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REAL ESTATE MORTGAGE AND SECURITY AGREEMENT
To Secure a Loan
From MOUNT GREENWOOD BANK

1. DATE AND PARTIES. The date of this Real Estate Mortgage and Security Agreement (Mortgage) is October 4, 1994, and the parties and their mailing addresses are the following:

MORTGAGOR:

MICHAEL M. GRANT
10956 S. TRUMBULL
CHICAGO, IL 60655
Social Security # 341-54-7245
HUSBAND OF KAREN GRANT

KAREN M. GRANT
10956 S. TRUMBULL
CHICAGO, IL 60655
Social Security # 317-84-1900
WIFE OF MICHAEL M. GRANT

BANK:

MOUNT GREENWOOD BANK
an ILLINOIS banking corporation
3052 W. 111TH
CHICAGO, ILLINOIS 60655
Tax I.D. # 36-2202468
Branch No. 13730
(as Mortgagee)

DEPT-01 RECORDING \$31.50
T#1111 TRAN 7029 11/14/94 09:51:00
#3065 : CG #-94-961262
COOK COUNTY RECORDER

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2. OBLIGATIONS DEFINED. The term "Obligations" is defined as and includes the following:

- A. A promissory note, No. _____ (Note) dated October 4, 1994, and executed by WONDERBURGER, INC., MICHAEL M. GRANT, and KAREN M. GRANT (Borrower) payable in monthly payments to the order of Bank, which evidences a loan (Loan) to Borrower in the amount of \$17,000.00, plus interest, and all extensions, renewals, modifications or substitutions thereof.
- B. All future advances by Bank to Borrower, to Mortgagor, to any one of them or to any one of them and others (and all other obligations referred to in the subparagraph(s) below, whether or not this Mortgage is specifically referred to in the evidence of indebtedness with regard to such future and additional indebtedness).
- C. All additional sums advanced, and expenses incurred, by Bank for the purpose of insuring, preserving or otherwise protecting the Property (as herein defined) and its value, and any other sums advanced, and expenses incurred by Bank pursuant to this Mortgage, plus interest at the same rate provided for in the Note computed on a simple interest method.
- D. All other obligations, now existing or hereafter arising, by Borrower owing to Bank to the extent the taking of the Property (as herein defined) as security therefor is not prohibited by law, including but not limited to liabilities for overdrafts, all advances made by Bank on Borrower's, and/or Mortgagor's, behalf as authorized by this Mortgage and liabilities as guarantor, endorser or surety, of Borrower to Bank, due or to become due, direct or indirect, absolute or contingent, primary or secondary, liquidated or unliquidated, or joint, several, or joint and several.
- E. Borrower's performance of the terms in the Note or Loan, Mortgagor's performance of any terms in this Mortgage, and Borrower's and Mortgagor's performance of any terms in any deed of trust, any trust deed, any trust indenture, any other mortgage, any deed to secure debt, any security agreement, any assignment, any construction loan agreement, any loan agreement, any assignment of beneficial interest, any guaranty agreement or any other agreement which secures, guarantees or otherwise relates to the Note or Loan.

However, this Mortgage will not secure another debt:

- A. if this Mortgage is in Borrower's principal dwelling and Bank fails to provide (to all persons entitled) any notice of right of rescission required by law for such other debt; or
- B. to the extent that this Mortgage is in "household goods" and the other debt to be secured is a "consumer" loan (as those terms are defined in applicable federal regulations governing unfair and deceptive credit practices); or
- C. if Bank fails to make any disclosure of the existence of this Mortgage required by law for such other debt.

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RE: TITLE SERVICES # R11-737U

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3. **MAXIMUM OBLIGATION LIMIT.** The total principal amount of the Obligations secured by this Mortgage, not including, however, any sums advanced for the protection of the Property or Bank's interest therein, nor interest, attorneys' fees, paralegal fees, costs and other legal expenses, shall not exceed the sum of \$17,000.00, provided, however, that nothing contained herein shall constitute a commitment to make additional or future loans or advances in any amounts.

4. **CONVEYANCE.** In consideration of the Loan and Obligations, and to secure the Obligations (which includes the Note according to its specific terms and the obligations in this Mortgage), Mortgagor hereby bargains, grants, mortgages, sells, conveys and warrants to Bank, as Mortgagee, the following described property (Property) situated in COOK County, ILLINOIS, to-wit:

LOT 56 IN BLOCK 4 IN J.S. HOVLAND'S RESUBDIVISION OF BLOCKS 1, 2, 3 AND 4 (EXCEPT LOTS 14, 15, 17 AND 18 IN BLOCK 3) IN J.S. HOVLAND'S SUBDIVISION OF THE SOUTH WEST QUARTER OF THE SOUTH WEST QUARTER OF SECTION 13, TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS. P.I.N. # 24-13-308-043

The Property may be commonly referred to as 11045 S. KEDZIE STREET, CHICAGO, ILLINOIS 60655

such property not constituting the homestead of Borrower, together with all buildings, improvements, fixtures and equipment now or hereafter attached to the Property, including, but not limited to, all heating, air conditioning, ventilation, plumbing, cooling, electrical and lighting fixtures and equipment; all landscaping; all exterior and interior improvements; all easements, issues, rights, appurtenances, rents, royalties, oil and gas rights, privileges, proceeds, profits, other minerals, water, water rights, and water stock, crops, grass and timber at any time growing upon said land, including replacements and additions thereto, all of which shall be deemed to be and remain a part of the Property. All of the foregoing Property shall be collectively hereinafter referred to as the Property. To have and to hold the Property, together with the rights, privileges and appurtenances thereto belonging, unto Bank forever to secure the Obligations. Mortgagor does hereby warrant and defend the Property unto Bank forever, against any claim or claims, of all persons claiming or to claim the Property or any part thereof. Mortgagor further releases and waives all rights under and by virtue of the homestead laws and a redemption laws of the state of ILLINOIS.

5. **INTEREST AND REPAYMENT OF THE OBLIGATIONS.** The Note accrues interest from October 4, 1984, on the unpaid principal balance at the rate of 6% per annum (Contract Rate) until the Note matures or the obligation is accelerated. After maturity or acceleration, the unpaid balance shall bear interest at the rate specified in the Note until paid. If the interest accrued and collected exceeds the Maximum Lawful Interest as of the time of collection, such excess shall be applied to reduce the principal amount outstanding, unless otherwise required by law. If or when no principal amount is outstanding, any excess interest shall be refunded to Borrower according to the actuarial method. Interest shall be computed on the basis of a 360-day year and the actual number of days elapsed.

All unpaid principal and accrued interest are due and payable upon demand. Until demand is made, principal and accrued interest are due and payable in 36 equal monthly payments of \$518.81 on the 15th day of each month, beginning November 15, 1984, or the day following if the payment day is a holiday or is a non-business day for banks. Unless paid prior to maturity or demand is made, all other unpaid principal, accrued interest, costs and expenses are due and payable on October 15, 1987, which is the date of maturity. These payment amounts are based upon timely payment of each installment. All amounts shall be paid in legal U.S. currency. Any payment made with a check will constitute payment only when collected.

6. **LIENS AND ENCUMBRANCES.** Mortgagor warrants and represents that the Property is free and clear of all liens and encumbrances whatsoever. Mortgagor agrees to pay all claims when due that might result, if unpaid, in the foreclosure, execution or imposition of any lien, claim or encumbrance on or against the Property or any part thereof. Mortgagor may in good faith contest any such lien, claim or encumbrance by posting any bond in an amount necessary to prevent such claim from becoming a lien, claim or encumbrance or to prevent its foreclosure or execution.

7. **EVENTS OF DEFAULT.** Mortgagor shall be in default upon the occurrence of any of the following events, circumstances or conditions (Events of Default):

- A. Failure by any party obligated on the Obligations to make payment when due; or
- B. A default or breach by Borrower, Mortgagor or any co-signer, endorser, surety, or guarantor under any of the terms of this Mortgage, the Note, any construction loan agreement or other loan agreement, any security agreement, mortgage, deed to secure debt, deed of trust, trust deed, or any other document or instrument evidencing, guarantying, securing or otherwise relating to the Obligations; or
- C. The making or furnishing of any verbal or written representation, statement or warranty to Bank which is or becomes false or incorrect in any material respect by or on behalf of Mortgagor, Borrower, or any one of them, or any co-signer, endorser, surety or guarantor of the Obligations; or
- D. Failure to obtain or maintain the insurance coverages required by Bank, or insurance as is customary and proper for the Property (as herein defined); or
- E. The death, dissolution or insolvency of, the appointment of a receiver by or on behalf of, the assignment for the benefit of creditors by or on behalf of, the voluntary or involuntary termination of existence by, or the commencement of any proceeding under any present or future federal or state insolvency, bankruptcy, reorganization, composition or debtor relief law by or against Mortgagor, Borrower, or any one of them, or any co-signer, endorser, surety or guarantor of the Obligations; or
- F. A good faith belief by Bank at any time that Bank is insecure with respect to Borrower, or any co-signer, endorser, surety or guarantor, that the prospect of any payment is impaired or that the Property (as herein defined) is impaired; or
- G. Failure to pay or provide proof of payment of any tax, assessment, rent, insurance premium, escrow or escrow deficiency on or before its due date; or
- H. A material adverse change in Mortgagor's business, including ownership, management, and financial conditions, which in Bank's opinion, impairs the Property or repayment of the Obligations; or
- I. A transfer of a substantial part of Mortgagor's money or property; or
- J. If all or any part of the Property or any interest therein is sold, leased or transferred by Mortgagor except as permitted in the paragraph below entitled "DUE ON SALE OR ENCUMBRANCE".

