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89-601202

REVOLVING CREDIT MORTGAGE

3 Scarborough on Oxford
Rolling Meadows, Illinois

37827851

THIS MORTGAGE is dated as of April 13, 19 89, and is between Edward B. Fogtmann and Jean L. Fogtmann, his wife (Mortgagor) and the NBD Park Ridge Bank (Mortgagee).

WITNESSETH:

Mortgagor has executed a Revolving Credit Note dated the same date as this Mortgage payable to the order of Mortgagee (the "Note"), in the principal amount of $ 80,000.00 (the "Line of Credit"). Payments of accrued interest on the Note shall be due and payable commencing May 20, 19 89, and continuing on the same day of each month thereafter, and the entire unpaid balance of principal and interest shall be due and payable on April 20, 19 94. Interest on the Note shall be calculated on the daily unpaid principal balance of the Note at the per annum rate equal to one (1.00) percent per annum in excess of the Variable Rate Index. As used in the Note and this Mortgage, "Variable Rate Index" will be the rate of interest, or the higher rate if more than one, published in The Wall Street Journal in the "Money Rates" column as the "Prime Rate" on the last business day of each month for the preceding business day. As used in the Note and this Mortgage "business day" means any day other than a Saturday or Sunday or general legal holiday on which The Wall Street Journal is not published. Any change in the Variable Rate Index which results in the Variable Rate Index being more or less than it was on the first day of the billing cycle will become effective on the first day of the next billing cycle after the date of change in the Variable Rate Index. Any change in the Variable Rate Index which results in the Variable Rate Index being less on the last business day of the month than it was on the first day of the billing cycle will become effective on the first day of the billing cycle during which the change in the Variable Rate Index occurred. The Variable Rate Index may fluctuate under the Note from month to month without notice by the Bank to the undersigned. Any change in the Variable Rate Index will be applicable to all the outstanding indebtedness under the Note, whether then any past or future principal advances thereunder. In the event The Wall Street Journal discontinues the publication of the "Prime Rate" in the "Money Rates" column, the Variable Rate Index shall be the interest rate published in the Federal Reserve Statistical Release H.15 for the last business day of each month. Interest after Default (defined below), or maturity of the Note, whether by acceleration or otherwise, shall be calculated at the per annum rate equal to two (2.00) per cent per annum in excess of the Variable Rate Index. Mortgagor has the right to prepay all or any part of the principal balance of the Note at any time, without penalty. The maximum per annum rate of interest on the note will not exceed 13.10%.

To secure payment of the indebtedness evidenced by the Note and all liabilities (defined below), including any and all future advances of the Bank, Mortgagor does by these presents CONVEY, WARRANT and MORTGAGE unto Mortgagee, all of Mortgagor's estate, right, title and interest in the real estate situated, lying and being in the County of Cook and State of Illinois, legally described as follows: Lot Fifty Six (56) in Plum Grove Village, being a Subdivision of part of Section 26, Township 42 North, Range 10, East of the Third Principal Meridian, and a Resubdivision of part of Plum Grove Countryside Units No. 2 and 3, all in Section 26, Township 42 North, Range 10, East of the Third Principal Meridian, according to Plat of said Plum Grove Village registered in the Office of the Registrar of Titles of Cook County, Illinois, on March 26, 1965, as Document Number 2211383. P.I.N. 02-26-312-058

which is referred to herein as the "Premises", together with all improvements, buildings, tenements, hereditaments, appurtenances, gas, oil, minerals, easements located on, over or under the Premises, and all trees and kinds of fixtures, including without limitation, all of the foregoing now used to supply heat, gas, air conditioning, water, light, power, refrigeration or ventilation (whether single units or centrally controlled) and all screens, storm doors, storm windows, floor coverings, awnings, stoves and water heaters, whether now on or in the Premises or hereafter installed, less all prior liens on or in the Premises. Nonpurchase money security interests and liens and repossessed goods are excluded from the security interest and lien granted herein. The foregoing shall and shall be deemed a part of the Premises and a portion of the security for the Liabilities.

This Note evidences a "revolving credit" as defined in Illinois Revised Statutes, Chapter 17, Paragraph 6403. The term of this Mortgage and the payment of all existing indebtedness and future advances and all such future advances made after the date of any cancellation of this Mortgage, without regard to whether prior to any advance made at the time this Mortgage is cancelled and indebtedness to the Bank shall be any indebtedness outstanding at the time any advance is made.

