

GEORGE E. COLE  
LEGAL FORMS

No. 103  
November 1994

SUBORDINATE MORTGAGE (ILLINOIS)  
For Use With Note Form No. 1447

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THIS AGREEMENT, made September 24 1997, between Saverio J. Vignola and Claudia B. Vignola, husband and wife, of  
1439 Lois Avenue, Park Ridge, Illinois

(No. and Street) (City) (State)  
herein referred to as "Mortgagors," and Brown's Advertising Fund  
and Brown's Chicken & Pasta, Inc.

(No. and Street) (City) (State)  
herein referred to as "Mortgagee," with MAS Corporation and  
Saverio J. Vignola ("Obligors")

THAT WHEREAS the Mortgagors are justly indebted to the Mortgagee upon the installment note of even date herewith, in the principal sum of Thirty Nine Thousand Aggregate  
Six Hundred Thirty Six and 32/100 DOLLARS

(\$39,636.32), payable to the order of and delivered to the Mortgagee, in and by which note the Mortgagors promise to pay the said principal sum and interest at the rate and in installments as provided in said notes, with a final payment of the balance due on the 1st

day of October, 19 2000, and all of said principal and interest are made payable at such place as the holders of the notes may, from time to time, in writing appoint, and in absence of such appointment, then at the office of the Mortgagee at 1200 Jorie Boulevard, Oak Brook, Illinois 60521

NOW, THEREFORE, the Mortgagors to secure the payment of the said principal sum of money and said interest in accordance with the terms, provisions and limitations of this mortgage, and the performance of the covenants and agreements herein contained, by the Mortgagors to be performed, and also in consideration of the sum of One Dollar in hand paid, the receipt whereof is hereby acknowledged, do by these presents CONVEY AND WARRANT unto the Mortgagee, and the Mortgagee's successors and assigns, the following described Real Estate and all of their estate, right, title and interest therein, situate, lying and being in the

Park Ridge, COUNTY OF Cook IN STATE OF ILLINOIS, to wit:  
See Exhibit "A" attached hereto and incorporated herein by this reference,

and to secure the payment and performance of all obligations of Obligors under that certain Asset Acquisition Agreement by and between MAS Corporation, Saverio J. Vignola and Brown's Chicken & Pasta, Inc. executed concurrently herewith

which, with the property hereinafter described, is referred to herein as the "premises,"

Permanent Real Estate Index Number(s): 12-02-123-052-0000

Address(es) of Real Estate: 1439 Lois Avenue, Park Ridge, Illinois

TOGETHER with all improvements, tenements, easements, fixtures, and appurtenances thereto belonging, and all rents, issues and profits thereof for so long and during all such times as Mortgagors may be entitled thereto (which are pledged primarily and on a parity with said real estate and not secondarily) and all apparatus, equipment or articles now or hereafter therein or thereon used to supply heat, gas, air conditioning, water, light, power, refrigeration (whether single units or centrally controlled), and ventilation, including (without restricting the foregoing), screens, window shades, storm doors and windows, floor coverings, inador beds, awnings, stoves and water heaters. All of the foregoing are declared to be a part of said real estate whether physically attached thereto or not, and it is agreed that all similar apparatus, equipment or articles hereafter placed in the premises by Mortgagors or their successors or assigns shall be considered as constituting part of the real estate.

Box 416

Above Space for Recorder's Use Only

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TO HAVE AND TO HOLD the premises unto the Mortgagee, and the Mortgagee's successors and assigns, forever, for the purposes, and upon the uses herein set forth, free from all rights and benefits under and by virtue of the Homestead Exemption Laws of the State of Illinois, which said rights and benefits the Mortgagors do hereby expressly release and waive.

The name of a record owner is: Saverio J. Vignola and Claudia B. Vignola, husband and wife

This mortgage consists of ~~four~~ pages. The covenants, conditions and provisions appearing on pages 3 and 4 are incorporated herein by reference and are a part hereof and shall be binding on Mortgagors, their heirs, successors and assigns. and the Addendum

Witness the hand . . . ~~and~~ . . . of Mortgagors the day and year first above written.