8. **REMEDIES ON DEFAULT.** At the option of Bank, all or any part of the principal of, and accrued interest on, the Obligations shall become immediately due and payable without notice or demand, upon the occurrence of an Event of Default or at any time thereafter. In addition, upon the occurrence of any Event of Default, Bank, at its option, may immediately commence foreclosure proceedings and may immediately invoke any or all other remedies provided in the Note, this Mortgage or related documents and to exercise any remedies permitted under ILLINOIS's Uniform Commercial Code. All rights and remedies are distinct, cumulative and not exclusive, and Bank is entitled to all remedies provided by law or equity, whether or not expressly set forth.

9. **DUE ON SALE OR ENCUMBRANCE.** Bank may, at Bank's option, declare the entire balance with all accrued interest on the Obligations to be

Immediately due and payable upon the contract for, or creation of, any lien, encumbrance, transfer or sale of the Property, or any portion thereof, by Mortgagor. Lapse of time or the acceptance of payments by Bank after such creation of any lien, encumbrance, transfer or sale, or contract for any of the foregoing, shall not be deemed a waiver or stoppage of Bank's right to accelerate the Obligations. If Bank exercises such option to accelerate, Bank shall mail, by certified mail or otherwise, Mortgagor notice of acceleration to the address of Mortgagor shown on Bank's records; the notice shall provide for a period of not less than 30 days from the date the notice is mailed within which Mortgagor shall pay the sums declared due. If Mortgagor fails to pay such sums prior to the expiration of such period, Bank may, without further notice or demand on Mortgagor, invoke any remedies permitted on Default. This covenant shall run with the Property and shall remain in effect until the Obligations and this Mortgage are fully paid.

In the preceding paragraph, the phrase "transfer or sale" includes the conveyance of any right, title or interest in the Property, whether voluntary or involuntary, by outright sale, deed, installment contract sale, land contract, contract for deed, leasehold interest with a term greater than three years, lease-option contract or any other method of conveyance of the Property interests; the term "interest" includes, whether legal or equitable, any right, title, interest, lien, claim, encumbrance or proprietary right, choate or inchoate, any of which is superior to the lien created by this Mortgage.

10. **POSSESSION ON FORECLOSURE.** If an action is brought to foreclose this Mortgage for all or any part of the Obligations, Mortgagor agrees that the Bank shall be entitled to immediate possession as Mortgagor in possession of the Property to the extent not prohibited by law, or the court may appoint, and Mortgagor hereby consents to such appointment, a receiver to take possession of the Property and to collect and receive rents and profits arising therefrom. Any amounts so collected shall be used to pay taxes on, provide insurance for, pay costs of needed repairs and for any other expenses relating to the Property or the foreclosure proceedings, sale expenses or as authorized by the court. Any sum remaining after such payments will be applied to the Obligations.

11. **PROPERTY OBLIGATIONS.** Mortgagor shall promptly pay all taxes, assessments, levies, water rents, other rents, insurance premiums and all amounts due on any encumbrances, if any, as they become due. Mortgagor shall provide written proof to Bank of such payment(s).

12. **INSURANCE.** Mortgagor shall insure and keep insured the Property against loss by fire, and other hazard, casualty and loss, with extended coverage including but not limited to the replacement value of all improvements, with an insurance company acceptable to Bank and in an amount acceptable to Bank. Such insurance shall contain the standard "Mortgagee Clause" and where applicable, "Loss Payee Clause", which shall name and endorse Bank as mortgagee and loss payee. Such insurance shall also contain a provision under which the insurer shall give Bank at least 30 days notice before the cancellation, termination or material change in coverage.

If an insurer elects to pay a fire or other hazard loss or damage claim rather than to repair, rebuild or replace the Property lost or damaged, Bank shall have the option to apply such insurance proceeds upon the Obligations secured by this Mortgage or to have said Property repaired or rebuilt. Mortgagor shall deliver or cause to deliver evidence of such coverage and copies of all notices and renewals relating thereto. Bank shall be entitled to pursue any claim under the insurance if Mortgagor fails to promptly do so.

Mortgagor shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates. In the event Mortgagor fails to pay such premiums, Bank may, at its option, pay such premiums. Any such payment by Bank shall be repayable upon demand of Bank or if no demand is made, in accordance with the paragraph below titled "BANK MAY PAY".

13. **WASTE.** Mortgagor shall not alienate or encumber the Property to the prejudice of Bank, or commit, permit or suffer any waste, impairment or deterioration of the Property, and regardless of natural depreciation, shall keep the Property and all its improvements at all times in good condition and repair. Mortgagor shall comply with and not violate any and all laws and regulations regarding the use, ownership and occupancy of the Property. Mortgagor shall perform and abide by all obligations and restrictions under any declarations, covenants and other documents governing the use, ownership and occupancy of the Property.

14. **CONDITION OF PROPERTY.** As to the Property, Mortgagor shall:

- A. keep all buildings occupied and keep all buildings, structures and improvements in good repair.
- B. refrain from the commission or allowance of any acts of waste or impairment of the value of the Property or improvements thereon.
- C. not cut or remove, or permit to be cut or removed, any wood or timber from the Property, which cutting or removal would adversely affect the value of the Property.
- D. prevent the spread of noxious or damaging weeds, preserve and prevent the erosion of the soil and continuously practice approved methods of farming on the Property if used for agricultural purposes.

15. **ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES.**

A. As used in this paragraph:

- (1) "Environmental Law" means, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA", 42 U.S.C. 9601 et seq.), all federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a Hazardous Substance (as defined herein).
- (2) "Hazardous Substance" means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or the environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste" or "hazardous substance" under any Environmental Law.

B. Mortgagor represents, warrants and agrees that, except as previously disclosed and acknowledged in writing:

- (1) No Hazardous Substance has been, is or will be located, transported, manufactured, treated, refined, or handled by any person on, under or about the Property except in the ordinary course of business and in strict compliance with all applicable Environmental Law.
- (2) Mortgagor has not and shall not cause, contribute to or permit the release of any Hazardous Substance on the Property.
- (3) Mortgagor shall immediately notify Bank if: (a) a release or threatened release of Hazardous Substance occurs on, under or about the Property or migrates or threatens to migrate from nearby property; or (b) there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor shall take all necessary remedial action in accordance with any Environmental Law.
- (4) Mortgagor has no knowledge or reason to believe there is any pending or threatened investigation, claim, or proceeding of any kind relating to (a) any Hazardous Substance located on, under or about the Property or (b) any violation by Mortgagor or any tenant of any Environmental Law. Mortgagor shall immediately notify Bank in writing as soon as Mortgagor has reason to believe there is any such pending or threatened investigation, claim, or proceeding. In such an event, Bank has the right, but not the obligation, to participate in any such proceeding including the right to receive copies of any documents relating to such proceedings.

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- (5) Mortgagor and every tenant have been, are and shall remain in full compliance with any applicable Environmental Law.
- (6) There are no underground storage tanks, private dumps or open wells located on or under the Property and no such tank, dump or well shall be added unless Bank first agrees in writing.
- (7) Mortgagor will regularly inspect the Property, monitor the activities and operations on the Property, and confirm that all permits, licenses or approvals required by any applicable Environmental Law are obtained and complied with.
- (8) Mortgagor will permit, or cause any tenant to permit, Bank or Bank's agent to enter and inspect the Property and review all records at any reasonable time to determine: (a) the existence, location and nature of any Hazardous Substance on, under or about the Property; (b) the existence, location, nature, and magnitude of any Hazardous Substance that has been released on, under or about the Property; (c) whether or not Mortgagor and any tenant are in compliance with any applicable Environmental Law.
- (9) Upon Bank's request, Mortgagor agrees, at Mortgagor's expense, to engage a qualified environmental engineer to prepare an environmental audit of the Property and to submit the results of such audit to Bank. The choice of the environmental engineer who will perform such audit is subject to the approval of Bank.
- (10) Bank has the right, but not the obligation, to perform any of Mortgagor's obligations under this paragraph at Mortgagor's expense.
- (11) As a consequence of any breach of any representation, warranty or promise made in this paragraph, (a) Mortgagor will indemnify and hold Bank and Bank's successors or assigns harmless from and against all losses, claims, demands, liabilities, damages, cleanup, response and remediation costs, penalties and expenses, including without limitation all costs of litigation and reasonable attorneys' fees, which Bank and Bank's successors or assigns may sustain; and (b) at Bank's discretion, Bank may release this Mortgage and in return Mortgagor will provide Bank with collateral of at least equal value to the Property secured by this Mortgage without prejudice to any of Bank's rights under this Mortgage.
- (12) Notwithstanding any of the language contained in this Mortgage to the contrary, the terms of this paragraph shall survive any foreclosure or satisfaction of any deed of trust, mortgage or any obligation regardless of any passage of title to Bank or any disposition by Bank of any or all of the Property. Any claims and defenses to the contrary are hereby waived.

