

# UNOFFICIAL COPY

RECORDATION REQUESTED BY:

97367582

North Shore Community Bank & Trust Company

WHEN RECORDED MAIL TO:

NORTH SHORE COMMUNITY BANK  
& TRUST COMPANY

794 OAK STREET  
WINNETKA, ILL. 60093

DEPT-01 RECORDING 937.50  
T90001 TRAN 9229 02/23/97 13:23:00  
98495 : RC # - 97-367582  
COOK COUNTY RECORDER

FOR RECORDER'S USE ONLY

This Mortgage prepared by: NORTH SHORE COMMUNITY BANK & TRUST CO.  
794 OAK STREET  
WINNETKA, ILLINOIS 60093

7750  
RECORDING SERVICES  
7139-25

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## MORTGAGE

THIS MORTGAGE IS DATED MAY 14, 1997, between DANIEL H. DUNN and GAYLE M. DUNN, HIS WIFE (J), whose address is 1337 ELMWOOD, WILMETTE, IL 60091 (referred to below as "Grantor"); and North Shore Community Bank & Trust Co., whose address is 1145 Wilmette Ave., Wilmette, IL 60091 (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 GROVER'S RESUBDIVISION OF LOTS 16 TO 22 IN BLOCK 1, IN GROVER'S RESUBDIVISION OF BLOCK 28 IN WILMETTE VILLAGE, SECTION 27, TOWNSHIP 12 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

The Real Property or its address is commonly known as 1337 ELMWOOD, WILMETTE, IL 60091. The Real Property tax identification number is 0527313004.

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.

**Credit Agreement.** The words "Credit Agreement" mean the revolving line of credit agreement dated May 14, 1997, between Lender and Grantor with a credit limit of \$100,000.00, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the Credit Agreement. The interest rate under the Credit Agreement is a variable interest rate based upon an index. The index currently is 8.500% per annum. The interest rate to be applied to the outstanding account balance shall be at a rate equal to the index, subject however to the following maximum rate. Under no circumstances shall the interest rate

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THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS

and other benefits derived from the Property.

Bank. The word "Bank" means all present and future rents, revenues, income, interest, profits, and

existing, included in connection with the Indebtedness.

Related Documents. The words "Related Documents" mean and include without limitation all promissory

note, credit agreements, loan agreements, environmental agreements, guarantees, security agreements,

existing, included in connection with the Indebtedness.

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

"Grant of Mortgage" section.

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

Proceeds. The word "Proceeds" means all proceeds (including without limitation all insurance proceeds and

proceeds of premiums) from any sale or other disposition of the Property.

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 owned or added to the Real

Property, together with all accessories, parts, and add-ons to, all replacements of, and all substitutions for, any

of such property, and together with all proceeds (including without limitation all insurance proceeds and

proceeds of premiums) from any sale or other disposition of the Property.

Mortgage. The word "Mortgage" means the mortgage between Grantor and Lender, and includes without

limitation all assignments and security interest provisions relating to the Real Property and Bank.

The Lender is the mortgagee under this Mortgage.

Lender. The word "Lender" means North Shore Community Bank & Trust Co., its successors and assigns.

that the principal amount of indebtedness secured by the Mortgage, not including sums advanced to

protect the security of the Mortgage, exceed \$300,000.00.

Grantor and Lender that the Mortgage secures a balance outstanding under the Credit Agreement from

time to time from zero up to the Credit Limit as provided in the Credit Agreement. It is the intention of

paragraph, shall not exceed the Credit Limit as provided in the Credit Agreement. It is the intention of

any temporary overages, other charges, and any amounts expanded or advanced as provided in the

to time, subject to the limitation of the Credit Limit, and any amounts advanced or advanced as provided in the

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Be more than the lesser of 20.000% per annum or the maximum rate allowed by applicable law.

