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Borrower covenants that it is lawfully seized of the land, and that it has lawful authority to mortgage the same, and that it will warrant and defend the land and the quiet and peaceful possession of the same against the lawful claims of all persons whomsoever.

TO HAVE AND TO HOLD the premises, unto the lender, its successors and assigns, forever, for the purposes herein set forth together with all right to possession of the premises after the occurrence of any default as hereinafter defined; the mortgagor hereby releasing and waiving all rights under and by virtue of the homestead exemption laws of the State of Illinois.

TOGETHER with all proceeds of the foregoing, including without limitation all judgments, awards of damages and settlements hereafter made resulting from condemnation proceeds or the taking of the premises or any portion thereof under the power of eminent domain, any proceeds of any policies of insurance, maintained with respect to the premises or proceeds of any sale, option or contract to sell the premises or any portion thereof.

TOGETHER with all income from the premises to be applied against the indebtedness, provided, however, that mortgagor may, so long as no default has occurred hereunder, collect income and other benefits as it becomes due, but not more than one (1) month in advance thereof;

TOGETHER with all easements, rights of way, goren or land, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights and powers, and all estates, rights, titles, interests, privileges, liberties, tenements, hereditaments and appurtenances whatsoever, in any way now or hereafter belonging, relating or appertaining to the land, and the reversions, remainders, rents, issues and profits thereof, and all the estate, right, title, interest, property, possession, claim and demand whatsoever, at law as well as in equity, in and to the same;

TOGETHER with all improvements, fixtures and personal property thereto belonging, for so long and during all such times as mortgagor, its successors or assigns 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 thereon or thereon used to supply heat, gas, air conditioning, water, light power, refrigeration (whether single units or centrally controlled), and ventilation, including without restriction the foregoing), screens, window shades, storm doors and windows, floor coverings, ladder beds, awnings, stoves and water heaters. All of the foregoing (collectively referred to herein as the "improvements") are declared to be a part of said real estate whether physically attached thereto or not, and it is agreed that all steeper apparatus, equipment, or articles hereafter placed in the premises by mortgagor, its successors or assigns shall be considered as constituting part of the real estate.

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SEE EXHIBIT A - ATTACHED MAP AND HEAVY MADE A PART HEREOF

which has the address of 908 N. Greenwood, Park Ridge, Illinois 60068 ("Property Address"); which, with the property hereinafter described, is referred to herein as the "Premises";

TOGETHER with all improvements, fixtures and personal property thereto belonging, for so long and during all such times as mortgagor, its successors or assigns 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 thereon or thereon used to supply heat, gas, air conditioning, water, light power, refrigeration (whether single units or centrally controlled), and ventilation, including without restriction the foregoing), screens, window shades, storm doors and windows, floor coverings, ladder beds, awnings, stoves and water heaters.

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MORTGAGE, ASSIGNMENT OF RIGHTS & SECURITY AGREEMENT (CHattel Mortgage)

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PROVIDED, NEVERTHELESS, that if Mortgagor shall pay in full when due the indebtedness and shall timely perform and observe all of the provisions herein and in the Note provided to be performed and observed by the Mortgagor, then this Security Instrument and the interest of Lender in the Premises shall cease and become void, but shall otherwise remain in full force.

IT IS FURTHER UNDERSTOOD AND AGREED THAT:

- A. **Maintenance, Repair, Compliance with Law, etc.** Mortgagor, it's successors or assigns shall:
1. promptly repair, restore or rebuild any buildings or improvement 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 the 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, or at Lender's election, within the time period set forth in any other Loan Document;
 5. comply with all requirements of law or municipal ordinances with respect to the Premises and the use thereof;
 6. refrain from any action and correct any condition which would increase the risk of fire or other hazard to the Improvements;
 7. comply with any restrictions of record with respect to the Premises; and comply with any conditions necessary to preserve and extend all rights that are applicable to the Premises; and
 8. cause the Premises to be managed in a competent manner. Without the prior written consent of Lender, Mortgagor shall not cause, suffer, or permit any
 - a. material alterations of the Premises except as required by law or except as permitted or required to be made by the terms of any leases approved by Lender;
 - b. change in the intended use of the Premises;
 - c. change in the identity of the person or firm responsible for managing the Premises;
 - d. zoning reclassification with respect to the Premises;
 - e. unlawful use of, or nuisance to exist upon, the Premises; or
 - f. granting of any easements, licenses, covenants, conditions or declarations of use against the Premises, other than use restrictions contained or provided for in leases approved by Lender.