PLEASE  
PRINT OR  
TYPE NAME(S)  
BELOW  
SIGNATURE(S)

*Saverio J. Vignola* (SEAL)  
Saverio J. Vignola (SEAL)

*Claudia B. Vignola* (SEAL)  
Claudia B. Vignola, not as obligor (SEAL)  
under the obligations secured hereby but as  
accommodator for the purposes of waiving  
homestead rights and binding her interest  
in the title

State of Illinois, County of \_\_\_\_\_ ss.

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Saverio J. Vignola and Claudia B. Vignola

"OFFICIAL SEAL" personally known to me to be the same person S whose name S are \_\_\_\_\_ subscribed  
**IN WITNESS WHEREOF, I have hereunto set my hand and official seal, this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_**  
**NOTARY PUBLIC, STATE OF ILLINOIS**  
**MY COMMISSION EXPIRES \_\_\_\_\_**  
they signed, sealed and delivered the said instrument as their  
free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of  
the right of homestead.

Given under my hand and official seal, this 24<sup>th</sup> day of SEPTEMBER 19 97  
Commission expires 6-16 19 98  
*Richard J. Orsini*  
NOTARY PUBLIC

This instrument was prepared by Alison N. Zirn, Rudnick & Wolfe, 207 N. LaSalle Street, Suite 1800, Chicago, IL 60601  
(Name and Address)

Mail this instrument to \_\_\_\_\_  
(Name and Address)  
\_\_\_\_\_  
(City) (State) (Zip Code)

OR RECORDER'S OFFICE BOX NO. 416

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THE COVENANTS, CONDITIONS AND PROVISIONS REFERRED TO ON PAGE 2.

1. Mortgagors shall (1) promptly repair, restore or rebuild any buildings or improvements now or hereafter on the premises which may become damaged or be destroyed; (2) keep said premises in good condition and repair, without waste, and free from mechanic's or other liens or claims for lien not expressly subordinated to the lien thereof; (3) pay when due any indebtedness which may be secured by a lien or charge on the premises superior to the lien hereof, and upon request exhibit satisfactory evidence of the discharge of such prior lien to the Mortgagee; (4) complete within a reasonable time any building or buildings now or at any time in process of erection upon said premises; (5) comply with all requirements of law or municipal ordinances with respect to the premises and the use thereof; (6) make no material alterations in said premises except as required by law or municipal ordinance.

2. Mortgagors shall pay before any penalty attaches all general taxes, and shall pay special taxes, special assessments, water charges, sewer service charges, and other charges against the premises when due, and shall, upon written request, furnish to the Mortgagee duplicate receipts therefor. To prevent default hereunder Mortgagors shall pay in full under protest, in the manner provided by statute, any tax or assessment which Mortgagors may desire to contest.

3. In the event of the enactment after this date of any law of Illinois deducting from the value of land for the purpose of taxation any lien thereon, or imposing upon the Mortgagee the payment of the whole or any part of the taxes or assessments or charges or liens herein required to be paid by Mortgagors, or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or the mortgagee's interest in the property, or the manner of collection of taxes, so as to affect this mortgage or the debt secured hereby or the holder thereof, then and in any such event, the Mortgagors, upon demand by the Mortgagee, shall pay such taxes or assessments, or reimburse the Mortgagee therefor; provided, however, that if in the opinion of counsel for the Mortgagee (a) it might be unlawful to require Mortgagors to make such payment or (b) the making of such payment might result in the imposition of interest beyond the maximum amount permitted by law, then and in such event, the Mortgagee may elect, by notice in writing given to Mortgagors, to declare all of the indebtedness secured hereby to be and become due and payable sixty (60) days from the giving of such notice.

~~If, by the laws of the United States of America or of any state having jurisdiction in the premises, any tax is due or becomes due in respect of the issuance of the note hereby secured, the Mortgagors covenant and agree to pay such tax in the manner required by any such law. The Mortgagors further covenant to hold harmless and agree to indemnify the Mortgagee, and the Mortgagee's successors or assigns, against any liability incurred by reason of the imposition of any tax on the issuance of the note secured hereby.~~

5. At such time as the Mortgagors are not in default either under the terms of the note secured hereby or under the terms of this mortgage, the Mortgagors shall have such privilege of making prepayments on the principal of said note (in addition to the required payments) as may be provided in said note.