Existing Indebtedness. The words "Existing Indebtedness" mean the Indebtedness described below in the

Grantor. The word "Grantor" means DANIEL H. DUNN and GARIE M. DUNN. 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, buildings, structures, mobile homes affixed on the Real Property, fixtures, additions,

and other improvements and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal and interest payable under the Credit Agreement

and any amounts expanded 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. Specifically, without limitation, the Mortgage secures a revolving line of credit

and shall secure 7% only the amount which Lender has previously advanced to Grantor under the Credit

Agreement, but 7% any future amounts which Lender may advance to Grantor under the Credit

Agreement within ten (10) years from the date of this Mortgage to the same extent as if such future

advance were made as of the date of the execution of this Mortgage. The revolving line of credit

advance Lender to make advances to Grantor so long as Grantor complies with all the terms of the

Credit Agreement and Related Documents. Such advances may be made, repaid, and rescheduled from time

to time, subject to the limitation of the Credit Limit, and any amounts advanced or advanced as provided in the

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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 INTENDED TO AND SHALL BE VALID AND HAVE PRIORITY OVER ALL SUBSEQUENT LIENS AND ENCUMBRANCES, INCLUDING STATUTORY LIENS, EXCEPTING SOLELY TAXES AND ASSESSMENTS LEVIED ON THE REAL PROPERTY, TO THE EXTENT OF THE MAXIMUM AMOUNT SECURED HEREBY. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

**PAYMENT AND PERFORMANCE.** Except as otherwise provided in this 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:

**Possession and Use.** Until in default, Grantor may remain in possession and control of and operate and manage the Property and collect the Rents from the Property.

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

**Hazardous Substances.** The terms "hazardous waste," "hazardous substance," "disposal," "release," and "threatened 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 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or Federal laws, rules, or regulations adopted pursuant to any of the foregoing. The terms "hazardous waste" and "hazardous substance" shall also include, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos. Grantor represents and warrants to Lender that: (a) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any hazardous waste or substance by any person on, under, about or from the Property; (b) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (i) any use, generation, manufacture, storage, treatment, disposal, release, or threatened release of any hazardous waste or substance on, under, about or from the Property by any prior owners or occupants of the Property or (ii) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (c) Except as previously disclosed to and acknowledged by Lender in writing, (i) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any hazardous waste or substance on, under, about or from the Property and (ii) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation those laws, regulations, and ordinances described above. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Mortgage. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for hazardous waste and hazardous substances. Grantor hereby (a) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws, and (b) agrees to indemnify and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Mortgage or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Mortgage, including the obligation to indemnify, shall survive the payment of the indebtedness and the satisfaction and reconveyance of the lien of this Mortgage and shall not be affected by Lender's acquisition of an interest in the Property, whether by foreclosure or otherwise.

**Nuisance, Waste.** Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), soil, gravel or rock products without the prior written consent of Lender.

**Removal of Improvements.** Grantor 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 Grantor 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 purposes of Grantor's compliance with the terms and conditions of this Mortgage.

**Compliance with Governmental Requirements.** Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to

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Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make good or loss if Grantor 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 restoration and repair of the Property. Lender elects to apply the proceeds to restoration and repair. Grantor shall repair or replace the damaged or destroyed improvements at a minor satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default hereunder. Any proceeds which have not been disbursed within 180 days after their

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make good or loss if Grantor 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 restoration and repair of the Property. Lender elects to apply the proceeds to restoration and repair. Grantor shall repair or replace the damaged or destroyed improvements at a minor satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default hereunder. Any proceeds which have not been disbursed within 180 days after their

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

Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on the Real Property in an amount sufficient to avoid application of any coverage 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. Grantor shall deliver to Lender certificates of coverage from each insurer containing a copy of the policy and not containing any disclaimer of the insurer's liability for failure to give such notice. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor 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, Grantor agrees to obtain and maintain Federal Flood Insurance for the full unpaid principal balance of the loan up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

Evidence of Payment. Grantor shall upon demand make to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Completion. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, master's lien, or other lien could be asserted on account of the work, service, or materials. Grantor will upon request of Lender furnish to Lender advance assurance satisfactory to Lender. Lender can and will pay the cost of such improvements.