16. **INSPECTION BY BANK.** Bank or its agents may make or cause to be made reasonable entries upon the Property and inspect the Property provided that Bank shall make reasonable efforts to give Mortgagor prior notice of any such inspection.

17. **PROTECTION OF BANK'S SECURITY.** If Mortgagor fails to perform any covenant, obligation or agreement contained in the Note, this Mortgage or any loan documents or if any action or proceeding is commenced which materially affects Bank's interest in the Property, including, but not limited to, foreclosure, eminent domain, insolvency, housing or Environmental Law or law enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Bank, at Bank's sole option, may make such appearances, disburse such sums, and take such action as is necessary to protect Bank's interest. Mortgagor hereby assigns to Bank any right Mortgagor may have by reason of any prior encumbrance on the Property or by law or otherwise to cure any default under said prior encumbrance. Without Bank's prior written consent, Mortgagor will not partition or subdivide the Property.

18. **COLLECTION EXPENSES.** In the event of any default or action by Bank for collection of the Obligations, for protection of the Property or for foreclosure, Mortgagor agrees to pay all fees and expenses incurred by Bank. Such fees and expenses include but are not limited to filing fees, stenographer fees, witness fees, costs of publication, foreclosure minutes, and other expenses of collecting and enforcing the Obligations and protecting the Property. Any such collection expenses shall be added to the principal amount of the Obligations, shall accrue interest at the same rate as the Obligations and shall be secured by this Mortgage.

19. **ATTORNEYS' FEES.** In the event of any default or action by Bank for collection of the Obligations, for protection of the Property or for foreclosure, Mortgagor agrees to pay reasonable attorneys' fees, paralegal fees and other legal expenses incurred by Bank. Any such reasonable attorneys' fees shall be added to the principal amount of the Obligations, shall accrue interest at the same rate as the Obligations and shall be secured by this Mortgage.

20. **CONDEMNATION.** In the event all or any part of the Property (including but not limited to any easement therein) is sought to be taken by private taking or by virtue of the law of eminent domain, Mortgagor will promptly give written notice to Bank of the institution of such proceedings. Mortgagor further agrees to notify Bank of any attempt to purchase or appropriate the Property or any easement therein, by any public authority or by any other person or corporation claiming or having the right of eminent domain or appropriation. Mortgagor further agrees and directs that all condemnation proceeds or purchase money which may be agreed upon or which may be found to be due shall be paid to Bank as a prepayment under the Note. Mortgagor also agrees to notify the Bank of any proceedings instituted for the establishment of any sewer, water, conservation, ditch, drainage, or other district relating to or binding upon the Property or any part thereof. All awards payable for the taking of title to, or possession of, or damage to all or any portion of the Property by reason of any private taking, condemnation, eminent domain, change of grade, or other proceeding shall, at the option of Bank, be paid to Bank. Such awards or compensation are hereby assigned to Bank, and judgment therefor shall be entered in favor of Bank.

When paid, such awards shall be used, at Bank's option, toward the payment of the Obligations or payment of taxes, assessments, repairs or other items provided for in this Mortgage, whether due or not, all in such order and manner as Bank may determine. Such application or release shall not cure or waive any default. In the event Bank deems it necessary to appear or answer in any condemnation action, hearing or proceeding, Mortgagor shall hold Bank harmless from and pay all legal expenses, including but not limited to reasonable attorneys' fees and paralegal fees, court costs and other expenses.

21. **OTHER PROCEEDINGS.** If any action or proceeding is commenced to which Bank is made or chooses to become a party by reason of the execution of the Note, this Mortgage, any loan documents or the existence of any Obligations or in which Bank deems it necessary to appear or answer in order to protect its interests, Mortgagor agrees to pay and to hold Bank harmless for all liabilities, costs and expenses paid or incurred by Bank in such action or proceedings, including but not limited to reasonable attorneys' fees, paralegal fees, court costs and all other damages and expenses.

22. **WAIVER BY MORTGAGOR.** To the extent not specifically prohibited by law, Mortgagor hereby waives and releases any and all rights and remedies Mortgagor may now have or acquire in the future relating to:

- A. homestead;
- B. exemptions as to the Property;
- C. redemption;
- D. right of reinstatement;
- E. appraisalment;
- F. marshalling of liens and assets; and

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G. Statutes of Limitations

In addition, redemption by Mortgagor after foreclosure sale is expressly waived to the extent not prohibited by law.

- 23. **PARTIAL FORECLOSURE.** In case of default in the payment of the Obligations or in case of payment by Bank of any tax, insurance premium, cost or expense or the liling, imposition or attachment of any lien, judgment or encumbrance, Bank shall have the right, without declaring the whole indebtedness due and payable, to foreclose against the Property or any part thereof on account of such specific default. This Mortgage shall continue as a lien on any of the property not sold on foreclosure for such unpaid balance of the Obligations.
- 24. **BANK MAY PAY.** If Mortgagor fails to pay when due any of the items it is obligated to pay or fails to perform when obligated to perform, Bank may, at its option:
 - A. pay, when due, installments of principal, interest or other obligations, in accordance with the terms of any mortgage or assignment of beneficial interest senior to that of Bank's lien interest;
 - B. pay, when due, installments of any real estate tax imposed on the Property; or
 - C. pay or perform any other obligation relating to the Property which affects, at Bank's sole discretion, the interest of Bank in the Property.

Mortgagor agrees to indemnify Bank and hold Bank harmless for all the amounts so paid and for Bank's costs and expenses, including reasonable attorneys' fees and paralegal fees.


Such payments when made by Bank shall be added to the principal balance of the Obligations and shall bear interest at the rate provided for by the Note as of the date of such payment. Such payments shall be a part of this lien and shall be secured by this Mortgage, having the benefit of the lien and its priority. Mortgagor agrees to pay and to reimburse Bank for all such payments.

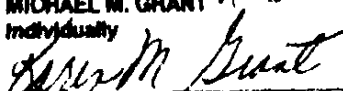
25. GENERAL PROVISIONS.

- A. **TIME IS OF THE ESSENCE.** Time is of the essence in Mortgagor's performance of all duties and obligations imposed by this Mortgage.
- B. **NO WAIVER BY BANK.** Bank's course of dealing, or Bank's forbearance from, or delay in, the exercise of any of Bank's rights, remedies, privileges or right to insist upon Mortgagor's strict performance of any provisions contained in this Mortgage, or other loan documents, shall not be construed as a waiver by Bank, unless any such waiver is in writing and is signed by Bank. The acceptance by Bank of any sum in payment or partial payment on the Obligations after the balance is due or is accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Bank's right to require full and complete cure of any existing default for which such actions by Bank were taken or its right to require prompt payment when due of all other remaining sums due under the Obligations, nor will it cure or waive any default not completely cured or any other defaults, or operate as a defense to any foreclosure proceedings or deprive Bank of any rights, remedies and privileges due Bank under this Note, this Mortgage, other loan documents, the law or equity.
- C. **AMENDMENT.** The provisions contained in this Mortgage may not be amended, except through a written amendment which is signed by Mortgagor and Bank.
- D. **INTEGRATION CLAUSE.** This written Mortgage and all documents executed concurrently herewith, represent the entire understanding between the parties as to the Obligations and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties.
- E. **FURTHER ASSURANCES.** Mortgagor, upon request of Bank agrees to execute, acknowledge, deliver and record or file such further instruments or documents as may be required by Bank to secure the Note or confirm any lien.
- F. **GOVERNING LAW.** This Mortgage shall be governed by the laws of the State of ILLINOIS, provided that such laws are not otherwise preempted by federal laws and regulations.
- G. **FORUM AND VENUE.** In the event of litigation pertaining to this Mortgage, the exclusive forum, venue and place of jurisdiction shall be in the State of ILLINOIS, unless otherwise designated in writing by Bank or otherwise required by law.
- H. **SUCCESSORS.** This Mortgage shall inure to the benefit of and bind the heirs, personal representatives, successors and assigns of the parties; provided however, that Mortgagor may not assign, transfer or delegate any of the rights or obligations under this Mortgage.
- I. **NUMBER AND GENDER.** Whenever used, the singular shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.
- J. **DEFINITIONS.** The terms used in this Mortgage, if not defined herein, shall have their meanings as defined in the other documents executed contemporaneously, or in conjunction, with this Mortgage.
- K. **PARAGRAPH HEADINGS.** The headings at the beginning of any paragraph, or any subparagraph, in this Mortgage are for convenience only and shall not be dispositive in interpreting or construing this Mortgage.
- L. **IF HELD UNENFORCEABLE.** If any provision of this Mortgage shall be held unenforceable or void, then such provision shall be severable from the remaining provisions and shall in no way affect the enforceability of the remaining provisions or the validity of this Mortgage.
- M. **CHANGE IN APPLICATION.** Mortgagor will notify Bank in writing prior to any change in Mortgagor's name, address, or other application information.
- N. **NOTICE.** All notices under this Mortgage must be in writing. Any notice given by Bank to Mortgagor hereunder will be effective upon personal delivery or 24 hours after mailing by first class United States mail, postage prepaid, addressed to Mortgagor at the address indicated below Mortgagor's name on page one of this Mortgage. Any notice given by Mortgagor to Bank hereunder will be effective upon receipt by Bank at the address indicated below Bank's name on page one of this Mortgage. Such addresses may be changed by written notice to the other party.
- O. **FILING AS FINANCING STATEMENT.** Mortgagor agrees and acknowledges that this Mortgage also suffices as a financing statement and as such, may be filed of record as a financing statement for purposes of Article 9 of the ILLINOIS Uniform Commercial Code. A carbon, photographic or other reproduction of this Mortgage is sufficient as a financing statement. This mortgage may be filed in the real estate records as a fixture filing.

