

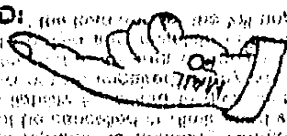
RECORDATION REQUESTED BY:

Pinnacle Banc Group
Loan Operations Department
P.O. Box 1136
La Grange Park, IL 60525

94987882

WHEN RECORDED, MAIL TO:

Pinnacle Banc Group
Loan Operations Department
P.O. Box 1136
La Grange Park, IL 60525



SEND TAX NOTICES TO:

Pinnacle Banc Group
Loan Operations Department
P.O. Box 1136
La Grange Park, IL 60525

DEPT-01 RECORDING

\$29.50

T#0088 TRAN 6127 11/22/94 10:30:00

#2326 *** 94987882

COOK COUNTY RECORDER

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY



PINNACLE BANK
MORTGAGE

94987882

THIS MORTGAGE IS DATED NOVEMBER 5, 1994, between WILLIAM A. IWEMA and NADINE S. IWEMA, HUSBAND AND WIFE, whose address is 4112 W. 109TH STREET, OAK LAWN, IL 60453 (referred to below as "Grantor"); and PINNACLE BANK, whose address is 8000 W. Cermak Road, Cicero, IL 60650 (referred to below as "Lender").

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

LOT 19 IN BLOCK 3 IN RANCH MANOR SECOND ADDITION, BEING A SUBDIVISION OF PART OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 15, TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

The Real Property or its address is commonly known as 4112 W. 109TH STREET, OAK LAWN, IL 60453. The Real Property tax identification number is 24-15-405-018.

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

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

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

Grantor. The word "Grantor" means WILLIAM A. IWEMA and NADINE S. IWEMA. The Grantor is the mortgagor under this Mortgage.

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

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

Indebtedness. The word "Indebtedness" means all principal and interest payable under the Note and any amounts expended or advanced by Lender to discharge obligations of Grantor or expenses incurred by Lender to enforce obligations of Grantor under this Mortgage, together with interest on such amounts as provided in this Mortgage. At no time shall the principal amount of Indebtedness secured by the Mortgage, not including sums advanced to protect the security of the Mortgage, exceed the note amount of \$13,639.50.

Lender. The word "Lender" means PINNACLE BANK, its successors and assigns. The Lender is the mortgagee under this Mortgage.

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

Note. The word "Note" means the promissory note or credit agreement dated November 5, 1994, in the original principal amount of \$13,639.50 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. The interest rate on the Note is 7.701%. The Note is payable in 60 monthly payments of \$278.91 and a final estimated payment of \$278.80. The maturity date of this Mortgage is November 10, 2000.

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

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

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

Related Documents. The words "Related Documents" mean and include without limitation all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, and all other instruments and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

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

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

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

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

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MORTGAGE

(Continued)

Possession and Use. Lender shall remain in possession and control of and operate and manage the Property and collect the rent from the Property.

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

Hardware Substances. The terms "hardware substances," "deposits," "release," and "retention release," as used in this Mortgage, shall have the same meanings as set forth in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq.; "CERCLA," the Superfund Amendments and Reauthorization Act of 1980, Pub. L. No. 96-480 (9/30/80); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1601, et seq.; the Resource Conservation and Recovery Act, 49 U.S.C. Section 6901, et seq.; or other applicable state or Federal law, rules, or regulations adopted pursuant to any of the foregoing. The terms "hardware substances" and "hardware substance" shall also include, without limitation, petroleum by-products or any fraction thereof and asbestos. Lender represents and warrants to Lender that: (a) During the period of Lender's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or retention of any hazardous waste or substance by any person on, under, or about the Property; (b) Lender has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender, any use, generation, manufacture, storage, treatment, disposal, release, or retention of any hazardous waste or substance on, under, or about the Property; (c) Lender has no knowledge of, or reason to believe that there has been, any use, generation, manufacture, storage, treatment, disposal, release, or retention of any hazardous waste or substance on, under, or about the Property; (d) Except as previously disclosed to and acknowledged by Lender, Lender shall be for Lender's sole use and shall not be continued to create any future claims against Lender for indemnity or contribution in the event Lender becomes liable for cleanup or other costs under any such law; and (e) Lender agrees to indemnify and hold harmless Lender against any and all claims, losses, liabilities, damages, costs, expenses, and attorneys' fees which Lender may incur or incur through its actions or inactions with respect to the Property, including cleanup or other costs under any such law; and (f) Lender agrees to indemnify and hold harmless Lender against any and all claims, losses, liabilities, damages, costs, expenses, and attorneys' fees which Lender may incur or incur through its actions or inactions with respect to the Property, including cleanup or other costs under any such law.