B. **Taxes**

1. Mortgagor 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 (collectively "Taxes") when due, and shall, upon written request, furnish to Lender, it's successors or assigns duplicate receipts therefor.
2. Mortgagor may, in good faith and with reasonable diligence, contest the validity or amount of any such Taxes, provided:
 - a. Such contest shall prevent the collection of the Taxes so contested and the sale or forfeiture of the Premises or any part thereof or interest therein to satisfy the same;
 - b. Mortgagor has notified Lender in writing of the intention of Mortgagor to contest the same before any Tax has been increased by any interest, penalties, or costs, and
 - c. Mortgagor has deposited with Lender, at such place as lender may from time to time in writing designate, a sum of money or other security acceptable to Lender that, when added to the monies or other security, if any, deposited with Lender pursuant to Paragraph 7 hereof, is sufficient, in Lender's judgment, to pay in full such contested Tax, including interest and penalties, and shall increase such deposit to cover additional interest and penalties whenever Lender deems such an increase advisable.

If Mortgagor fails to prosecute such contest with reasonable diligence or fails to maintain sufficient funds on deposit as hereinabove provided, Lender may, at its option, apply the monies and liquidate any securities deposited with Lender, in payment of, or on account of, such Taxes, or any portion thereof then unpaid, including all penalties and interest thereon. If the amount of the money and any such security so deposited is insufficient for the payment in full of such Taxes, together with all penalties and interest thereon, Mortgagor shall forthwith, upon demand, either deposit with Lender a sum that, when added to such funds then on deposit, is sufficient to make such payment in full, or, if Lender has applied funds on deposit on account of such Taxes, restore such deposit to an amount satisfactory to Lender. Provided that Mortgagor is not then in default hereunder, Lender shall, upon Mortgagor's written request, after final disposition of such contest and upon Mortgagor's delivery to Lender of an official bill for such Taxes, apply the money so deposited in full payment of such Taxes or that part thereof then unpaid, together with penalties and interest thereon.

C. **Insurance**

1. **Insurance Coverage.** Mortgagor will insure the Premises against such perils and hazards, and in such amounts and with such limits, as Lender may from time to time require, and in any event will continuously maintain the following described policies of insurance (the "Insurance Policies"):
 - a. Casualty insurance against loss and damage by all risks of physical loss or damage, including fire, windstorm, flood, earthquake and other risks covered by the so-called extended coverage endorsement in amounts not less than the full insurable replacement value of all Improvements, fixtures and equipment from time to time on the Premises and bearing a replacement cost agreed amount endorsement;
 - b. Comprehensive public liability against death, bodily injury and property damage with such limits as Lender may require;
 - c. Rental or business interruption insurance in amounts sufficient to pay, for a period of up to one (1) year, all amounts required to be paid by Mortgagor pursuant to the Note and this Security Instrument, if applicable;
 - d. Steam boiler, machinery and pressurized vessel insurance, if applicable;

- e. If the Federal Insurance Administration (FIA) has designated the Premises to be in a special flood hazard area and designated the community in which the Premises are located eligible for sale of subsidized insurance, first and second layer flood insurance when and as available; and
- f. The types and amounts of coverage as are customarily maintained by owners or operators of like properties.

D. Insurance Policies. All Insurance Policies shall be in form, companies and amounts reasonably satisfactory to Lender. All Insurance Policies shall:

- 1. include, when available, non-contributing mortgagee endorsements in favor of and with loss payable to Lender,
- 2. include standard waiver of subrogation endorsements,
- 3. provide that the coverage shall not be terminated or materially modified without thirty (30) days' advance written notice to Lender and
- 4. provide that no claims shall be paid thereunder without ten (10) days' advance written notice to Lender. Mortgagor will deliver all Insurance Policies premium prepaid, to Lender and will deliver renewal or replacement policies at least thirty (30) days prior to the date of expiration of any policy.