26. **ACKNOWLEDGMENT.** By the signature(s) below, Mortgagor acknowledges that this Mortgage has been read and agreed to and that a copy of this Mortgage has been received by the Mortgagor.

MORTGAGOR:


 MICHAEL M. GRANT
 Individually


 KAREN M. GRANT
 Individually

94901262

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STATE OF Illinois

COUNTY OF Cook

On this 4th day of October, 1994, I, MARY ROCIOLA, a notary public, certify that MICHAEL M. GRANT, HUSBAND OF KAREN GRANT, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that (he/she) signed and delivered the instrument as (his/her) free and voluntary act, for the uses and purposes set forth.

My commission expires: 12/14/96



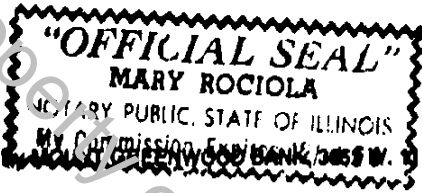
Mary Rociola
NOTARY PUBLIC

STATE OF Illinois

COUNTY OF Cook

On this 4th day of October, 1994, I, MARY ROCIOLA, a notary public, certify that KAREN M. GRANT, WIFE OF MICHAEL M. GRANT, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that (he/she) signed and delivered the instrument as (his/her) free and voluntary act, for the uses and purposes set forth.

My commission expires: 12/14/96



Mary Rociola
NOTARY PUBLIC

This document was prepared by Mount Greenwood Bank, 3062 W. 111TH, CHICAGO, ILLINOIS 60655.

Please return this document after recording to Mount Greenwood Bank, 3062 W. 111TH, CHICAGO, ILLINOIS 60655.

THIS IS THE LAST PAGE OF A 8 PAGE DOCUMENT. EXHIBITS AND/OR ADDENDA MAY FOLLOW.



9-19-94 10:26:52

Cook County Clerk's Office

94961263

(Space above this line for recording purposes)

ASSIGNMENT OF RENTS AND LEASES As Security for a Loan From MOUNT GREENWOOD BANK

1. DATE AND PARTIES. The date of this Assignment of Rents and Leases (Agreement) is October 4, 1994, and the parties are the following:

OWNER/BORROWER:

MICHAEL M. GRANT
10958 S. TRUMBULL
CHICAGO, IL 60655
Social Security # 341-54-7245
HUSBAND OF KAREN GRANT
KAREN M. GRANT
10958 S. TRUMBULL
CHICAGO, IL 60655
Social Security # 317-84-1800
WIFE OF MICHAEL M. GRANT

BANK:

MOUNT GREENWOOD BANK
an ILLINOIS banking corporation
3052 W. 111TH
CHICAGO, ILLINOIS 60655
Tax I.D. # 38-2202468
Branch No. 13730

DEPT-01 RECORDING \$29.50
T51111 TRAN 7029 11/14/94 09:51:00
43066 CG *-94-961263
COOK COUNTY RECORDER

94961263

2. OBLIGATIONS DEFINED. The term "Obligations" is defined as and includes the following:

- A. A promissory note, No. _____, (Note) dated October 4, 1994, and executed by WONDERBURGER, INC., MICHAEL M. GRANT, and KAREN M. GRANT (Borrower) payable in monthly payments to the order of Bank, which evidences a loan (Loan) to Borrower in the amount of \$17,000.00, plus interest, and all extensions, renewals, modifications or substitutions thereof.
- B. All future advances by Bank to Borrower, to Owner, to any one of them or to any one of them and others (and all other obligations referred to in the subparagraph(s) below, whether or not this Agreement is specifically referred to in the evidence of indebtedness with regard to such future and additional indebtedness).
- C. All additional sums advanced, and expenses incurred, by Bank for the purpose of insuring, preserving or otherwise protecting the Collateral (as herein defined) and its value, and any other sums advanced, and expenses incurred by Bank pursuant to this Agreement, plus interest at the same rate provided for in the Note computed on a simple interest method.
- D. All other obligations, now existing or hereafter arising, by Borrower owing to Bank to the extent the taking of the Collateral (as herein defined) as security therefor is not prohibited by law, including but not limited to liabilities for overdrafts, all advances made by Bank on Borrower's, and/or Owner's, behalf as authorized by this Agreement and liabilities as guarantor, endorser or surety, of Borrower to Bank, due or to become due, direct or indirect, absolute or contingent, primary or secondary, liquidated or unliquidated, or joint, several, or joint and several.
- E. Borrower's performance of the terms in the Note or Loan, Owner's performance of any terms in this Agreement, and Borrower's and Owner's performance of any terms in any deed of trust, any trust deed, any trust indenture, any mortgage, any deed to secure debt, any security agreement, any other assignment, any construction loan agreement, any loan agreement, any assignment of beneficial interest, any guaranty agreement or any other agreement which secures, guarantees or otherwise relates to the Note or Loan.

However, this security interest will not secure another debt:

- A. If this security interest is in Borrower's principal dwelling and Bank fails to provide (to all persons entitled) any notice of right of rescission required by law for such other debt; or
- B. to the extent that this security interest is in "household goods" and the other debt to be secured is a "consumer" loan (as those terms are defined in applicable federal regulations governing unfair and deceptive credit practices); or
- C. If Bank fails to make any disclosure of the existence of this security interest required by law for such other debt.

3. BACKGROUND. The Loan is secured by, but is not limited to, a mortgage (Mortgage) dated October 4, 1994, on the following described property (Property) situated in COOK County, ILLINOIS, to-wit:

298 m

RE TITLE SERVICES # R11-737U

(170626)

UNOFFICIAL COPY

LOT 56 IN BLOCK 4 IN J.S. HOVLAND'S RESUBDIVISION OF BLOCKS 1, 2, 3 AND 4 (EXCEPT LOTS 14, 15, 17 AND 18 IN BLOCK 3) IN J.S. HOVLAND'S SUBDIVISION OF THE SOUTH WEST QUARTER OF THE SOUTH WEST QUARTER OF SECTION 13, TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS. P.I.N. # 24-13-308-043

The Property may be commonly referred to as 11045 S. KEDZIE STREET, CHICAGO, ILLINOIS 60654 :