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

Lender's Right to Enter. Lender and its agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Property for purchase or purposes of this Mortgage.

Compliance with Governmental Requirements. Lender shall promptly comply with all laws, ordinances, orders, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property. Grantee may consent in good faith in any such law, ordinance, or regulation and without compliance with any applicable law, ordinance, order, or regulation, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including applicable laws, ordinances, orders, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, to protect Lender's interest. Lender may require Grantee to post adequate security or a surety bond, as may be necessary to protect Lender's interest.

Due to Project. Lender agrees neither to abandon nor to release the Property. Grantee shall do all other acts, in addition to those acts set forth above in this section, which from the character and nature of the Property are reasonably necessary to protect and preserve the Property.

RIGHT TO SUE - CONSENT BY LENDER. Lender may, at its option, release immediately due and payable obligations secured by this Mortgage upon the sale or transfer, without the Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title, or interest therein; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by quitclaim, deed, installment sale contract, or any other contract, instrument or agreement; whether a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of the Real Property; or by any other method of conveyance of Real Property interest. If any Grantee or a corporation, partnership or limited liability company, trust, also includes any direct or indirect ownership of more than twenty-five percent (25%) of the voting stock, partnership interest or limited liability company interest, as the case may be, of Grantee. However, the above shall not be exercised by Lender, or such exercise is prohibited by Federal law or by Illinois law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property, are a part of this Mortgage:

Payment. Grantee shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges and sewer charges levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantee shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Mortgage, except for the lien of taxes and assessments not due, except for the existing indebtedness referred to below, and except as otherwise provided in the following paragraph.

Right To Contest. Grantee may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantee shall, within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantee has notice of the filing, secure the discharge of the lien, or, if any contest, Grantee shall defend itself and Lender and shall satisfy any adverse judgment enforceable against the Property. Grantee shall name Lender as an additional obligee under any such bond furnished in the contest proceedings.

Evidence of Payment. Grantee shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender a written statement of the taxes or assessments against the Property.

Notice of Construction. Grantee shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are applied to the Property. If any mechanic's lien, materialman's lien, or other lien could be asserted on account of the work, services, or materials that Grantee can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Mortgage:

Maintenance of Insurance. Grantee shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any co-insurance clause, and with a standard mortgage clause in favor of Lender. Policies shall be written by such insurance companies and in such form as may be reasonably acceptable to Lender. Grantee shall deliver to Lender certificates of coverage from each insurer containing a declaration of the insurer's liability for failure to give such notice. Each insurance policy shall include an endorsement providing that the obligation to provide the full coverage will not be impaired in any way by any act, omission or default of Grantee or any other person. Should the Real Property at any time become located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Grantee agrees to obtain and maintain Federal Flood Insurance, to the extent such insurance is required by Lender and is or becomes available, for the term of the loan and for the full unpaid principal balance of the loan, or the maximum limit of coverage that is available, whichever is less.

Application of Proceeds. Grantee shall promptly notify Lender of any loss or damage to the Property if the estimated cost of repair or replacement exceeds \$5,000.00. Lender may make proof of loss if Grantee fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at its election, apply the proceeds to the reduction of the indebtedness, payment of any lien affecting the Property, or the retention and repair of the Property. Lender elects to apply the proceeds to repair, restore, or replace the damaged or destroyed improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditures, pay or reimburse Grantee from the proceeds for the reasonable cost of repair or restoration of Lender. Any proceeds from the damaged or destroyed improvements shall be used first to pay any amount owing to Lender, and the remainder, if any, shall be applied to the principal balance of the indebtedness. If Lender does not receive all the proceeds available, such proceeds shall be paid to Grantee.

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Unexpired Insurance at Sale. Any unexpired insurance shall inure to the benefit of, and pass to, the purchaser of the Property covered by this Mortgage at any trustee's sale or other sale held under the provisions of this Mortgage, or at any foreclosure sale of such Property.

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

EXPENDITURES BY LENDER. If Grantor fails to comply with any provision of this Mortgage, including any obligation to maintain Existing Indebtedness in good standing as required below, or if any action or proceeding is commenced that would materially affect Lender's interests in the Property, Lender on Grantor's behalf may, but shall not be required to, take any action that Lender deems appropriate. Any amount that Lender expends in so doing will bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses, at Lender's option, will (a) be payable on demand, (b) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (i) the term of any applicable insurance policy or (ii) the remaining term of the Note, or (c) be treated as a balloon payment which will be due and payable at the Note's maturity. This Mortgage also will secure payment of those amounts. The rights provided for in this paragraph shall be in addition to any other rights or any remedies to which Lender may be entitled on account of the default. Any such action by Lender shall not be construed as curing the default so as to bar Lender from any remedy that it otherwise would have had.

