

RECORDATION REQUESTED BY:

Harris Trust and Savings Bank
111 W. Monroe
P.O. Box 755
Chicago, IL 60690

WHEN RECORDED MAIL TO:

Harris Banks
P.O. Box 94034
Palatine, IL 60094-4034

FOR RECORDER'S USE ONLY

FT923590 11

RECEIVED IN BAD CONDITION

This Mortgage prepared by: J. JENSKY
P.O. Box 94034
Palatine, IL 60094-4034

DONE AT CUSTOMER'S REQUEST



MORTGAGE

THIS MORTGAGE IS DATED JUNE 27, 1998, between CHRIS DELGADO and ALICIA DELGADO, HIS WIFE,, whose address is 309 WINGATE, SCHAUMBURG, IL 60193 (referred to below as "Grantor"); and Harris Trust and Savings Bank, whose address is 111 W. Monroe, P.O. Box 755, Chicago, IL 60690 (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 benefits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar materials located in Cook County, State of Illinois (the "Real Property"):

LOT 1117 IN LANCER SUBDIVISION UNIT 1117 BEING A SUBDIVISION IN THE SOUTHWEST 1/4 OF SECTION 23, AND IN THE NORTHWEST 1/4 OF SECTION 26, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

The Real Property or its address is commonly known as 309 WINGATE, SCHAUMBURG, IL 60193. The Real Property tax identification number is 07-23-307-000.

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 meanings herein unless otherwise defined in this Mortgage shall have the meanings ascribed to them in the Uniform Commercial Code. All references to dollar amounts shall mean and include cents and fractions of cents unless otherwise indicated. Terms not defined herein shall have the meanings ascribed to them in the Uniform Commercial Code of the United States of America.

Credit Agreement. The words "Credit Agreement" shall mean the credit agreement dated June 27, 1998, between Lender and Grantor with a credit limit of \$50,000.00, together with all renewals of, extensions of, modifications of, refinancings or consolidations of, and substitutions for the Credit Agreement. The interest rate under the Credit Agreement is a variable interest rate based on 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 be more than the lesser of 18.000% per annum or the maximum rate allowed by applicable law.

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

Grantor. The word "Grantor" means CHRIS DELGADO and ALICIA DELGADO. The Grantor is the mortgagor under this Mortgage.

Guarantor. The word "Guarantor" means any person, 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 attached 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 Credit Agreement and any amount 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. Specifically, without limitation, this Mortgage secures a revolving line of credit and shall secure not only the amount which Lender has presently advanced to Grantor under the Credit Agreement, but also any future amounts which Lender may advance to Grantor under the Credit Agreement within twenty (20) years from the date of the 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 obligates 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 remade from time to time, subject to the limitation that the total outstanding balance owing at any one time, not including finance charges on such balance at a fixed or variable rate or sum as provided in the Credit Agreement, any temporary overages, other charges, and any amounts expended or advanced as provided in this paragraph, shall not exceed the Credit Limit as provided in the Credit Agreement. It is the intention of Grantor and Lender that this Mortgage secures the balance outstanding under the Credit Agreement from time to time from zero up to the Credit Limit as provided above and any intermediate balance. 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 \$1,625,000.

Lender. The word "Lender" means Harris Trust and Savings 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.

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 accessions, parts, and additions for all replacements of, and all substitutions for, any of such property; and together with all proceeds from any such property, without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Real 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, guarantees, security agreements, mortgages, deeds of trust, and all other instruments, agreements 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.

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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 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. Upon default, Grantor shall 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 tenable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve the Property's 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 1901, 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, whether about or from the Property; (b) Grantor has no knowledge or reason to believe that there has been, except as previously disclosed to and acknowledged by Grantor 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 person, whether about or from the Property or (ii) any act, 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 agent, 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 best knowledge in investigating the Property for hazardous waste and hazardous substances. Grantor hereby releases, covenants and agrees to hold Lender for indemnity or contribution in the event that Grantor becomes liable under any such laws and (a) for any such laws and (b) agrees to indemnify, defend and hold Lender harmless for any such laws and (c) for any such laws, damages, penalties, and expenses which Lender may incur, including reasonable attorneys' fees, 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 any 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. In the event of the removal of any improvements, Lender may require Grantor to make any improvements or repairs to the Property necessary to restore 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.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property if the estimated cost of repair or replacement exceeds \$5,000. Lender may make proof of 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. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such loss or damage, reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor does not do so within the time specified in any proceeds which have not

Maintenance of Insurance. 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 mortgagee clause in favor of Lender. Grantor shall deliver to Lender certificates of and in such form as may be reasonably accepted by Lender. Grantor shall deliver to Lender certificates of coverage from each insurer containing a stipulation that the coverage will not be cancelled or diminished without a minimum of ten (10) days' prior written notice to Lender 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 by any act, omission or default of Grantor or any other person. Should the Real Property at any time be 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.