4. **ASSIGNMENT.** In consideration of the Loan, Owner assigns, bargains, sells and conveys to Bank all of Owner's right, title and interest in and to all rents and profits from the Property and all leases of the Property now or hereafter made, effective immediately upon the execution of this Agreement (all of which are collectively known as the Collateral), which Collateral is described as follows:
 - A. all leases (Leases) on the Property. The term "Leases" in this Agreement shall include all agreements, written or verbal, existing or hereafter arising, for the use or occupancy of any portion of the Property and all extensions, renewals, and substitutions of such agreements, including subleases thereunder.
 - B. all guarantees of the performance of any party under the Leases.
 - C. the right to collect and receive all revenue (Rent) from the Leases on the Property now due or which may become due. Rent includes, but is not limited to the following: revenue, issue, profits, rent, minimum rent, percentage rent, additional rent, common area maintenance charges, parking charges, real estate taxes, other applicable taxes, security deposits, insurance premium contributions, liquidated damages following default, cancellation premiums, "loss of rents" insurance or other proceeds, and all rights and claims which Owner may have against any person under the terms of the Leases.
5. **COLLECTION OF RENT.** Owner shall give notice of Bank's rights to all Rent and notice of direct payment to Bank to those obligated to pay Rent. Prior to an Event of Default, Owner may continue to collect all Rent from the Leases on the Property now due or which may become due. Owner agrees to direct all tenants that in certain instances they may be required to pay Rent due or to become due to Bank. Owner shall endorse and deliver to Bank any money orders, checks or drafts which represent Rent from the above-described Property, apply the proceeds to the Obligations, and give notice of Bank's rights in any of said Rent and notice of direct payment to Bank to those obligated to pay such Rent. Bank shall be the creditor of each Lessee in respect to assignments for the benefit of creditors, bankruptcy, reorganization, rearrangement, insolvency, dissolution or receivership proceedings by Lessee, and Owner shall immediately pay over to Bank all sums Owner may receive as creditor from such actions or proceedings. Also, Bank may collect or receive all payments paid by any Lessee, whether or not pursuant to the terms of the Leases, for the right to terminate, cancel or modify the Leases, and Owner shall immediately pay over to Bank all such payments as Owner may receive from any Lessee. Bank shall have the option to apply any amounts received as such creditor to the Obligations. The collection or receipt of any payments by Bank shall not constitute Bank as being a mortgagee in possession.
6. **APPLICATION OF COLLATERAL PROCEEDS.** Any Rent or other payments received or to be received by virtue of the Collateral, will be applied to any amounts Borrower owes Bank on the Obligations and shall be applied first to costs and expenses, then to accrued interest and the balance, if any, to principal except as otherwise required by law.
7. **WARRANTIES.** To induce Bank to make the Loan, Owner makes the following representations and warranties:
 - A. Owner has good title to the Leases and Rent and good right to assign them, and no other person has any right in them;
 - B. Owner has duly performed all of the terms of the Leases that Owner is obligated to perform;
 - C. Owner has not previously assigned or encumbered the Leases or the Rent and will not further assign or encumber the Leases or future Rent;
 - D. No Rent for any period subsequent to the current month has been collected or received from Lessee, and no Rent has been compromised. The term "Lessee" in this Agreement shall include all persons or entities obligated to Owner under the Leases;
 - E. Upon request by Bank, Owner will deliver to Bank a true and complete copy of an accounting of Rent which is current as of the date requested;
 - F. Owner has complied and will continue to comply with any applicable landlord-tenant laws;
 - G. No Lessee is in default of any of the terms of the Leases;
 - H. Owner has not and will not waive or otherwise compromise any obligation of Lessee under the Leases and will enforce the performance of every obligation to be performed by Lessee under the Leases;
 - I. Owner will not modify the Leases without Bank's prior written consent, will not consent to any Lessee's assignment of the Leases, or any subletting thereunder, without Bank's prior written consent and will not sell or remove any personal property located on the Property unless replaced in like kind for like or better value; and
 - J. Owner will not subordinate any Leases to any mortgage, lien, or encumbrance affecting the Property without Bank's written consent.
8. **OWNER'S AGREEMENTS.** In consideration of the Loan, Owner agrees:
 - A. to deliver to Bank upon execution of this Agreement copies of the Leases, certified by Owner, as being true and correct copies which accurately represent the transactions between the parties;
 - B. not to amend, modify, extend or in any manner alter the terms of any Leases, or cancel or terminate the same, or accept a surrender of any premises covered by such Leases without the prior written consent of Bank in each instance;
 - C. to observe and perform all obligations of Lessor under the Leases, and to give written prompt notice to Bank of any default by Lessor or Lessee under any Leases;
 - D. to notify each Lessee in writing that any deposits previously delivered to Owner have been retained by Owner or assigned and delivered to Bank as the case may be;
 - E. to appear in and defend any action or proceeding pertaining to the Leases, and, upon the request of Bank, to do so in the name and on behalf of Bank but at the expense of Owner, and to pay all costs and expenses of Bank, including reasonable attorneys' fees to the extent not prohibited by law, in any such action or proceeding in which Bank may appear;
 - F. to give written notice of this Agreement to each Lessee which notice shall contain instructions to each Lessee that in certain instances Lessee shall make all payments of Rent directly to Bank;
 - G. to indemnify and hold Bank harmless for all liabilities, damages, costs and expenses, including reasonable attorneys' fees, Bank incurs when Bank, at its discretion, elects to exercise any of its remedies upon default of Lessee;
 - H. that if the Lessee provide for abatement of Rent during repair due to fire or other casualty, Bank shall be provided satisfactory insurance coverage; and
 - I. that the Leases shall remain in full force and effect regardless of any merger of the Lessor's and Lessee's interests.
9. **EVENTS OF DEFAULT.** Owner shall be in default upon the occurrence of any of the following events, circumstances or conditions (Events of Default):
 - A. Failure by any party obligated on the Obligations to make payment when due; or
 - B. A default or breach by Borrower, Owner or any co-signer, endorser, surety, or guarantor under any of the terms of this Agreement, the Note, any construction loan agreement or other loan agreement, any security agreement, mortgage, deed to secure debt, deed of trust,

59983203

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However, this Mortgage will not secure another debt:

A. If this Mortgage is in Borrower's principal dwelling and Bank fails to provide (to all persons entitled) any notice of right of rescission required by law for such other debt;

B. To the extent that this Mortgage is in "household goods" and the other debt) to be secured is a "consumer" loan (as those terms are defined in applicable federal regulating unit and deceptive credit practices); or

C. If Bank fails to make any disclosure of the existence of this Mortgage required by law for such other debt.

and Borrower's performance of the terms in the Note or Loan, Mortgagee's performance of any terms in the Mortgage, and Borrower's and Mortgagee's performance of any terms in any deed of trust, any deed of trust, any assignment, any assignment of benefit, any security agreement, any construction loan agreement, any assignment, any assignment of benefit, any deed to secure interest, any guaranty agreement or any other agreement which secures, guarantees or otherwise relates to the Note or Loan.

E. Borrower's performance of the terms in the Note or Loan, Mortgagee's performance of any terms in the Mortgage, and Borrower's and Mortgagee's performance of any terms in any deed of trust, any deed of trust, any assignment, any assignment of benefit, any security agreement, any construction loan agreement, any assignment, any assignment of benefit, any deed to secure interest, any guaranty agreement or any other agreement which secures, guarantees or otherwise relates to the Note or Loan.

D. All other obligations, now existing or hereafter arising, by Borrower owing to Bank to the extent the taking of the Property (as herein defined) in security therefor is not prohibited by law, including but not limited to liabilities for overdrafts, all advances made by Bank on Borrower's, and/or Mortgagee's, behalf as authorized by this Mortgage and liability as guarantor, endorser or surety, of Borrower to Bank, due or to become due, direct or indirect, absolute or contingent, primary or secondary, liquidated or unliquidated, or joint, several, or joint and several.

C. All additional sums advanced, and expenses incurred, by Bank for the purpose of insuring, preserving or otherwise protecting the Property (as herein defined) and its value, and any other sums advanced, and expenses incurred, by Bank pursuant to this Mortgage, plus interest (as herein defined) provided for in the Note computed on a simple interest method.

B. All future advances by Bank to Borrower, to Mortgagee, to any one of them or to any one of them and/or others (and all other obligations amounting to \$17,000.00, plus interest, and all extensions, renewals, modifications or substitutions thereof).

A. A promissory note, No. (Note) dated October 4, 1984, and executed by WONDERBURGER, INC., MICHAEL M. GRANT, and KAREN M. GRANT (Borrower) payable in monthly payments to the order of Bank, which advances a loan (Loan) to Borrower in the amount of \$17,000.00, plus interest, and all extensions, renewals, modifications or substitutions thereof.

(170626)

NET TITLE SERVICES #

R11-737U

4992202

BANK:
 MOUNT GREENWOOD BANK
 an ILLINOIS banking corporation
 3062 W. 111TH
 CHICAGO, ILLINOIS 60608
 Tax I.D. # 36-2202468
 Branch No. 13730
 (as Mortgagee)

MORTGAGOR:
 MICHAEL M. GRANT
 10966 S. TRUMBULL
 CHICAGO, IL 60655
 Social Security # 341-64-7245
 HUSBAND OF KAREN GRANT
 KAREN M. GRANT
 10966 S. TRUMBULL
 CHICAGO, IL 60655
 Social Security # 317-64-1800
 WIFE OF MICHAEL M. GRANT

DEPT-01 RECORDING
 14111 TRAM 7029 11/14/94 09:51:00
 CG * 94-961262
 COOK COUNTY RECORDER
 \$31.50

DATE AND PARTIES. The date of this Real Estate Mortgage and Security Agreement (Mortgage) is October 4, 1984, and the parties and their mailing addresses are the following:

REAL ESTATE MORTGAGE AND SECURITY AGREEMENT
 To Secure a Loan
 From MOUNT GREENWOOD BANK

(Space above this line for recording purposes)

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3. MAXIMUM OBLIGATION LIMIT. The total principal amount of the Obligations secured by this Mortgage, not including, however, any sums advanced for the protection of the Property or Bank's interest therein, nor interest thereon, fees, penalties, costs and other legal expenses, shall not exceed the sum of \$17,000.00, provided, however, that nothing contained herein shall constitute a commitment to make additional or future loans or advances in any amount.