Grantor shall name Lender as an additional obligee under any surety bond furnished in the course of proceedings. Grantor shall and shall satisfy any adverse judgment debtor enforcement against the Property. Changes that could accrue as a result of a foreclosure or sale under the lien in any contract, Grantor shall be obligated to Lender in an amount sufficient to discharge the lien under the lien, and to pay any costs or other charges by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security as required by Lender, within fifteen (15) days. Grantor has notice of the lien, secures the discharge of the lien, or if a lien is filed, within fifteen (15) days after the lien arises or, if a lien is filed as a result of a foreclosure, Grantor shall within fifteen (15) days after the lien arises, if a lien is filed, discharge over the obligation it is, so long as Lender's interest in the Property is not jeopardized. If a lien is filed, Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation it is, and except as otherwise provided in the following paragraph, 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.

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

By Lender if such entities is prohibited by federal law or by state law. Lender shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessment, 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 materials furnished to the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest of Lender, 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.

### DUPLICATE - CONSENT BY LENDER. Lender may, at its option, declare immediately due and payable all amounts 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 outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of Real Property interest. If any Grantor is a corporation, partnership or limited liability company, Grantor also

any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interest or beneficial company interest, as the case may be, of Grantor. However, this option shall not be exercised by Lender if such entities is prohibited by federal law or by state law.

Property are reasonably necessary to protect and preserve the Property.

Grantor agrees neither to abandon nor have unperfected the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

Protect Lender's interest.

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## MORTGAGE (Continued)

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receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Mortgage, then to prepay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. If Lender holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Grantor.

**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 provided for in the Credit Agreement 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 credit line 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 Credit Agreement, or (c) be treated as a balloon payment which will be due and payable at the Credit Agreement's maturity. This Mortgage also will require payment of these 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 Laws.** 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 an existing lien. 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.

**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.

**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:

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**DEFAULT.** Each of the following, at the option of Lender, shall constitute an event of default ("Event of Default") under this Mortgage: (a) Grantor commits fraud or makes a material misrepresentation at any time in connection with this Mortgage; (b) Grantor fails to pay any amount due under this Mortgage when due, unless the credit line account, and other obligations imposed upon Grantor under this Mortgage, Lender shall exercise and enforce its remedies in accordance with the provisions of this Mortgage and the Personal Property, Grantor will pay, if payment is made by Grantor, whether voluntarily or otherwise, or by guarantor or by any third party, on the indebtedness and the amount of that payment (a) to Grantor's trustee in bankruptcy or to any other person under any federal or state bankruptcy law or law for the relief of debtors; (b) by reason of any judgment, decree or order of any court or administrative body having jurisdiction over Lender or any of Lender's property; or (c) by reason of any settlement or compromise of any claim made by Lender with any claimant (including without limitation Grantor), the indebtedness shall be considered unpaid for the purpose of enforcement of this Mortgage and this Mortgage shall continue to be effective or shall be reinstated, as the case may be, notwithstanding any concession of this Mortgage or of any note or other instrument or agreement evidencing the indebtedness and the Property will continue to secure the amount repaid or recovered to the same extent as if that amount never had been originally received by Lender, and Grantor shall be bound by any judgment, decree, order, settlement or compromise relating to the indebtedness or to this Mortgage.

**FULL PERFORMANCE.** If Grantor pays all the indebtedness when due, unless the credit line account, and other obligations imposed upon Grantor under this Mortgage, Lender shall exercise and enforce its remedies in accordance with the provisions of this Mortgage and the Personal Property, Grantor will pay, if payment is made by Grantor, whether voluntarily or otherwise, or by guarantor or by any third party, on the indebtedness and the amount of that payment (a) to Grantor's trustee in bankruptcy or to any other person under any federal or state bankruptcy law or law for the relief of debtors; (b) by reason of any judgment, decree or order of any court or administrative body having jurisdiction over Lender or any of Lender's property; or (c) by reason of any settlement or compromise of any claim made by Lender with any claimant (including without limitation Grantor), the indebtedness shall be considered unpaid for the purpose of enforcement of this Mortgage and this Mortgage shall continue to be effective or shall be reinstated, as the case may be, notwithstanding any concession of this Mortgage or of any note or other instrument or agreement evidencing the indebtedness and the Property will continue to secure the amount repaid or recovered to the same extent as if that amount never had been originally received by Lender, and Grantor shall be bound by any judgment, decree, order, settlement or compromise relating to the indebtedness or to this Mortgage.