E. Defaults and Acceleration

- 1. Mortgagor shall pay each item of indebtedness herein mentioned, both principal and/or interest, when due according to the terms hereof. At the option of the holders of the Note and without notice to Mortgagor, all unpaid indebtedness secured by this Security Instrument shall, notwithstanding anything on the Note or in this Security Instrument to the contrary, become due and payable:
 - a. within fifteen (15) days in the case of default in making payment of any installment of principal or interest on the Note, or
 - b. when default shall occur and continue for fifteen (15) days following the date of mailing of written notice of such default to Borrower in the performance of any other agreement of the Mortgagor herein contained, said option to be exercised at any time after the expiration of said fifteen day period, or
 - c. in the event Mortgagor or any other obligor default under any other document given by any of them to secure the obligations hereby secured or under the loan commitment of Lender and any and all revisions, modifications, and extensions thereto (the "Loan Commitment"), the provisions of which are incorporated herein by reference (the foregoing events are herein referred to as "Defaults").
- 2. Notwithstanding anything in the Note or Security Instrument to the contrary, the death of Mortgagor and/or all guarantors of the indebtedness herein mentioned shall be a default in the performance of an agreement of the Mortgagor hereunder and the holder of the Note shall be entitled to all rights and remedies given in the Security Instrument in the event of default in the performance of any agreement of the Mortgagor contained therein.
- 3. In the event that the holder of the Note shall, in good faith, deem itself insecure, the holder of the Note shall have the right to declare the loan evidenced by the Note to be in default and to accelerate the installments of principal and/or interest due hereunder.

F. Foreclosure

- 1. When indebtedness hereby secured shall become due whether by acceleration or otherwise, holders of the Note shall have the right to foreclose the lien hereof in accordance with the Illinois Mortgage Foreclosure Act, Ill. Rev. Stat. ch. 110, para. 15-1101, et. seq. (1987) (the "Act"). In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decret for sale all expenditures and expenses which may be paid or incurred by or on behalf of Lender, its successor or assigns 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) procuring all such abstracts of title, title searches and examinations, title insurance policies, Torrens certificates, and similar data and assurances with respect to title as Lender, its successor or assigns 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, with interest thereon at a rate equivalent to the post maturity rate set forth in the Note secured by this Security Instrument, if any, otherwise the prematurity rate set forth therein, when paid or incurred by Lender, its successor or assigns in connection with:
 - a. any proceeding, including probate and bankruptcy proceedings, to which any of them shall be a party, either as plaintiff, claimant or defendant, by reason of this Security Instrument 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 suit for the foreclosure hereof after accrual of such right to foreclose whether or not actually commenced; or
 - d. preparations for the defense of any threatened suit or proceeding which might affect the Premises or the security hereof, whether or not actually commenced.
- 2. 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 thereof; 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 interest remaining unpaid on the Note; fourth, all principal remaining unpaid on the Note; fifth, any overplus to Mortgagor, their heirs, legal representatives or assigns, as their rights may appear.
- 3. No action for the enforcement of the lien or of 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.