6. Mortgagors shall keep all buildings and improvements now or hereafter situated on said premises insured against loss or damage by fire, lightning and windstorm under policies providing for payment by the insurance companies of moneys sufficient either to pay the cost of replacing or repairing the same or to pay in full the indebtedness secured hereby, all in companies satisfactory to the Mortgagee, under insurance policies payable, in case of loss or damage, to Mortgagee, such rights to be evidenced by the standard mortgage clause to be attached to each policy, and shall deliver all policies, including additional and renewal policies, to the Mortgagee, and in case of insurance about to expire, shall deliver renewal policies not less than ten days prior to the respective dates of expiration.

7. In case of default therein, Mortgagee may, but need not, make any payment or perform any act hereinbefore required of Mortgagors in any form and manner deemed expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting said premises or contest any tax or assessment. All moneys paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorney's fees, and any other moneys advanced by Mortgagee to protect the mortgaged premises and the lien hereof, shall be so much additional indebtedness secured hereby and shall become immediately due and payable without notice and with interest thereon at the highest rate now permitted by Illinois law. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to the Mortgagee on account of any default hereunder on the part of the Mortgagors.

8. The Mortgagee making any payment hereby authorized relating to taxes or assessments may do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof.

~~9. Mortgagors shall pay each item of indebtedness herein mentioned, both principal and interest, when due according to the terms hereof. At the option of the Mortgagee and without notice to Mortgagors, all unpaid indebtedness secured by this mortgage shall, notwithstanding anything in the note or in this mortgage to the contrary, become due and payable (a) immediately in the case of default in making payment of any installment of principal or interest on the note, or (b) when default shall occur and continue for three days in the performance of any other agreement of the Mortgagors herein contained.~~ Notes, secured hereby

by Obligors 10. When the indebtedness hereby shall become due whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereof. In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches, and examinations, title insurance policies, Torrens certificates, and similar data and assurances with respect to title as Mortgagee may deem to be reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the premises. All expenditures and expenses of the nature in this paragraph mentioned shall become so much additional indebtedness secured hereby and immediately due and payable, with interest thereon at the highest rate now permitted by Illinois law, when paid or incurred by Mortgagee in connection with (a) any proceeding, including probate and bankruptcy proceedings, to which the Mortgagee shall be a party, either as plaintiff, claimant or defendant, by reason of this mortgage or any indebtedness hereby secured; or (b) preparations for the commencement of any suit for the foreclosure hereof after accrual of such right to foreclose whether or not actually commenced; or (c) preparations for the defense of any actual or threatened suit or proceeding which might affect the premises or the security hereof.

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11. The proceeds of any foreclosure sale of the premises shall be distributed and applied in the following order of priority: First, on accounts of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in the preceding paragraph hereof; second, all other items which under the terms hereof constitute secured indebtedness additional to that evidenced by the note, with interest thereon as herein provided; third, all principal and interest remaining unpaid on the note; fourth, any overplus to Mortgagors, their heirs, legal representatives or assigns, as their rights may appear.

12. Upon or any time after the filing of a complaint to foreclose this mortgage the court in which such complaint is filed may appoint receiver of said premises. Such appointment may be made either before or after the sale, without notice, without regard to the solvency or insolvency of Mortgagors at the time of application for such receiver and without regard to the then value of the premises or whether the same shall be then occupied as a homestead or not, and the Mortgagee may be appointed as such receiver. Such receiver shall have power to collect the rents, issues and profits of said premises during the pendency of such foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, whether there be redemption or not, as well as during any further times when Mortgagors, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the premises during the whole of said period. The Court from time to time may authorize the receiver to apply the net income in his hands in payment in whole or in part of: (1) The indebtedness secured hereby, or by any decree foreclosing this mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to foreclosure sale; (2) the deficiency in case of a sale and deficiency.

13. No action for the enforcement of the lien or of any provision hereof shall be subject to any defense which would not be good and available to the party interposing same in an action at law upon the note hereby secured.

14. The Mortgagee shall have the right to inspect the premises at all reasonable times and access thereto shall be permitted for that purpose. Subject to the terms of the Senior Notes and Senior Mortgages,

15. The Mortgagors shall periodically deposit with the Mortgagee such sums as the Mortgagee may reasonably require for payment of taxes and assessments on the premises. No such deposit shall bear any interest.