4. CONVEYANCE. In consideration of the Loan and Obligations, and to secure the Obligations (which includes the Note according to its specific terms and the obligations in this Mortgage), Mortgagee hereby bargains, grants, mortgages, sells, conveys and warrants to Bank, as Mortgagee, the following described property (Property) situated in COOK County, ILLINOIS, to-wit:

LOT 66 IN BLOCK 4 IN U.S. HOVLAND'S SUBDIVISION OF BLOCKS 1, 2, 3 AND 4 (EXCEPT LOTS 14, 15, 17 AND 18 IN BLOCK 3) IN U.S. HOVLAND'S SUBDIVISION OF THE SOUTH WEST QUARTER OF SECTION 13, TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, P.L.N. # 24-13-308-043

The Property may be commonly referred to as 11045 S. KEDZIE STREET, CHICAGO, ILLINOIS 60655

such property not constituting the homestead of Borrower, together with all buildings, improvements, fixtures and equipment now or hereafter attached to the Property, including, but not limited to, all heating, air conditioning, ventilation, plumbing, cooling, electrical and lighting fixtures and equipment, all landscaping, all exterior and interior improvements, all easements, issues, rights, appurtenances, rents, royalties, oil and gas rights, privileges, proceeds, profits, other minerals, water, water rights, and water stock, crops, grass and timber at any time growing upon said land, including replacements and additions thereto, all of which shall be deemed to be and remain a part of the Property. All of the foregoing Property shall be collected by the lender referred to as the Property. To have and to hold the Property, together with the rights, privileges and appurtenances thereto belonging, unto Bank forever to secure the Obligations. Mortgagee does hereby warrant and defend the Property unto Bank forever, against any claim or claims, of all persons claiming or to claim the Property or any part thereof. Mortgagee further releases and waives all rights under and by virtue of the homestead laws and exemption laws of the state of ILLINOIS.

5. INTEREST AND REPAYMENT OF THE OBLIGATIONS. The Note accrues interest from October 4, 1984, on the unpaid principal balance at the rate of 6% per annum (Contract Rate) until the Note matures or the obligation is accelerated. After maturity or acceleration, the unpaid balance shall bear interest at the rate specified in the Note until paid. If the interest accrued and collected exceeds the Maximum Lawful Interest as of the time of collection, such excess shall be applied to reduce the principal amount outstanding, unless otherwise required by law. If or when no principal amount is outstanding, any excess interest shall be refunded to Borrower according to the actuarial method. Interest shall be computed on the basis of a 360-day year and the actual number of days elapsed.

All unpaid principal and accrued interest are due and payable upon demand. Until demand is made, principal and accrued interest are due and payable in 36 equal monthly payments of \$250.00 on the 15th day of each month, beginning November 15, 1984, or the day following the payment day is a holiday or is a non-business day for Bank. Unless paid prior to maturity or demand is made, all other unpaid principal, accrued interest, costs and expenses are due and payable on October 15, 1987, which is the date of maturity. These payment amounts are based upon timely payment of each installment. All amounts shall be paid in legal U.S. currency. Any payment made with a check will constitute payment only when collected.

6. LENS AND ENCUMBRANCES. Mortgagee warrants and represents that the Property is free and clear of all liens and encumbrances whatsoever. Mortgagee agrees to pay all claims when due that might result, in full, in the foreclosure, execution or imposition of any lien, claim or encumbrance on or against the Property or any part thereof. Mortgagee may in good faith collect any such lien, claim or encumbrance by posting any bond in an amount necessary to prevent such claim from becoming a lien, claim or encumbrance or to prevent its foreclosure or execution.

7. EVENTS OF DEFAULT. Mortgagee shall be in default upon the occurrence of any of the following events, circumstances or conditions (Events of Default):

- A. Failure by any party obligated on the Obligations to make payment when due; or
- B. Default or breach by Borrower, Mortgagee, or guarantor under any of the terms of this Mortgage, the Note, any construction loan agreement or other loan agreement, any security agreement, mortgage, deed of trust, deed of trust, or any other document or instrument evidencing, guaranteeing, securing or otherwise relating to the Obligations; or
- C. The making or furnishing of any verbal or written representation, statement or warranty to Bank which is or becomes false or incorrect in any material respect by or on behalf of Mortgagee, Borrower, or any one of them, or any co-signer, endorser, surety or guarantor of the Obligations; or
- D. Failure to obtain or maintain the insurance coverages required by Bank, or insurance as is customary and proper for the Property (as herein defined); or
- E. The death, dissolution or insolvency of, the appointment of a receiver by or on behalf of, the assignment of, or the benefit of creditors by or on behalf of, the voluntary liquidation or existence by, or the commencement of any proceeding under any present or future federal or state insolvency, bankruptcy, reorganization, composition or debtor relief law by or against Mortgagee, Borrower, or any one of them, or any co-signer, endorser, surety or guarantor of the Obligations; or
- F. A good faith belief by Bank at any time that Bank is insecure with respect to Borrower, or any co-signer, endorser, surety or guarantor, that the prospect of any payment is impaired or that the Property (as herein defined) is impaired; or
- G. Failure to pay or provide proof of payment of any tax, assessment, rent, insurance premium, escrow or escrow deficiency on or before its due date; or
- H. A material adverse change in Mortgagee's business, including ownership, management, and financial conditions, which in Bank's opinion, impairs the Property or repayment of the Obligations; or
- I. A transfer of a substantial part of Mortgagee's money or property; or
- J. If all or any part of the Property or any interest therein is sold, leased or transferred by Mortgagee except as permitted in the paragraph below entitled "DUE ON SALE OR ENCUMBRANCE".

8. REMEDIES ON DEFAULT. At the option of Bank, all or any part of the principal of, and accrued interest on, the Obligations shall become immediately due and payable without demand, upon the occurrence of an Event of Default or at any time thereafter. In addition, upon the occurrence of any Event of Default, Bank, at its option, may immediately commence foreclosure proceedings and may immediately invoke any or all other remedies provided in the Note, this Mortgage or related documents and to exercise any remedies permitted under ILLINOIS' Uniform Commercial Code. All rights and remedies are distinct, cumulative and not exclusive, and Bank is entitled to all remedies provided by law or equity, whether or not expressly set forth.

9. DUE ON SALE OR ENCUMBRANCE. Bank may, at Bank's option, declare the entire balance with all accrued interest on the Obligations to be due and payable upon the occurrence of any of the following events, circumstances or conditions (Events of Default):



Immediately due and payable upon the contract for, or creation of, any lien, encumbrance, transfer or sale of the Property, or any portion thereof, by Mortgagee. Lapse of time or the acceptance of payments by Bank after such creation of any lien, encumbrance, transfer or sale, or contract for any of the foregoing, shall not be deemed a waiver or estoppel of Bank's right to accelerate the Obligations. If Bank exercises such option to accelerate, Bank shall mail, by certified mail or otherwise, Mortgagee notice of acceleration to the address of Mortgagee shown on Bank's records; the notice shall provide for a period of not less than 30 days from the date the notice is mailed within which Mortgagee shall pay the sums declared due. If Mortgagee fails to pay such sums prior to the expiration of such period, Bank may, without further notice or demand on Mortgagee, invoke any remedies permitted on Default. The covenant shall run with the Property and shall remain in effect until the Obligations and this Mortgage are fully paid.

In the preceding paragraph, the phrase "transfer or sale" includes the conveyance of any right, title or interest in the Property, whether voluntary or involuntary, by outright sale, deed, installment contract sale, and contract for deed, leasehold interest with a term greater than three years, lease-option contract or any other method of conveyance of the Property interest; the term "interest" includes, whether legal or equitable, any right, title, interest, lien, claim, encumbrance or proprietary right, choice or inchoate, any of which is superior to the lien created by this Mortgage.

10. POSSESSION ON FORECLOSURE. If an action is brought to foreclose this Mortgage for all or any part of the Obligations, Mortgagee agrees that the Bank shall be entitled to immediate possession as Mortgagee in possession of the Property to the extent not prohibited by law, or the court may appoint, and Mortgagee hereby consents to such appointment, a receiver to take possession of the Property and to collect and receive rents and profits arising therefrom. Any amounts so collected shall be used to pay taxes on, provide insurance for, pay costs of needed repairs and for any other expenses relating to the Property or the foreclosure proceedings, also expenses or as authorized by the court. Any sum remaining after such payments will be applied to the Obligations.

11. PROPERTY OBLIGATIONS. Mortgagee shall promptly pay all taxes, assessments, levies, water rents, other rents, insurance premiums and all amounts due on any encumbrances, if any, as they become due. Mortgagee shall provide written proof to Bank of such payment(s).

12. INSURANCE. Mortgagee shall insure and keep insured the Property against loss by fire, and other hazard, casualty and loss, with extended coverage including but not limited to the replacement value of all improvements, with an insurance company acceptable to Bank and in an amount acceptable to Bank. Such insurance shall contain the standard "Mortgage Clause" and where applicable, "Loss Payee Clause", which shall name and address Bank as mortgagee and loss payee. Such insurance shall also contain a provision under which the insurer shall give Bank at least 30 days notice before the cancellation, termination or material change in coverage.