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

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

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

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

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

Existing Lien. The lien of this Mortgage securing the Indebtedness may be secondary and inferior to the lien securing payment of an existing obligation to FINANCIAL FEDERAL SAVINGS described as: MORTGAGE LOAN DATED JANUARY 12, 1993 AND RECORDED JANUARY 26, 1993. The existing obligation has a current principal balance of approximately \$69,000.00 and is in the original principal amount of \$60,000.00. The obligation has the following payment terms: MONTHLY PAYMENTS OF \$718.00. Grantor expressly covenants and agrees to pay, or see to the payment of, the Existing Indebtedness and to prevent any default on such Indebtedness, any default under the instruments evidencing such indebtedness, or any default under any security documents for such Indebtedness.

Default. If the payment of any installment of principal or any interest on the Existing Indebtedness is not made within the time required by the note evidencing such Indebtedness, or should a default occur under the instrument securing such Indebtedness and not be cured during any applicable grace period therein, then, at the option of Lender, the Indebtedness secured by this Mortgage shall become immediately due and payable, and this Mortgage shall be in default.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

accomplish the matters referred to in the preceding paragraph. FULL PERFORMANCE. If Grantor pays all the indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under the Mortgage, Lender shall execute and deliver to Grantor a release and a written statement of satisfaction of the Personal Property.

Grantor shall pay, if permitted by applicable law, or otherwise, payment is made by Grantor, whether voluntarily or otherwise, any amount to be applied to the Mortgage. Grantor shall be bound by any judgment, decree, order, settlement or composition relating to the indebtedness or to the Mortgage. Each of the following, if the option of Lender, shall constitute an event of default ("Event of Default") under the Mortgage: DEFAULT ON INDEBTEDNESS. Failure of Grantor to make any payment when due on the indebtedness.

Failure of Grantor to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien. COMPLETION OF DEFAULT. Failure to comply with any other term, obligation, covenant or condition contained in this Mortgage, the Note or in any of the Related Documents. If such a failure is curable and if Grantor has not been given a notice of a breach of the same provision of this Mortgage within the preceding twelve (12) months, it may be cured and no Event of Default will have occurred if Grantor, after Lender sends written notice demanding cure of such failure (a) cures the failure within fifteen (15) days; or (b) if the cure requires more than fifteen (15) days, immediately initiates steps sufficient to cure the failure and thereafter continues and completes all reasonable and necessary steps sufficient to produce completion as soon as reasonably practical.

Any warranty, representation or statement made or furnished to Lender by or on behalf of Grantor under this Mortgage, the Note or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished. FALSE STATEMENTS. Any warranty, representation or statement made or furnished to Lender by or on behalf of Grantor under this Mortgage, the Note or the Related Documents, which is false or misleading in any material respect, either now or at the time made or furnished. DEATH OR INSOLVENCY. The death, of Grantor, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

FORFEITURE, FORTHRIGHT, ETC. Commencement of foreclosure or forbearance proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any of the Property, however, this subsection shall not apply in the event of a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the foreclosure or forfeiture proceeding, provided that Grantor (a) Lender will give notice of such claim and furnish reserves or a surety bond for the claim satisfactory to Lender. BREACH OF OTHER AGREEMENT. Any breach by Grantor under the terms of any other agreement between Grantor and Lender that is not remedied within any grace period provided hereunder, including without limitation any agreement concerning any indebtedness or other obligation of Grantor to Lender, whether existing now or later. EXISTING INDEBTEDNESS. A default shall occur under any Existing indebtedness or under any instrument on the Property securing any Existing indebtedness, or commencement of any suit or other action to foreclose any existing lien on the Property.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the indebtedness of such Guarantor, and becomes incompetent, Lender, at the option, may, but shall not be required to, permit the Guarantor to assume unconditionally the obligations arising under the guarantee in a manner satisfactory to Lender, and, in doing so, cure the Event of Default. RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of any Event of Default and at any time thereafter, Lender, at its option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law: Acceleration of indebtedness. Lender shall have the right at its option (without notice to Grantor) to declare the entire indebtedness immediately due and payable, including any prepayment penalty which Grantor would be required to pay. UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

CURRENT RENT. Lender shall have the right, without notice to Grantor, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the indebtedness. In furtherance of the right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to enforce a lien against the Property in payment to Lender's demand and shall Grantor and to collect the proceeds. Payments by tenants or other users to Lender in response to the demand shall constitute satisfaction of the obligations for which the payments are made, whether or not any proper liens for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver. MORTGAGE IN POSSESSION. Lender shall have the right to be placed as mortgagee in possession or to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property, including foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receiver's fee, against the indebtedness. The mortgagee in possession or receiver may serve without bond if permitted by law. Lender's fee for the appointment of a receiver shall exist whether or not the appraisal value of the Property exceeds the indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver. JUDICIAL FORECLOSURE. Lender may obtain a judicial decree foreclosing Grantor's interest in all or any part of the Property.