16. If the payment of said indebtedness or any part thereof be extended or varied or if any part of the security be released, all persons now or at any time hereafter liable therefor, or interested in said premises, shall be held to assent to such extension, variation or release, and their liability and the lien and all provisions hereof shall continue in full force, the right of recourse against all such persons being expressly reserved by the Mortgagee, notwithstanding such extension, variation or release.

17. Mortgagee shall release this mortgage and lien thereof by proper instrument upon payment and discharge of all indebtedness secured hereby and payment of a reasonable fee to Mortgagee for the execution of such release.

18. This mortgage and all provisions hereof, shall extend to and be binding upon Mortgagors and all persons claiming under or through Mortgagors, and the word "Mortgagors" when used herein shall include all such persons and all persons liable for the payment of the indebtedness or any part thereof, whether or not such persons shall have executed the note or this mortgage. The word "Mortgagee" when used herein shall include the successors and assigns of the Mortgagee named herein and the holder or holders, from time to time, of the note secured hereby.

ADDENDUM TO SUBORDINATE MORTGAGE

THIS ADDENDUM TO SUBORDINATE MORTGAGE is attached to and made a part of that certain Subordinate Mortgage (the "Mortgage") executed by Saverio J. Vignola and Claudia B. Vignola, husband and wife, as mortgagor ("Mortgagor") to Brown's Advertising Fund and Brown's Chicken & Pasta, Inc., as mortgagee ("Mortgagee"), concurrently herewith. This Addendum is being executed concurrently with the Mortgage, and is supported by good and valuable consideration. The term "Mortgage", as used herein, shall be deemed to include this Addendum, except where the context requires otherwise. The following provisions shall be incorporated into the Mortgage:

1. This Mortgage is subject and subordinate to (i) that certain mortgage in favor of WMC Mortgage Corp. recorded on September 25, 1997 with the County Recorder of Cook County, Illinois (the "Recorder's Office") as Document No. 97710904, which mortgage secures a note in the original principal amount of Two Hundred Thousand Dollars (\$200,000.00) and (ii) that certain mortgage in favor of Harris Bank Arlington Meadows recorded on January 22, 1993 in the Recorder's Office as Document No. 93055526, which mortgage secures a note in the original principal amount of Fifty Thousand Dollars (\$50,000). Said mortgages, as the same may have been modified prior to the recording of this Mortgage, are hereinafter called collectively the "Senior Mortgage" and the notes or obligations secured thereby are hereinafter collectively called the "Senior Note."

2. If the Senior Mortgage or the Senior Note shall be in default for any reason which default results in an acceleration of the indebtedness secured thereby, or should any suit be commenced to enter judgment on the Senior Note or to foreclose the Senior Mortgage, such default or commencement of foreclosure or commencement of suit shall constitute a default under this Mortgage on account of which the whole of the indebtedness secured hereby shall, at once, at the option of the Mortgagee, become due and payable from Obligors; and Mortgagee may, but shall not be required to, cure any such default and/or perform such acts that may be necessary to secure the dismissal of any such suit, and all monies advanced for that purpose, with interest thereon at the default rate of interest as set forth in the Note from the time of the advance or advances therefor shall, without demand or notice, be immediately due and payable by Mortgagor or Obligors, as the case may be, to Mortgagee and shall be added to the indebtedness owed by Obligors and secured by this Mortgage.

3. Mortgagor agrees that Mortgagor will not consent to the modification or amendment of the Senior Note, the Senior Mortgage or any other instruments securing the Senior Note without the prior written consent of Mortgagee.

4. Mortgagor hereby represents, covenants and agrees that:

(a) Subject to the holder's consents if required in accordance with the terms of the Senior Note or the Senior Mortgage, this Mortgage is lawfully executed and delivered in conformity with the Senior Mortgage.

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(b) Mortgagor will promptly perform and observe all of the terms, covenants and conditions required to be performed and observed by the mortgagor under the Senior Mortgage and under the Senior Note and will do all things necessary to preserve and to keep the Senior Mortgage and the Senior Note free from default.