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9. Appointment of Receiver. Upon, or at any time after the filing of a bill to foreclose this Security Instrument, 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 the mortgagor at the time of application for such receiver and without regard to the value of the premises or whether the same shall be then occupied as a homestead or not and lender, its successor or assigns 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 mortgagor, 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: The indebtedness secured hereby, or by any decree foreclosing this Security Instrument, or any tax, special assessment or other lien or of any provision hereof shall not 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.
10. Payment and Advances by Lender After Default.
1. In case of default therein, lender, its successor or assigns may, but need not, make any payment or perform any act herein before required of mortgagor in any form and principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien or claim thereof, or redemption from any tax sale or foreclosure affecting said premises or contest any tax or assessment. All moneys paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorney's fees, and any other moneys advanced by lender, its successor or assigns protect the mortgaged premises and the lien thereon, plus reasonable compensation to lender for each matter concerning which action herein and with interest thereon at a rate equivalent to the post maturity rate set forth in the Note secured by this Security Instrument, if any, otherwise the premium rate set forth in the Note therein. Inaction of lender, its successor or assigns shall never be considered as a waiver of any right accruing to them on account of any default hereunder on the part of mortgagor.
2. The lender, its successor or assigns making any payment hereby authorized relating to taxes or 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, foreclosure, tax lien or title or claim thereof.
11. Lender's Right of Inspection. Lender, its successors or assigns shall have the right to inspect the premises at all reasonable times and access thereto shall be permitted for that purpose.
12. Deposits of Taxes and Insurance Premiums. To the full extent permitted by law, to further secure the payment of said principal sum of money and interest thereon, mortgagor agrees to deposit with the holders of the Note each and every month, commencing on the first payment date, until the indebtedness hereby secured shall have been fully paid. An amount equal to one-twelfth of 1% of the annual real estate taxes, special assessment levies and property insurance premiums (hereinafter referred to as "funds"). Said funds shall be held by the holders of the Note in accordance with the terms and provisions of this paragraph without any allowance of interest, and may be applied to said holders toward payment of taxes, special assessment levies and insurance premiums when due, but the holders of the Note shall be under no obligation to ascertain the correctness of or to obtain the tax, special assessment levies or insurance bills, or attend to the payment thereof. If the funds so deposited exceed the amount required to pay such taxes, assessment (general and special) and/or insurance premiums for any year, the excess shall be applied on a subsequent deposit or deposits. Mortgagor acknowledges that the sums so deposited shall create a debtor-creditor relationship only and shall not be considered to be held by the holders of the Note in trust and that the holders of the Note shall not be considered to have consented to act as the mortgagor's agent for the payment of such taxes, levies and premiums. In the event of a default in any of the provisions contained in this Security Instrument or in the Note secured hereby, the holders of the Note may at their option, without being required to do so, apply any moneys at the time of deposit on any of the mortgagor's obligations herein or in the Note contained in such order and manner as the holders of the Note may elect. When the indebtedness secured hereby has been fully paid, any remaining deposits shall be paid to mortgagor or to the then owner or owners of the mortgaged premises.
13. Restrictions on Transfers.
1. In determining whether or not to make the loan secured hereby, lender examined the credit-worthiness of mortgagor and/or mortgagor's beneficiary or guarantors (if applicable), found the same to be acceptable and relied and continues to rely upon same as the means of repayment of the loan. Lender also evaluated the background and experience of mortgagor and/or its beneficiary or guarantor (if applicable) in owning and operating property such as the premises, found the same to be acceptable and relied and continues to rely upon same as the means of maintaining the value of the premises which is lender's security for the loan. It is recognized that lender is entitled to keep its own portfolio at current interest rates by either making new loans at such rates or collecting assumption fees and/or increasing the interest rate on a loan the security for which is purchased by a party other than the original mortgagor and/or its beneficiary (if applicable). Mortgagor and/or its beneficiary (if applicable) further recognize that any secondary or junior financing placed upon the premises, or the beneficial interest of beneficiary in mortgagor's may divert funds which would otherwise be used to pay the Note secured hereby and could result in acceleration and foreclosure by any such junior encumbrancer which would detract from the value of the premises should lender come into possession thereof with the intention of selling same; and