Deficiency Judgment. If permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this section. OTHER REMEDIES. Lender shall have all other rights and remedies provided in this Mortgage or the Note or available at law or in equity. Sale of the Property. To the extent permitted by applicable law, Grantor hereby waives any and all right to have the property marshaled, in exercising its rights and remedies. Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property. Notice of Sale. Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Waiver of Remedies. A waiver by any party of a breach of a provision of this Mortgage shall not constitute a waiver of or prejudice the party's rights otherwise to demand strict compliance with that provision or any other provision. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or take action to perform an obligation of Grantor under this Mortgage after failure of Grantor to perform a default shall not affect Lender's right to declare a default and exercise its remedies under this Mortgage. Attorney's Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Mortgage, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorney's fees at that and on any appeal. Whether or not any court action is instituted, all reasonable expenses incurred by Lender in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the indebtedness payable on demand and shall bear interest from the date of expenditure until repaid at the Note rate. Expenses covered by the paragraph include, without limitation, however, subject to any limits under applicable law, Lender's attorney's fees, Lender's legal expenses whether or not there is a lawsuit, including attorney's fees for bankruptcy proceedings including efforts to modify or vacate any automatic stay or injunction, appeals and any anticipated post-judgment collection services, the cost of securing records, obtaining title reports (including foreclosure reports), surveys' reports, and appraisal fees, and the insurance, to the extent permitted by applicable law. Grantor also will pay all court costs, in addition to all other terms provided by law.

NOTICES TO GRANTEE AND OTHER PARTIES. Any notice under this Mortgage, including without limitation any notice of default and any notice of sale to Grantor, shall be in writing and shall be delivered to the United States mail first class, registered mail, postpaid, by certified mail, or by other means that the Grantee or other party, specifying that the notice shall be delivered to the Grantee, shall be deemed effective when deposited in the United States mail, provided that the beginning of the mailing period for the notice is at least five (5) days before the beginning of the foreclosure sale, and that the notice is delivered to the Grantee or other party, specifying that the notice shall be delivered to the Grantee, shall be deemed effective when deposited in the United States mail, provided that the beginning of the mailing period for the notice is at least five (5) days before the beginning of the foreclosure sale, and that the notice is delivered to the Grantee or other party, specifying that the notice shall be delivered to the Grantee, shall be deemed effective when deposited in the United States mail, provided that the beginning of the mailing period for the notice is at least five (5) days before the beginning of the foreclosure sale.

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agrees to keep Lender informed at all times of Grantor's current address.

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

Amendments. This Mortgage, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Mortgage. No alteration or amendment to this Mortgage shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

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

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

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

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

Severability. If a court of competent jurisdiction finds any provision of this Mortgage to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of this Mortgage in all other respects shall remain valid and enforceable.

Successors and Assigns. Subject to the limitations stated in this Mortgage on transfer of Grantor's interest, this Mortgage shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Mortgage and the indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Mortgage or liability under the indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Mortgage.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Illinois as to all indebtedness secured by this Mortgage.

Waivers and Consents. Lender shall not be deemed to have waived any rights under this Mortgage (or under the Related Documents) unless such waiver is in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by any party of a provision of this Mortgage shall not constitute a waiver of or prejudice the party's right otherwise to demand strict compliance with that provision or any other provision. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or any of Grantor's obligations as to any future transactions. Whenever consent by Lender is required in this Mortgage, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required.

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

GRANTOR:

x William A. Iwema
WILLIAM A. IWEMA

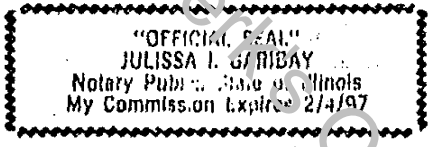
x Nadine S. Iwema
NADINE S. IWEMA

This Mortgage prepared by: PINNACLE BANK
6000 W. Cermak Road
Chicago, IL 60650

94987882

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Illinois)
COUNTY OF Cook) SS



On this day before me, the undersigned Notary Public, personally appeared WILLIAM A. IWEMA and NADINE S. IWEMA, HUSBAND AND WIFE, to me known to be the individuals described in and who executed the Mortgage, and acknowledged that they signed the Mortgage as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 5th day of November, 1994.

By Julissa I. Garibay Residing at 6000 W. Cermak Road Chicago
Notary Public in and for the State of Illinois My commission expires 2-7-97

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