Further, Mortgagor does hereby pledge and assign to Mortgagee, all leases, written or verbal, rents, issues and profits of the Premises, including without limitation, all rents, issues, profits, revenues, royalties, bonuses, rights and benefits due, payable or accruing, and all rights and claims to which Mortgagor is or shall be entitled under any and all present and future leases of the Premises, together with all rights, but not the obligations, to collect, receive, demand, sue for and recover the same when due or payable. Mortgagee by its acceptance of this Mortgage, agrees, as a personal covenant, against Mortgagee only, that so long as no Default (as defined herein) and no event which with notice or lapse of time or both would constitute a Default shall exist or an event shall occur which under the terms hereof shall give to Mortgagee the right to foreclose this Mortgage, Mortgagor may collect, receive and enjoy such rents.

Further, Mortgagor does hereby expressly waive and release all rights and benefits under and by virtue of the homestead exemption laws of the State of Illinois.

This is a Second Mortgage

Further, Mortgagor covenants and agrees as follows:

(a) Mortgagor shall (a) promptly repair, restore or rebuild any buildings or improvements now or hereafter on the Premises which may become damaged or be destroyed; (b) keep the Premises in good condition and repair, without waste, and, except for the prior security interest, free from any mechanic's, materialmen's, mechanics' liens or claims for lien; (c) pay when due any indebtedness which may be secured by a lien or charge on the Premises, and upon request exhibit satisfactory evidence of the discharge of such lien or charge to Mortgagee; (d) complete all buildings now or at any time in process of construction upon the Premises; (e) comply with all requirements of all laws or municipal ordinances with respect to the Premises and the use of the Premises; (f) make no material alterations in the Premises, except as required by law or municipal ordinance, unless such alterations have been previously approved in writing by Mortgagee; (g) refrain from impairing or diminishing the value of the Premises.

THE UNDERSIGNED AGREES TO THE TERMS OF THIS NOTE SET FORTH ABOVE AND TO THE ADDITIONAL TERMS AND PROVISIONS SET FORTH ON THE REVERSE SIDE OF THIS DOCUMENT, WHICH ARE INCORPORATED BY REFERENCE HEREIN.

WITNESS the hand S and seal S of Mortgagor the day and year first above.

Edward B. Fogtmann
Jean L. Fogtmann

STATE OF ILLINOIS
COUNTY OF Cook } SS

Susan L. Hestad, a Notary Public in and for said County and State, do hereby certify that Edward B. Fogtmann and Jean L. Fogtmann, his wife personally known to me to be the same persons whose name(s) are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and notarial seal this day of

SUSAN L. HESTAD
My Commission Expires 5/14/89

STATE OF ILLINOIS
COUNTY OF } SS

I, a Notary Public in and for the County and State aforesaid, do hereby certify that and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and notarial seal this day of

THIS INSTRUMENT WAS PREPARED BY
NBD PARK RIDGE BANK
PARK RIDGE, ILLINOIS

NBD PARK RIDGE BANK
ONE N. NORTHWEST HIGHWAY
PARK RIDGE, ILLINOIS 60068

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Mortgagor shall pay, when due and before any penalty attaches, all general taxes, special taxes, special assessments, water taxes or charges, drainage taxes or charges, sewer service taxes or charges, and other taxes, assessments or charges against the Premises. Mortgagor shall, upon written request, furnish to Mortgagee official receipts evidencing such taxes, assessments and charges. To prevent Default hereunder Mortgagor shall pay in full under protest, in the manner provided by statute, any tax, assessment or charge which Mortgagor may desire to contest prior to such tax, assessment or charge becoming delinquent.

5. Upon the request of Mortgagee, Mortgagor shall deliver to Mortgagee all original leases of all or any portion of the Premises, together with assignments of such leases, in form and substance satisfactory to Mortgagee, which assignments shall be in form and substance satisfactory to Mortgagee, but shall not, without Mortgagee's prior written consent, collect, receive, permit or accept any prepayment, discharge or compromise of any rent or leases any rent from any obligation, at any time while the indebtedness secured hereby remains unpaid.

6. Any award of damages resulting from condemnation proceedings or the exercise of the power of eminent domain, or the taking of the Premises for public use is hereby transferred, assigned and will be paid to Mortgagee; such award or any part thereof may be applied by Mortgagee, after the payment of all of Mortgagee's expenses, including costs and attorneys' and paralegals' fees, to the reduction of the indebtedness secured hereby and Mortgagee is hereby authorized, on behalf and in the name of Mortgagor, to execute and deliver valid acquittances and to appeal from any such award.

7. No remedy or right of Mortgagee hereunder shall be exclusive. Each right or remedy of Mortgagee with respect to the Liabilities, this Mortgage or the Premises shall be in addition to every other remedy or right now or hereafter existing at law or in equity. No delay by Mortgagee in exercising, or omitting to exercise, any remedy or right accruing on Default shall impair any such remedy or right, or shall be construed to be a waiver of any such Default, or acquiescence therein, or shall affect any subsequent Default of the same or a different nature. Every such remedy or right may be exercised concurrently or independently, and shall and as often as may be deemed expedient by Mortgagee.