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- d. impair Lender's right to accept a deed in lieu of foreclosure, as a foreclosure by Lender would be necessary to clear the title of the Premises.
2. In accordance with the foregoing and for the purposes of:
- protecting Lender's security, both of repayment of the indebtedness and of value of the Premises;
 - giving Lender the full benefit of its bargain and contract with Mortgagor and/or beneficiary (if applicable) and Mortgagor;
 - allowing Lender to raise the interest rate and/or collect assumption fees; and
 - keeping the Premises and the beneficial interest (if applicable) free of subordinate financing liens, beneficiary (if appropriate) and Mortgagor agree that if this Paragraph be deemed a restraint on alienation, that it is a reasonable one and that any sale, conveyance assignment, further encumbrance or other transfer of title to the Premises or any interest therein (whether voluntary or by operation of law) without the Lender's prior written consent shall be an event of default hereunder. For the purpose of, and without limiting the generality of, the preceding sentence, the occurrence at any time of any of the following events shall be deemed to be an unpermitted transfer of title to the Premises and therefore an event of default hereunder:
 - any sale, conveyance, assignment or other transfer of, or the grant of a security interest in, all or any part of the title to the Premises or the beneficial interest or power of direction under the trust agreement with the Mortgagor, if applicable;
 - any sale, conveyance, assignment or other transfer of, or the grant of a security interest in, any share of stock of the Mortgagor (if a corporation) or the corporation which is the beneficiary or one of the beneficiaries under the trust agreement with the Mortgagor, or of any corporation directly or indirectly controlling such beneficiary corporation;
 - any sale, conveyance, assignment or other transfer of, or the grant of a security interest in, any general partnership interest of the limited partnership or general partnership (herein called the "Partnership") which is the Mortgagor or the beneficiary or one of the beneficiaries under the trust agreement with the Mortgagor;
 - any sale, conveyance, assignment or other transfer of, or the grant of a security interest in, any share of stock of any corporation directly or indirectly controlling such Partnership.

Any consent by the Lender, or any waiver of an event of default, under this Paragraph shall not constitute a consent to, or waiver of any right, remedy or power of Lender upon a subsequent event of default under this Paragraph.

L. Assignment of Rents

- To further secure the indebtedness secured hereby, Mortgagor does hereby sell, assign and transfer unto the Lender all the rents, issues and profits now due and which may hereafter become due under or by virtue of any lease, whether written or verbal, or any letting of, or of any agreement for the use or occupancy of the Premises or any part hereof, which may have been heretofore or may be hereafter made or agreed to or which may be made or agreed to by the Lender under the powers herein granted, it being the intention hereby to establish an absolute transfer and assignment of all of such leases and agreements, and all the avails thereunder, unto the Lender, and Mortgagor does hereby appoint irrevocably the Lender its true and lawful attorney in its name and stead (with or without taking possession of the Premises) to rent, lease or let all or any portion of the Premises to any part or parties at such rental and upon such terms as said Lender shall, in its discretion, determine, and to collect all of said avails, rents, issues and profits arising from or accruing at any time hereafter, existing on the Premises, with the same rights and powers and subject to the same immunities, exoneration of liability and rights of recourse and indemnity as the Lender would have upon taking possession of the Premises.
- The Mortgagor represents and agrees that no rent has been or will be paid by any person in possession of any portion of the Premises for more than two installments in advance, and that the payment of none of the rents to accrue for any portion of the Premises has been or will be waived, released, reduced, discounted, or otherwise discharged or compromised by the Mortgagor. The Mortgagor waives any rights or set off against any person in possession of any portion of the Premises. Mortgagor agrees that it will not assign any of the rents or profits of the Premises, except to a purchaser or grantee of the Premises.
- Nothing herein contained shall be construed as constituting the Lender as a mortgagee in possession in the absence of taking of actual possession of the Premises by the Lender. In the exercise of the powers herein granted the Lender, no liability shall be asserted or enforced against the Lender, all such liability being expressly waived and released by Lender.
- The Mortgagor further agrees to assign and transfer to the Lender all future leases regarding all or any part of the Premises hereinbefore described and to execute and deliver, at the request of the Lender, all such further assurances and assignments in the Premises as the Lender shall from time to time require.
- Although it is the intention of the parties that the assignment contained in this Section L shall be a present assignment, it is expressly understood and agreed, anything herein contained to the contrary notwithstanding, that so long as Mortgagor is not in default hereunder or under the Note, it shall have the privilege of collecting and retaining the rents accruing under the leases assigned hereby, until such time as Lender shall elect to collect such rents pursuant to the terms and provisions of this Security Instrument.
- The Lender shall not be obliged to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability under any leases, and the Mortgagor shall and does hereby agree to indemnify and hold the Lender harmless of and from any and all liability, loss or damage which it may or might incur under said leases or under or by reason of the assignment thereof and of and from any and all claims and demands whatsoever which may be asserted against it by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in said leases. Should the Lender incur any such liability, loss or damage under said leases or under or by reason of the assignment