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

that Grantor can and will pay the cost of such improvements. Grantor will upon receipt of Lender's request for such improvements, \$10,000.00. Grantor will upon receipt of Lender's request for such improvements, any services or materials furnished or any materials or work, services, or materials and the cost exceeds \$10,000.00. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, a written statement of the taxes and assessments against the Property.

Evidence of Payment. Grantor 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 at any time a written statement of the taxes and assessments against the Property.

Right To Contest. Grantor 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, Grantor shall, within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorneys' fees or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any additional mortgage and any surety bond furnished in the contest proceedings.

Payment. Grantor shall pay when due (and in advance prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges and sewer charges, and other charges rendered or material furnished to the Property, and shall pay when due all claims for work done or services rendered or material furnished to the Property. Grantor shall maintain the Property, and all persons 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.

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

by Lender if such exercise is prohibited by federal law or by Illinois law. or limited liability company interest, as the case may be, of Grantor. However, this option shall not be exercised includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interest of Real Property interest. If any Grantor is a corporation, partnership or limited liability company, transfer also beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any involuntary; whether by outright sale, deed, installment sale, contract, land contract, contract for deed, leasehold Property or any right, title or interest therein, whether legal, beneficial or equitable, whether voluntary or part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real some secured by this Mortgage upon the sale or transfer, without the Lender's prior written consent, of all or any

DUE ON SALE - CONSENT BY LENDER. Lender may, at its option, declare immediately due and payable all Property are reasonably necessary to protect and preserve the Property. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon nor leave unattended the Property. Grantor shall do all other acts, in addition to those set forth above in this section, which from the character and use of the

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been disbursed within 30 days after their receipt and which Lender has committed to the repair or restoration of the Property shall be used first to pay any amount due under this Mortgage, then to prepay accrued interest, and the remainder of any such proceeds shall be applied to the principal balance of the Indebtedness. If there are 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 of 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 the Property in full compliance with all applicable laws, or if any action or proceeding is commenced that would materially affect Lender's interests in the Property, or if an 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, if necessary, to be payable with any installment payments to become due during the term of any applicable insurance policy or (c) be treated as a balloon payment which will be due and payable at the Credit Agreement's maturity. This Mortgage shall not constitute payment of these amounts. The rights provided for in this paragraph shall be in addition to any other rights or remedies to which Lender may be entitled on account of the default. Any such action by Lender shall not be construed as curbing the effect 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 is a duly qualified and legally competent person according to the Property in fee simple, free and clear of all liens and encumbrances, and that the use set forth in the Real Property description or in the Existing Indebtedness section below is an actual use since purchase, the report, or final title opinion issued in favor of Lender by Lender's consultant; (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 all 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, and that Grantor will continue to do so.

EXISTING INDEBTEDNESS. The following provisions relating to Existing Indebtedness (the "Existing Indebtedness") are a part of this Mortgage.

Existing Lien. This Mortgage securing the Indebtedness may be a secondary and inferior to an existing lien. Grantor's present covenants and agreements to pay, or seek to the payment of, the Existing Indebtedness shall not constitute a default on such indebtedness, nor any default under the instruments evidencing such indebtedness, nor any default under any security agreements with 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 advance on 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 in eminent domain proceedings or by any proceeding which has a lien of condemnation, and if any award or compensation require that all or any portion of the net proceeds of the award be applied to the repair or restoration of the Property. The net proceeds of the award shall first be applied to the payment of all reasonable costs, expenses, and attorney's 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

FULL PERFORMANCE. If Grantor pays all the indebtedness when due, terminates the credit line account, and otherwise performs all the obligations imposed under this Mortgage, Lender shall execute and deliver to Grantor a suitable satisfaction of this Mortgage, and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Real Property. Grantor will pay, if permitted by applicable law, any reasonable termination fee as determined by Lender from time to time. If, however, payment is made by Grantor, whether voluntarily or otherwise, or by guarantor or by any third party, on the indebtedness and thereafter Lender is forced to remit the amount of that payment (a) to Grantor's trustee in bankruptcy or to any similar 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 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 cancellation 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 had not been originally received by Lender, and Lender shall be bound by any judgment, decree, order, settlement or compromise relating to the indebtedness of 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 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.

