deed, title or beneficial interest or land contract in the premises are entered into, or (d) any partnership interest of a partnership, if any, owning all or a portion of the beneficial interest in the Mortgage or any stock of a corporation, if any, owning all or a portion of the beneficial interest in the Mortgage is conveyed, transferred, or hypothecated, in whole or in part.

37. Waiver of Statutory Rights. Mortgagor shall not and will not apply for or avail itself of any appraisement, valuation, stay, extension or exemption laws, or any so-called "Moratorium Laws", now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but hereby waives the benefit of such laws. Mortgagor for itself and all who may claim through or under it waives any and all right to have the property and estates comprising the mortgaged property marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the mortgaged property sold as an entirety. **THE MORTGAGOR HEREBY WAIVES ANY AND ALL RIGHTS OF REDEMPTION FROM SALE UNDER ANY ORDER OR DECREE OF FORECLOSURE, PURSUANT TO RIGHTS HEREIN GRANTED, ON BEHALF OF THE MORTGAGOR, THE TRUST ESTATE AND ALL PERSONS BENEFICIALLY INTEREST THEREIN, AND EACH AND EVERY PERSON ACQUIRING ANY INTEREST IN, OR TITLE TO, THE PREMISES DESCRIBED HEREIN SUBSEQUENT TO THE DATE OF THIS MORTGAGE, AND ON BEHALF OF ALL OTHER PERSONS TO THE EXTENT PERMITTED BY THE PROVISIONS OF THE ILLINOIS STATUTES.**

38. Hazardous Substance. Neither the Mortgagor nor, to the best knowledge of the Mortgagor, any other person has ever caused or permitted any Hazardous Material (as hereinafter defined) to be placed, held, located or disposed of on, under or at the Premises or the Land or any part thereof or into the atmosphere or any watercourse, body of water or wetlands, or any other real property legally or beneficially owned (or an interest or estate in which is owned) by the Mortgagor (including, without limitation, any property owned by a land trust the beneficial interest in which is owned, in whole or in part, by the Mortgagor), and neither the Premises, the Land, any part of either thereof, nor any other real property legally or beneficially owned (or an interest or estate in which is owned) by the Mortgagor (including, without limitation, any property owned by a land trust the beneficial interest in which is owned, in whole or in part, by the Mortgagor) has ever been used (whether by the Mortgagor or, to the best knowledge of the Mortgagor, by any other person) as treatment, storage or disposal (whether permanent or temporary) site for any Hazardous Material. Mortgagor hereby indemnifies the Mortgagee and agrees to hold the Mortgagee harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses and claims of any and every kind whatsoever (including, without limitation, court costs and attorney's fees) which at any time or from time to time may be paid, incurred or suffered by, or asserted against, the Mortgagee for, with respect to, or as a direct or indirect result of, the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission or release from, the Premises or into or upon any land, the atmosphere, or any watercourse, body of water or wetland, of any Hazardous Material (including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under the Comprehensive Environmental Response, Compensation and Liability Act, any so-called "Superfund" or "Superlien" law, or any other Federal, state, local or other statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability or standards of conduct concerning any Hazardous Material); and the provisions of and undertakings any indemnification set out in this sentence shall survive the satisfaction and release of this Mortgage and the payment and satisfaction of the Liabilities, and shall continue to be the personal liability, obligation and indemnification of the Mortgagor, binding upon the Mortgagor, forever. The provisions of the preceding sentence shall govern and control over any inconsistent provision of this Mortgage or any other of the Security Documents. For purposes of this Mortgage, "Hazardous Material" means and includes any hazardous substance or any pollutant or contaminant defined as such in (or for purposes of) the Comprehensive Environmental Response, Compensation, and Liability Act, any so-called "Superfund" or "Superlien" law, the Toxic Substances Control Act, or any other Federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, or relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic or dangerous waste, substance or material, as now or at anytime hereon in effect, or any other hazardous, toxic or dangerous waste, substance or material.

38 a. Mortgagor hereby agrees to indemnify, defend and hold Mortgagee harmless from and against any claim, damages, actions, liabilities, causes of action, notes, investigations and judgments of any nature whatsoever, including without limitation, attorneys' fees and expenses, incurred by Mortgagee in connection with any breach of the representations and warranties set forth in subparagraph B above. The foregoing indemnity shall survive the pay off of the loan evidenced by the Note hereby secured.

38 b. During the term of the loan evidenced by the Note hereby secured, Mortgagee shall have the right, at its option, to retain, at Mortgagors' expense, an environmental consultant who shall prepare a report indicating whether the premises contain or are being used for any activities involving, directly or indirectly, the use, generation, treatment, storage or disposal of any hazardous or toxic chemical, material, substance or waste, including, without limitation, the items described in subparagraph B of this Paragraph 33. Mortgagor hereby grants to Mortgagee and Mortgagee's agents, employees, consultants and contractors the right to enter upon the Premises and to perform such tests on the Premises as are reasonably necessary to conduct any such investigation.

39. Trustees Waiver. This Mortgage is executed by Gladstone-Norwood Trust & Savings Bank, not personally but as trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee, and it is expressly understood and agreed by the mortgagee herein and by every person now or hereafter claiming any right or security hereunder that nothing contained herein or in the note secured by this mortgage shall be construed as creating any liability on Gladstone-Norwood Trust & Savings Bank or on any of the beneficiaries under said trust agreement personally to pay said note or any interest that may accrue thereon, or any indebtedness accruing hereunder or to perform any covenants either express or implied herein contained, all such liability, if any, being expressly waived and that any recovery on this mortgage and the note secured hereby shall be solely against and out of the property hereby conveyed by enforcement of the provisions hereof and of said note, but this waiver shall in no way affect the personal liability of any co-signer, endorser or guarantor of said note.