At all times, regardless of whether any loan proceeds have been disbursed, this Security Instrument secures as part of the indebtedness hereby secured the payment of any and all loan commissions, service charges, liquidated damages, attorneys' fees, expenses and advances due to or incurred by Lender, its successors or assigns in accordance with the Note, this Security Instrument and the said Loan Commitment; provided, however, that in no event shall the total amount of the indebtedness hereby secured, including loan proceeds disbursed plus any additional charges, exceed 500% of the face amount of the Note.

Mortgagee. This Security Instrument shall be construed under Illinois law. If any provisions hereof are invalid under Illinois law, such invalidity shall not affect the validity of the rest of the Security Instrument and Rider, if any. At all times, regardless of whether any loan proceeds have been disbursed, this Security Instrument secures as part of the indebtedness hereby secured the payment of any and all loan commissions, service charges, liquidated damages, attorneys' fees, expenses and advances due to or incurred by Lender, its successors or assigns in accordance with the Note, this Security Instrument and the said Loan Commitment; provided, however, that in no event shall the total amount of the indebtedness hereby secured, including loan proceeds disbursed plus any additional charges, exceed 500% of the face amount of the Note.

Mortgagee agrees that it will not at any time or in any manner whatsoever take any advantage of any stay, exemption or extension law or any so-called "Koratorium Law" now or at any time hereafter in force, nor take any advantage of any law now or hereafter in force providing for the valuation or appraisal of the premises, or any part thereof, prior to any sale thereof to be made pursuant to any provisions herein contained, or to any decree, judgment or order of any court of competent jurisdiction; or after such sale claim or exercise any rights under any statute now or hereafter in force to redeem the property so sold, or any part thereof, or relating to the marshaling thereof upon foreclosure sale or other enforcement hereof. To the full extent permitted by law, Mortgagee hereby expressly waives any and all rights it may have to require that the premises be sold as separate tracts or units in the event of foreclosure. To the full extent permitted by law, Mortgagee hereby expressly waives any and all rights of redemption or having an interest (direct or indirect) by, through or on behalf of all persons claiming or having an interest in or title to the premises subsequent to the date hereof, it being the intent hereof that any and all such rights of redemption of Mortgagee and such other persons, are and shall be deemed to be hereby waived to the full extent permitted by applicable law. To the full extent permitted by law, Mortgagee agrees that it will not, by invoking or utilizing any applicable law or laws or otherwise, hinder, delay or impede the exercise of any right, power or remedy such right, power and remedy as though no such law or laws have been or will have been made or enacted. To the full extent permitted by law, Mortgagee hereby agrees that no action for the enforcement of the lien or any provision hereof shall be subject to any defense which would not be good and valid in an action at law upon the Note. Mortgagee acknowledges that the premises do not constitute agricultural real estate as defined in Section 15-1201 of the Act or residential real estate as defined in Section 15-1219 of the Act.

Environmental Matters. Mortgagee represents that it is currently in compliance with, and covenants and agrees that, it will manage and operate the premises and will cause each tenant to comply its demised portion of the premises in compliance with, all federal, state and local laws, rules, regulations and ordinances regarding, without limitation, air pollution, soil and water pollution, and the use, generation, storage, handling or disposal of hazardous or toxic substances or other materials (including, without limitation, law, rules, regulations or orders respecting such material. Mortgagee shall send to Lender within five (5) days of receipt or completion thereof, any report, citation, notice or other writing including, without limitation, hazardous waste disposal manifests, by, to or from any governmental or quasi-governmental authority empowered to regulate or oversee any of the foregoing activities. Mortgagee shall remove from the premises and dispose of any such hazardous or toxic substances or other materials in a manner consistent with and in compliance with applicable laws, rules, regulations and ordinances and shall take any and all other action to remedy, rectify, rehabilitate and correct any violation of any applicable law, rule, regulation or ordinance concerning toxic or hazardous substances or any violation of any agreement entered into between Mortgagee, Lender and/or any third party with respect to hazardous or toxic materials. Mortgagee agrees to indemnify, defend with counsel reasonably acceptable to Lender (at Mortgagee's sole cost) and hold Lender harmless against any claim, response or other costs, damages, liability or demand (including without limitation reasonable attorney fees and costs incurred by Lender) arising out of any claimed violation by Mortgagee of any of the foregoing laws, regulations or ordinances or breach of any of the foregoing covenants or agreements. The foregoing indemnity shall survive repayment of the indebtedness.