Further Assurances. At any time and from time to time, upon request by Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, by Lender or Lender's designee, and when requested by Lender, cause to be filed, recorded, re-recorded, 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, confirm, or preserve (a) the obligations of Grantor under the Credit Agreement, 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. The following provisions relating to further assurances and

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

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 Property and Personal Property. In addition to recording this Mortgage in the real property records, Lender may, at any time and without limitation from Grantor, the executor, administrator, trustee, or other person, make copies or reproductions of the Mortgage as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Lender 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.

Security Agreement. This instrument shall constitute a security agreement to the extent any of the Property constitutes fixtures or other personal property, whether or not the Property is a part of a secured party under the Uniform Commercial Code as amended from time to time.

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

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 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.

Taxes. The following shall constitute taxes for which the secured party shall apply for a specific tax upon this type of Mortgage or upon all or any part of the indebtedness secured by this type of Mortgage: (a) a specific tax on the type of Mortgage or upon all or any part of the indebtedness secured by this type of 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 grantor or the holder of the Credit Agreement; and (d) a specific tax on all or any part of the indebtedness or on payments of principal and interest made by Grantor.

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 re-recording this Mortgage.

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 the credit line account; (b) Grantor fails to meet the repayment terms of the credit line account; (c) Grantor's action or inaction adversely affects 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 with notice to Grantor to declare the entire Indebtedness immediately due and payable, including any repayment 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 put into 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, pending foreclosure, and to collect the Rents from the Property and apply the proceeds therefrom and all of the cost of the foreclosure against the Indebtedness. The mortgagee in possession or receiver may serve without bond as permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the present 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 for the loss of 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 available at law or in equity.

Sale of the Property. To the extent permitted by applicable law, Lender waives any and all right to have the property marketed. In exercising its rights and remedies, Lender shall be free to sell all or any part of the Property together or separately, and the sale of any separate part shall be entitled to bid at any public sale on all or a 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 transfer or 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 to enforce any of the terms of this Mortgage, or is compelled to do so or such suit is brought against Lender, then a reasonable amount of attorneys' fees and litigation costs shall be payable by Grantor. Whether or not any court action is brought, 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 repayment of 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), appraisals 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.

Time is of the Essence. Time is of the essence in the performance of this Mortgage. 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. 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 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 to subsequent instances where such consent is required.

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, or foreclosure or expiration of this Mortgage, the obligations of this Mortgage and the indebtedness by way of foreclosure or expiration of this Mortgage shall remain in full force and effect. The obligations of this Mortgage shall remain valid and enforceable.

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 deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision shall be unenforceable as to any other persons or circumstances, it shall be stricken and all other provisions of this Mortgage in all other respects shall remain valid and enforceable.

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.

Merger. There shall be no merger of the interest or creation of a trust or other interest in the property by this Mortgage with any other interest or estate in the property, if any, held by or for the benefit of the Lender, without the written consent of Lender.

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.

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:

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 (unless otherwise required by law), and shall be effective when actually delivered or when deposited with a nationally recognized overnight courier, or, if mailed, shall be deemed effective when deposited in the United States mail first class, certified or registered mail, postage prepaid, directed to the addresses shown near the beginning of this Mortgage. Any party may change its address for notices under this Mortgage by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. All copies of notices or foreclosure from the beginning of this Mortgage shall be sent to Lender's address, as shown near the beginning of this Mortgage. For notice purposes, Lender's address is the address shown near the beginning of this Mortgage. For notice purposes, Lender's address is the address shown near the beginning of this Mortgage.

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MORTGAGE
(Continued)

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

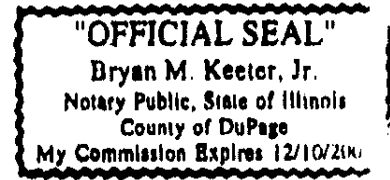
GRANTOR:

X Chris Delgado
CHRIS DELGADO

X Alicia Delgado
ALICIA DELGADO

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Illinois)
) SS
COUNTY OF DuPage)



On this day before me, the undersigned Notary Public, personally appeared CHRIS DELGADO and ALICIA DELGADO, 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 27th day of June, 19 98.

By Bryan M. Keeter, Jr. Residing at 545 S. Roselle Rd. Schaumburg, IL 60193

Notary Public in and for the State of Illinois

My commission expires 12/10/2001

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