(c) Mortgagor will promptly notify Mortgagee in writing of any default in the performance or observance of any of the terms, covenants or conditions on the part of the mortgagor to be performed under the Senior Mortgage and the Senior Note.

(d) Mortgagor will (i) promptly notify Mortgagee in writing of the receipt by Mortgagor of any notice (other than notices customarily sent on a regular periodic basis) from the mortgagee under the Senior Mortgage and the holder of the Senior Note, and (ii) promptly cause to be delivered to Mortgagee a copy of each such notice received by Mortgagor from the mortgagee under the Senior Mortgage and from the holder of the Senior Note.

(e) Mortgagor will not, without the prior written consent of Mortgagee, enter into any agreement or accept the benefit of any arrangement whereby the holder of the Senior Note or the mortgagee under the Senior Mortgage waives, postpones, extends, reduces, or modifies the payment of any installment of principal or interest or any other item or amount now required to be paid under the terms of the Senior Mortgage or the Senior Note or modifies any provision thereof.

(f) Mortgagor will, within ten (10) days after written demand from Mortgagee, use its best efforts to obtain from the mortgagee of the Senior Mortgage and the holder of the Senior Note and deliver to Mortgagee certificates stating that the Senior Mortgage and the Senior Note are in full force and effect, and unmodified, that no notice of default thereunder has been served on the mortgagor thereunder and stating whether or not there are any defaults thereunder, and specifying the nature of such defaults, if any.

(g) Mortgagor will promptly furnish to Mortgagee, upon demand, proof of payment of all items which are required to be paid by the mortgagor pursuant to the Senior Note and the Senior Mortgage.

(h) Mortgagor shall execute and deliver, on request of Mortgagee, such instruments as Mortgagee may reasonably deem useful or required to permit Mortgagee to cure any default under the Senior Mortgage and the Senior Note or permit Mortgagee to take such other action as Mortgagee considers desirable to cure or remedy the matter in default and preserve the interest of Mortgagee in the premises.

The generality of the provisions of this Addendum relating to the Senior Mortgage and Senior Note shall not be limited to other provisions of this Mortgage setting forth particular obligations of the Mortgagor which are also required of the mortgagor under the Senior Mortgage and the Senior Note.


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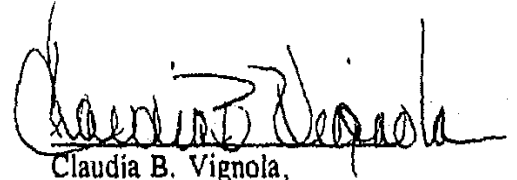
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Anything contained in this Mortgage to the contrary notwithstanding, until such time as the indebtedness secured by the Senior Mortgage has been paid in full, insurance proceeds, to the extent that the insurers do not deny liability as to the insureds, and condemnation awards and proceeds shall be applied for restoration and/or repair in the manner set forth in the applicable provisions of the Senior Mortgage or, as the holder of the Senior Note shall determine, and the balance of such proceeds and awards, if any, shall be applied in accordance with the applicable provisions of this Mortgage.

IN WITNESS WHEREOF, this Addendum has been executed as of the date specified in the Mortgage.

  
Saverio J. Vignola

  
Claudia B. Vignola,  
not as an obligor under the obligations secured hereby but as an accommodator only for the purposes of waiving homestead rights and binding her interest in the title

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EXHIBIT "A"

REAL PROPERTY DESCRIPTION. The Mortgage covers the following described real property (the "Real Property") located in Cook County, State of Illinois:

Lot 2 in Prendergast & Roppolo Resubdivision, according to the plat thereof recorded September 30, 1965 as Document 19603409 being a Resubdivision of Lots 13 to 16 (except the East 5.0 ft. thereof) measured at right angles in Vinci's Subdivision of Lots 2 & 3 in Circuit Court Commissioner's Division of the West 1/2 of Government Lot 1 in the Northwest 1/4 and West 3.57 chains North of the Higgins Road (except the East 50 ft.) of the Northwest 1/4 of the Southwest 1/4 of Section 2, Township 40 North, Range 12 East of the Third Principal Meridian, in Cook County, Illinois.

The Real Property or its address is commonly known as 1439 Lois Avenue, Park Ridge, IL 60063. The Real Property tax identification number is 12-02-123-052.

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