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Mortgagee shall reimburse the Lender therefor immediately upon demand. Mortgagee shall reimburse the Lender therefor immediately upon demand. Mortgagee shall reimburse the Lender therefor immediately upon demand. Mortgagee shall reimburse the Lender therefor immediately upon demand.

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- 2. Lender, its successors or assigns, shall prepare the release of this Security Instrument and the lien thereof by proper instrument upon presentation of satisfactory evidence that all indebtedness secured by this Security Instrument has been fully paid, including the cost of the preparation of the release. Mortgagor shall be responsible for the recording of said release and all charges relating thereto.
- 3. This Security Instrument and all provisions hereof, shall extend to and be binding upon Mortgagor and all persons claiming under or through Mortgagor, and the word "Mortgagor" when used herein shall include all such persons and all persons liable for the payment of the indebtedness or any part hereof, whether or not such persons shall have executed the Note or this Security Instrument. The word "Note" when used in this instrument shall be construed to mean "Notes" when more than one note is used.
- 4. Mortgagor and Lender acknowledge and agree that in no event shall Lender be deemed to be a partner or joint venturer with Mortgagor or any beneficiary of Mortgagor. Without limitation of the foregoing, Lender shall not be deemed to be such a partner or joint venturer on account of its becoming a mortgagee in possession or exercising any rights pursuant to this Security Instrument or pursuant to any other instrument or document evidencing or securing any of the indebtedness secured hereby, or otherwise.

Q. **Future Advances.** This Security Instrument is given to secure a non-revolving credit loan and shall secure not only the existing indebtedness, but also such future advances, whether such advances are obligatory or to be made at the option of the Lender, or otherwise, as are made within twenty years from the date hereof, to the same extent as if such future advances were made on the date of execution of this Security Instrument, although there may be no advance made at the time of execution of this Security Instrument, and although there may be no indebtedness outstanding at the time any advance is made. The total amount of indebtedness that is secured hereby 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 the Note, plus interest thereon, and any disbursements made for the payment of taxes, special assessments, or insurance on the Premises, with interest on such disbursements (all such indebtedness being hereinafter referred to as the "maximum amount secured hereby"). This Security Instrument is intended to and shall be valid and have priority over all subsequent liens and encumbrances including statutory liens, excepting from solely taxes and assessments levied on the Premises, to the extent of the maximum amount secured hereby.

R. **Occupancy Requirement.** The Premises are to be occupied by Mortgagor or Mortgagor's Beneficiary during the entire term of the loan and any and all extensions or modifications thereof and, if this requirement is not met, the holders of the Note shall be entitled to all rights and remedies given in this Security Instrument in the event of default in the performance of any agreement of the Mortgagor contained herein.

S. **Rider.** The Rider or Riders attached hereto, if any, is(are) hereby made a part hereof.

IN WITNESS WHEREOF, the Mortgagor has executed this instrument as of the day and year first above written.

MORTGAGOR

COOK COUNTY, ILLINOIS
FILED

1993 SEP - 8 AM 9 42

93809843

Joseph R. Ripka

Marilyn J. Ripka

STATE OF ILLINOIS)
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY, that Joseph F. Ripka and Marilyn J. Ripka, husband and wife, personally known to me to be the same person(s) whose name(s) is/are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she/they signed and delivered the said instrument as his/her/their own free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 30th day of September, 1993.