If an insurer elects to pay a fire or other named loss or damage claim rather than to repair, rebuild or replace the Property lost or damaged, Bank shall have the option to apply such insurance proceeds upon the Obligations secured by this Mortgage or to have said Property repaired or rebuilt. Mortgagee shall deliver or cause to deliver evidence of such coverage and copies of all notices and renewals relating thereto. Bank shall be entitled to pursue any claim under the insurance if Mortgagee fails to promptly do so.

Mortgagee shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates. In the event Mortgagee fails to pay such premiums, Bank may, at its option, pay such premiums. Any such payment by Bank shall be repayable upon demand of Bank or if no demand is made, in accordance with the paragraph below titled "BANK MAY PAY".

13. WASTE. Mortgagee shall not alienate or encumber the Property to the prejudice of Bank, or commit, permit or suffer any waste, impairment or deterioration of the Property, and regardless of natural depreciation, she shall keep the Property and all its improvements at all times in good condition and repair. Mortgagee shall comply with and not violate any and all laws and regulations regarding the use, ownership and occupancy of the Property. Mortgagee shall perform and abide by all obligations and restrictions under any declarations, covenants and other documents governing the use, ownership and occupancy of the Property.

14. CONDITION OF PROPERTY. As to the Property, Mortgagee shall: A. keep all buildings occupied and keep all buildings, structures and improvements in good repair; B. refrain from the commission or allowance of any acts of waste or impairment of the value of the Property or improvements thereon; C. not cut or remove, or permit to be cut or removed, any wood or timber from the Property, which cutting or removal would adversely affect the value of the Property; D. prevent the spread of noxious or damaging weeds, prunives and prevent the erosion of the soil and continuously practice approved methods of farming on the Property if used for agricultural purposes.

15. ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES

A. As used in this paragraph: (1) "Environmental Law" means, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA", 42 U.S.C. 9601 et seq.), all federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a Hazardous Substance (as defined herein); (2) "Hazardous Substance" means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or the environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste" or "hazardous substance" under any Environmental Law.

B. Mortgagee warrants and agrees that, except as previously disclosed and acknowledged in writing: (1) No Hazardous Substance has been, is or will be located, transported, manufactured, treated, refined, or handled by any person on, under or about the Property except in the ordinary course of business and in strict compliance with all applicable Environmental Law; (2) Mortgagee has not caused, contributed to or permitted the release of any Hazardous Substance on the Property about the Property or migrates or threatens to migrate from nearby property; or (b) there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagee shall take all necessary remedial action in accordance with any Environmental Law.

(4) Mortgagee has no knowledge of or reason to believe there is any pending or threatened investigation, claim, or proceeding of any kind relating to (a) any Hazardous Substance located on, under or about the Property or (b) any violation by Mortgagee or any tenant of any Environmental Law. Mortgagee shall immediately notify Bank in writing as soon as Mortgagee has reason to believe there is any such pending or threatened investigation, claim, or proceeding. In such an event, Bank has the right, but not the obligation, to participate in any such proceeding including the right to receive copies of any documents relating to such proceedings.

Mortgagee shall not be deemed to have accepted or agreed to any lien, encumbrance, transfer or sale of the Property, or any portion thereof, by the acceptance of payments by Bank after such creation of any lien, encumbrance, transfer or sale, or contract for any of the foregoing, shall not be deemed a waiver or estoppel of Bank's right to accelerate the Obligations. If Bank exercises such option to accelerate, Bank shall mail, by certified mail or otherwise, Mortgagee notice of acceleration to the address of Mortgagee shown on Bank's records; the notice shall provide for a period of not less than 30 days from the date the notice is mailed within which Mortgagee shall pay the sums declared due. If Mortgagee fails to pay such sums prior to the expiration of such period, Bank may, without further notice or demand on Mortgagee, invoke any remedies permitted on Default. The covenant shall run with the Property and shall remain in effect until the Obligations and this Mortgage are fully paid.

(5) Mortgagee and every tenant have been, are and shall remain in full compliance with any applicable Environmental Law.

(6) There are no underground storage tanks, private dumps or open wells located on or under the Property and no such tank, dump or well shall be added unless Bank first agrees in writing.

(7) Mortgagee will regularly inspect the Property, monitor the activities and operations on the Property, and confirm that all permits, licenses or approvals required by any applicable Environmental Law are obtained and complied with.

(8) Mortgagee will permit, or cause any tenant to permit, Bank or Bank's agent to enter and inspect the Property and review all records at any reasonable time to determine: (a) the existence, location and nature of any Hazardous Substance on, under or about the Property; (b) the existence, location, nature, and magnitude of any Hazardous Substance that has been released on, under or about the Property; (c) whether or not Mortgagee and any tenant are in compliance with any applicable Environmental Law.

(9) Upon Bank's request, Mortgagee agrees, at Mortgagee's expense, to engage a qualified environmental engineer to prepare an environmental audit of the Property and to submit the results of such audit to Bank. The choice of the environmental engineer who will perform such audit is subject to the approval of Bank.

(10) Bank has the right, but not the obligation, to perform any of Mortgagee's obligations under this paragraph at Mortgagee's expense.

(11) As a consequence of any breach of any representation, warranty or promise made in this paragraph, (a) Mortgagee will indemnify and hold Bank and Bank's successors or assigns harmless from and against all losses, claims, demands, liabilities, damages, cleanup, response and remediation costs, penalties and expenses, including without limitation all costs of litigation and reasonable attorneys' fees, which Bank and Bank's successors or assigns may sustain; and (b) at Bank's discretion, Bank may release this Mortgagee and in return Mortgagee will provide Bank with collateral of at least equal value to the Property secured by this Mortgagee without prejudice to any of Bank's rights under this Mortgagee.

(12) Notwithstanding any of the language contained in this Mortgagee to the contrary, the terms of this paragraph shall survive any foreclosure or satisfaction of any deed of trust, mortgage or any obligation regardless of any passage of time to Bank or any disposition by Bank of any or all of the Property. Any claims and defenses to the contrary are hereby waived.

16. INSPECTION BY BANK. Bank or its agents may make or cause to be made reasonable entries upon the Property and inspect the Property provided that Bank shall make reasonable efforts to give Mortgagee prior notice of any such inspection.

17. PROTECTION OF BANK'S SECURITY. If Mortgagee fails to perform any covenant, obligation or agreement contained in the Note, this Mortgagee or any loan documents or if any action or proceeding is commenced which materially affects Bank's interest in the Property, including, but not limited to, foreclosure, eminent domain, insolvency, leasing or Environmental Law or law enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Bank, at Bank's sole option, may make such appearances, disburse such sums, and take such action as is necessary to protect Bank's interest. Mortgagee hereby assigns to Bank any right Mortgagee may have by reason of any prior encumbrance on the Property or by law or otherwise to cure any default under said prior encumbrance. Without Bank's prior written consent, Mortgagee will not partition or subdivide the Property.

18. COLLECTION EXPENSES. In the event of any default or action by Bank for collection of the Obligations, for protection of the Property or for foreclosure, Mortgagee agrees to pay all fees and expenses incurred by Bank. Such fees and expenses include but are not limited to filing fees, stenographer fees, witness fees, costs of publication, foreclosure notices, and other expenses of collecting and enforcing the Obligations and protecting the Property. Any such collection expenses shall be added to the principal amount of the Obligations, shall accrue interest at the same rate as the Obligations and shall be secured by this Mortgagee.

19. ATTORNEYS' FEES. In the event of any default or action by Bank for collection of the Obligations, for protection of the Property or for foreclosure, Mortgagee agrees to pay reasonable attorneys' fees, paralegal fees and other legal expenses incurred by Bank. Any such reasonable attorneys' fees shall be added to the principal amount of the Obligations, shall accrue interest at the same rate as the Obligations and shall be secured by this Mortgagee.

20. CONDEMNATION. In the event all or any part of the Property (including but not limited to any easement therein) is sought to be taken by private taking or by virtue of the law of eminent domain, Mortgagee will promptly give written notice to Bank of the institution of such proceedings. Mortgagee further agrees to notify Bank of any attempt to purchase or appropriate the Property or any easement therein, by any public authority or by any other person or corporation claiming or having the right of eminent domain or appropriation. Mortgagee further agrees and directs that all condemnation proceeds or purchase money which may be agreed upon or which may be found to be due shall be paid to Bank as a prepayment under the Note. Mortgagee also agrees to notify the Bank of any proceedings instituted for the establishment of any sewer, water, conservation, ditch, drainage, or other district relating to or binding upon the Property or any part thereof. All expenses payable for the taking of title to, or possession of, or damage to all or any portion of the Property by reason of any private taking, condemnation, eminent domain, change of grade, or other proceeding shall, at the option of Bank, be paid to Bank. Such awards or compensation are hereby assigned to Bank, and judgment therefor shall be entered in favor of Bank.