**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 each purpose, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, 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.

**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, indexed, or recorded, as the case may be, at such times and in such places and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, amendments or further assurance, certificates, and other documents as may, in the sole discretion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (a) the obligations of Grantor under the Credit Agreement, this Mortgage, and the Related Documents; and (b) the here and security interests created by the Mortgage on the Property, whether now owned or hereafter acquired by Grantor. Unless provided 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.

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with the credit line account. This can include, for example, a false statement about Grantor's income, assets, liabilities, or any other aspects of Grantor's financial condition. (b) Grantor does not meet the repayment terms of the credit line account. (c) Grantor's action or inaction adversely affects the collateral for the credit line account or Lender's rights in the collateral. This can include, for example, failure to maintain required insurance, waste or destructive use of the dwelling, failure to pay taxes, death of all persons liable on the account, transfer of title or sale of the dwelling, creation of a lien on the dwelling without Lender's permission, foreclosure by the holder of another lien, or the use of funds or the dwelling for prohibited purposes.

**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:

**Accelerate 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.

**Collect Rents.** 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 this 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 endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

**Mortgagee 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 preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The mortgagee in possession or receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent 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 Credit Agreement 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; Election 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 shall not affect Lender's right to declare a default and exercise its remedies under this Mortgage.

**Attorneys' 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 attorneys' fees at trial and on any appeal. Whether or not any court action is involved, all reasonable expenses incurred by Lender that 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 rate provided for in the Credit Agreement. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including attorneys' 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 searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, and title insurance, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

**NOTICES TO GRANTOR 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, may be sent by telefacsimile, and shall be

97367582

*[Signature]*  
DANIEL H. DANN  
DANIEL H. DANN

GRANTOR

GRANTOR AGREES TO HIS TERMS

EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE, AND EACH

waives 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 the 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 consent in all instances to subsequent instances where such consent is required.)

Time is of the essence. Time is of the essence in the performance of this mortgage.

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

Successors and Assigns. Subject to the conditions stated in this mortgage on transfer of Grantor's interest, the mortgage shall be binding upon and inure to the benefit of the parties, their successors and assigns. It shall be enforceable as to any person or circumstance, such finding shall not render the provision invalid or unenforceable as to any other person or circumstance. If feasible, any such ongoing provision shall be deemed to be modified, it shall be enforceable in all other respects that remain valid and enforceable.

Severability. If a court of competent jurisdiction finds any provision of this mortgage to be invalid or unenforceable in whole or in part, the remainder of this mortgage shall survive and remain enforceable.

Entire Agreement. This mortgage and every Related Document, together with any amendments, modifications, and all references to Grantor shall constitute the entire agreement between Grantor and Lender. This means that each of the persons signing below is responsible for all obligations in this mortgage.

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.

Assignment. This mortgage shall be assigned to Lender and accepted by Lender in the State of Illinois. The 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.

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

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.

Miscellaneous Provisions. The following miscellaneous provisions are a part of this mortgage:

For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. The notice over this mortgage shall be sent to Lender's address, as shown near the beginning of this mortgage. The notice is to change the party's address. All copies of notices of foreclosure from the holder of any lien which are mailed under this mortgage by giving formal written notice to the other parties, respecting the purpose of the notice, shall be deemed to be deposited in the United States mail first class, certified or registered mail, postage prepaid, directed to the address shown near the beginning of this mortgage. Any party may change its address effective when actually delivered, or when deposited with a nationally recognized overnight courier, or if mailed



INDIVIDUAL ACKNOWLEDGMENT

STATE OF ILLINOIS)

) SS

COUNTY OF Lake)



On this day before me, the undersigned Notary Public, personally appeared DANIEL H. DUNN and GAYLE M. DUNN, 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 19<sup>th</sup> day of May, 19 97.

By Evan Kouvaras Residing at 1506

Notary Public in and for the State of Illinois

My commission expires Aug 27, 2000

Cook County Clerk's Office

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2025-01-15 10:00 AM