Notary Public

My commission expires:

Mail To:

THIS INSTRUMENT WAS PREPARED

BY: Carleen Rosario

MID TOWN BANK AND TRUST COMPANY OF CHICAGO
2021 NORTH CLARK STREET
CHICAGO, ILLINOIS 60614

"OFFICIAL SEAL"
BONNIE J MILLER
Notary Public, State of Illinois
My Commission Expires 1-8-95

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ADJUSTABLE RATE RIDER

This Rider is made this September 30, 1993, and is incorporated into and shall be deemed to amend and supplement the Note/Mortgage dated of even date herewith, given by the undersigned (herein "Mortgagor") to secure Borrower's Note to Mid Town Bank and Trust Company of Chicago ("Lender") covering the property described in the Mortgage and located at 908 North Greenwood, Park Ridge, Illinois ("Premises").

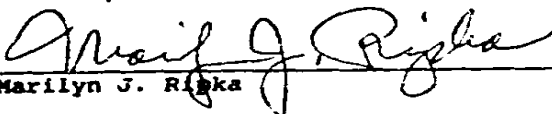
In addition to the covenants and agreements made in the Mortgage, Mortgagor and Lender further covenant and agree as follows:

Rate Change Provisions:

- (i) **Change Dates:** The interest rate may change on February 1, 1995 and on that day every one (1) year(s) thereafter. Each date on which the interest rate can change is called a "Change Date".
- (ii) **Effective Date of Changes:** The new interest rate will become effective on each Change Date.
- (iii) **The Index:** Beginning with the first Change Date, the interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury Securities adjusted to a constant maturity of One (1) year(s) as published by the Federal Reserve Board. The most recent Index figure published as of the date forty-five (45) days before each Change Date is called the "Current Index".

If the index is no longer published, the holder of the Note will choose a new index which is based upon comparable information. The holder of the Note will give the Maker notice of this choice. Subject to the conditions of this paragraph, the interest rate on this Note shall first be increased or decreased on the Change Date so that the interest rate hereon is the sum of Two and three-fourths percent (2.75%) (the "Margin") plus the current Index value, which is rounded up to the next highest one-eighth of one percentage point. This rounded amount will be the new interest rate until the next Change Date.
- (iv) **Interest Rate "Caps":** Any change in the interest rate effective on any Change Date shall be in increments of one-eighth of one percentage point. Any change in the interest rate effective on any Change Date shall not exceed two (2) percentage points up or down from the interest rate effective on the immediately preceding Change Date. The maximum interest rate which may be imposed by the holder of the Note shall not exceed 9.7% per annum (the initial interest rate plus six (6) percentage points and the minimum interest rate which may be imposed shall not be less than 3.7% per annum (the initial interest rate).
- (v) **From and after the occurrence of (a) any default in the payment of interest when due in accordance with the terms hereof, (b) a Default (as herein defined) under the Note, or (c) the Maturity Date (as defined in the Note) of the Note, whether by acceleration or otherwise, interest shall accrue on the amount of the principal balance outstanding hereunder at the Default Rate. The Default Rate shall be equal to ten percentage points (10.00%) (the "margin") over the Prime Rate of interest per annum. For purposes of this Note the "Prime Rate" shall mean the prime rate of interest as announced from time to time in the Money Rate Section of the Wall Street Journal. The rate may vary daily with changes in the Prime Interest Rate and each day with changes in your outstanding daily balance. Interest accruing at the Default Rate shall be payable on demand.**


Joseph F. Ripka


Marilyn J. Ripka

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CHICAGO TITLE INSURANCE COMPANY

ORDER NUMBER: 1409 007464815 SK
STREET ADDRESS: 908 N. GREENWOOD
CITY: PARK RIDGE COUNTY: COOK
TAX NUMBER: 09-26-103-029-0000

LEGAL DESCRIPTION:

LOT 64 AND THE NORTH 10 FEET OF LOT 63 IN GOLF VIEW HIGHLANDS, BEING A SUBDIVISION OF LOT 1 IN THE WEST 1/2 OF THE NORTHWEST 1/4 OF SECTION 26 AND OF THE NORTH 387.2 FEET OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 26, (EXCEPT THE WEST 337.72 FEET THEREOF) ALL IN TOWNSHIP 41 NORTH RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

Property of Cook County Clerk's Office

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