When paid, such awards shall be used, at Bank's option, toward the payment of the Obligations or payment of taxes, assessments, repairs or other items provided for in this Mortgagee, whether due or not, all in such order and manner as Bank may determine. Such application or release shall not cure or waive any default. In the event Bank deems it necessary to appear or answer in any condemnation action, hearing or proceeding, Mortgagee shall hold Bank harmless from and pay all legal expenses, including but not limited to reasonable attorneys' fees and paralegal fees, court costs and other expenses.

21. OTHER PROCEEDINGS. If any action or proceeding is commenced to which Bank is made or chooses to become a party by reason of the execution of the Note, this Mortgagee, any loan documents or the existence of any Obligations or in which Bank deems it necessary to appear or answer in order to protect its interests, Mortgagee agrees to pay and to hold Bank harmless for all liabilities, costs and expenses paid or incurred by Bank in such action or proceedings, including but not limited to reasonable attorneys' fees, paralegal fees, court costs and all other damages and expenses.

22. WAIVER BY MORTGAGOR. To the extent not specifically prohibited by law, Mortgagee hereby waives and releases any and all rights and remedies Mortgagee may now have or acquire in the future relating to:

- A. homestead;
- B. exemptions as to the Property;
- C. redemption;
- D. right of reinstatement;
- E. appraisal;
- F. marshalling of liens and assets; and

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G. Statute of Writings.

In addition, redemption by Mortgagee after foreclosure sale is expressly waived to the extent not prohibited by law.

23. PARTIAL FORECLOSURE. In case of default in the payment of the Obligations or in case of payment by Bank of any tax, insurance premium, cost or expense or the filing, imposition or attachment of any lien, judgment or encumbrance, Bank shall have the right, without declaring the whole indebtedness due and payable, to foreclose against the Property or any part thereof on account of such specific default. The Mortgagee shall continue as a lien on any of the property not sold on foreclosure for such unpaid balance of the Obligations.

24. BANK MAY PAY. If Mortgagee fails to pay when due any of the items it is obligated to pay or fails to perform when obligated to perform, Bank may, at its option:

- A. pay, when due, installments of principal, interest or other obligations, in accordance with the terms of any mortgage or assignment of beneficial interest senior to that of Bank's lien interest;
- B. pay, when due, installments of any real estate tax imposed on the Property; or
- C. pay or perform any other obligation relating to the Property which affects, at Bank's sole discretion, the interest of Bank in the Property.

Mortgagee agrees to indemnify Bank and hold Bank harmless for all the amounts so paid and for Bank's costs and expenses, including reasonable attorney's fees and paralegal fees.

Such payments when made by Bank shall be added to the principal balance of the Obligations and shall bear interest at the rate provided for by the Note as of the date of such payment. Such payments shall be a part of the lien and shall be secured by this Mortgage, having the benefit of the lien and its priority. Mortgagee agrees to pay and to reimburse Bank for all such payments.

25. GENERAL PROVISIONS.

A. TIME IS OF THE ESSENCE. Time is of the essence in Mortgagee's performance of all duties and obligations imposed by this Mortgage.

B. NO WAIVER BY BANK. Bank's course of dealing, or Bank's forbearance from, or delay in, the exercise of any of Bank's rights, remedies, privileges or right to list upon Mortgagee's strict performance of any provisions contained in the Mortgage, or other loan documents, shall not be construed as a waiver by Bank, unless any such waiver is in writing and is agreed by Bank. The acceptance by Bank of any sum in payment or partial payment on the Obligations after the balance is due or its accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Bank's right to require full and complete cure of any existing default for which such actions by Bank were taken or its right to require prompt payment when due of all other remaining sums due under the Obligations, nor will it cure or waive any default not completely cured or any other default, or operate as a defense in any foreclosure proceedings or deprive Bank of any rights, remedies and privileges due Bank under the Note, this Mortgage, or other loan documents, the law or equity.

C. AMENDMENT. The provisions contained in this Mortgage may not be amended, except through a written amendment which is signed by Mortgagee and Bank.

D. INTEGRATION CLAUSE. This written Mortgage and all documents executed concurrently herewith, represent the entire understanding between the parties as to the Obligations and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties.

E. FURTHER ASSURANCES. Mortgagee, upon request of Bank, agrees to execute, acknowledge, deliver and record or file such further instruments or documents as may be required by Bank to secure the Note or confirm any loan.

F. GOVERNING LAW. This Mortgage shall be governed by the laws of the State of ILLINOIS, provided that such laws are not otherwise preempted by federal laws and regulations.

G. FORUM AND VENUE. In the event of litigation pertaining to this Mortgage, the exclusive forum, venue and place of jurisdiction shall be in the State of ILLINOIS, unless otherwise designated in writing by Bank or otherwise required by law.

H. SUCCESSORS. This Mortgage shall inure to the benefit of and bind the heirs, personal representatives, successors and assigns of the parties; provided however, that Mortgagee may not assign, transfer or otherwise dispose of any of the rights or obligations under this Mortgage.

I. NUMBER AND GENDER. Whenever used, the singular shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

J. DEFINITIONS. The terms used in this Mortgage, if not defined herein, shall have their meanings as defined in the other documents executed contemporaneously, or in conjunction, with this Mortgage.

K. PARAGRAPH HEADINGS. The headings at the beginning of any paragraph, or any subparagraph, in this Mortgage are for convenience only and shall not be dispositive in interpreting or construing this Mortgage.

L. IF HELD UNENFORCEABLE. If any provision of this Mortgage shall be held unenforceable in whole or in part, then such provision shall be severable from the remaining provisions and shall in no way affect the enforceability of the remaining provisions of this Mortgage.

M. CHANGE IN APPLICATION. Mortgagee will notify Bank in writing prior to any change in Mortgagee's name, address, or other application information.

N. NOTICE. All notices under this Mortgage must be in writing. Any notice given by Bank to Mortgagee hereunder will be effective upon personal delivery or 24 hours after mailing by first class United States mail, postage prepaid, addressed to Mortgagee at the address indicated below Mortgagee's name on page one of this Mortgage. Any notice given by Mortgagee to Bank hereunder will be effective upon receipt by Bank at the address indicated below Bank's name on page one of this Mortgage. Such addresses may be changed by written notice to the other party.

O. FILING AS FINANCING STATEMENT. Mortgagee agrees and acknowledges that this Mortgage also serves as a financing statement and as an instrument which may be filed of record as a financing statement for purposes of Article 9 of the ILLINOIS Uniform Commercial Code. A carbon, photostatic or other reproduction of this Mortgage is sufficient as a financing statement. This mortgage may be filed in the real estate records as a fixture filing.

26. ACKNOWLEDGMENT. By the signature(s) below, Mortgagee acknowledges that this Mortgage has been read and agreed to and that a copy of the Mortgage has been received by the Mortgagee.

MORTGAGEE:

Michael M. Grant
MICHAEL M. GRANT
Individually

Karen M. Grant
KAREN M. GRANT
Individually

04/04/84

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Initials

READ FRONT AND BACK OF EACH PAGE FOR ANY REMAINING DIVISIONS

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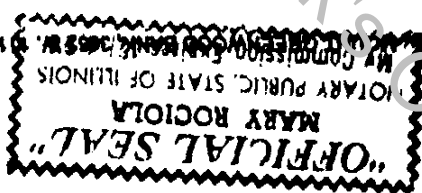
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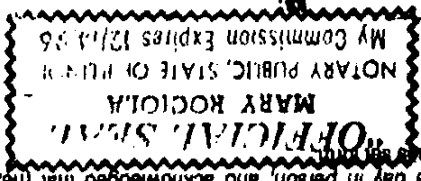
Please return this document after recording to MOUNT GREENWOOD BANK, 3052 W. 111TH, CHICAGO, ILLINOIS 60655. THIS IS THE LAST PAGE OF A 6 PAGE DOCUMENT. EXHIBITS AND/OR APPENDAS MAY FOLLOW.

This document was prepared by MOUNT GREENWOOD BANK, 3052 W. 111TH, CHICAGO, ILLINOIS 60655.



Mary Rocioa
NOTARY PUBLIC

STATE OF Illinois
COUNTY OF Cook
On this 4th day of October, 1997, I, MARY ROCIOA, a notary public, certify that KAREN M. GRANT, WIFE OF MICHAEL M. GRANT, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that (he/she) signed and delivered the instrument as (his/her) free and voluntary act, for the uses and purposes set forth.
My commission expires 12/1/97.



Mary Rocioa
NOTARY PUBLIC

STATE OF Illinois
COUNTY OF Cook
On this 4th day of October, 1997, I, MARY ROCIOA, a notary public, certify that MICHAEL M. GRANT, HUSBAND OF KAREN GRANT, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that (he/she) signed and delivered the instrument as (his/her) free and voluntary act, for the uses and purposes set forth.
My commission expires 12/1/97.