8. Mortgagor shall keep the Premises and all buildings and improvements now or hereafter situated on the Premises insured against loss or damage by fire, lightning, windstorm, explosion, vandalism and malicious damage and such other hazards as may from time to time be designated by Mortgagee. Mortgagor shall keep all buildings and improvements now or hereafter situated on the Premises insured against loss or damage by flood, if the Premises is located in a flood hazard zone. Each insurance policy shall be for an amount sufficient to pay in full the cost of replacing or repairing the buildings and improvements on the Premises and, in no event less than the principal amount of the Note. Mortgagor shall obtain liability insurance with respect to the Premises in an amount within acceptable to Mortgagee. All policies shall be issued by companies selected by Mortgagee. Each insurance policy shall be payable in the event of loss or damage, to Mortgagee. Each insurance policy shall contain a lender's loss payable clause or endorsement, in form and substance satisfactory to Mortgagee. Mortgagor shall deliver all insurance policies, including additional and renewal policies, to Mortgagee. In case of insurance about to expire, Mortgagor shall deliver to Mortgagee renewal policies not less than ten days prior to the respective dates of expiration. Each insurance policy shall not be cancellable by the insurance company without at least 30 days prior written notice to Mortgagee.

9. Upon Default by Mortgagor hereunder, Mortgagee may, but need not, make any payment or perform any act required of Mortgagor hereunder in any form and manner deemed expedient by Mortgagee, and Mortgagee may, but need not, make full or partial payments of principal or interest on any prior encumbrances, liens or security interests affecting the Premises and Mortgagee may purchase, discharge, compromise or settle any tax lien or other lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting the Premises or compromise any tax or assessment. All moneys paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' and paralegals' fees, and any other funds advanced by Mortgagee to protect the Premises and the lien hereof, plus reasonable compensation to Mortgagee for each matter concerning which action herein authorized may be taken, shall be an indebtedness secured hereby and, shall become immediately due and payable without notice and with interest thereon at a per annum rate equivalent to the post maturity rate set forth in the Note. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to Mortgagee on account of any Default hereunder on the part of Mortgagor.

10. If Mortgagee makes any payment authorized by this Mortgage relating to taxes, assessments, charges, liens, security interests or encumbrances, Mortgagee may rely on any bill, statement or estimate received from the appropriate party claiming such lien or encumbrance or validity of such bill, statement or estimate as to the validity of the lien, encumbrance, security interest, tax, assessment, sale, forfeiture, tax lien or title or claim thereof.

11. Upon Default by the Mortgagor, the Note and/or any other Liabilities shall become immediately due and payable and Mortgagor shall pay all expenses of Mortgagee including attorneys' and paralegals' fees and expenses incurred in connection with this Mortgage and all expenses incurred in the enforcement of Mortgagee's rights in the Premises and other costs incurred in connection with the disposition of the Premises. The term "Default" when used in this Mortgage has the same meaning as defined in the Note and includes the failure of the Mortgagor to completely cure any Cause for Default and to deliver to the Mortgagee within notice of the complete cure of the Cause for Default within ten (10) days after the Mortgagee mails written notice to the Mortgagor that a Cause for Default has occurred and is existing. Default under the Note shall be Default under this Mortgage. The term "Cause for Default" as used in this paragraph means any one or more of the events, conditions or acts defined as a "Cause for Default" in the Note, including but not limited to the failure of Mortgagor to pay the Liabilities in accordance with the terms of the Note or Mortgagor to comply with or to perform in accordance with any representation, warranty, term, provision, condition, covenant or agreement contained in this Mortgage, the Note or any instrument, agreement or writing securing any Liabilities.

12. Notwithstanding any other provisions of this Mortgage, no sale, lease, mortgage, trust deed, grant by Mortgagor of an encumbrance of any kind, contract to sell, agreement to convey, contract to lease, or transfer of the Premises or any part thereof, or sale or transfer of ownership of any beneficial interest or power of direction in a land trust which owns title to the Premises, will be made without the prior written consent of Mortgagee.

13. "Liabilities" means any and all liabilities, obligations and undertakings of Mortgagor or any other maker of the Note to Mortgagee for payment of any and all amounts due under the Note or this Mortgage, whether now or hereafter arising or owing, due or payable, howsoever created, arising or evidenced, whether or not due or payable, whether direct or indirect, absolute or contingent, primary or secondary, joint or several, whether existing by agreement or by operation of law, together with attorneys' and paralegals' fees relating to the Mortgagee's rights, remedies and security interests hereunder, including without limitation, all other documents or instruments for the Mortgagee at any time. Notwithstanding the foregoing or any provisions of the Note, the Liabilities secured by this Mortgage shall not exceed the principal amount of the Note, plus interest thereon, and disbursements made for the payment of taxes, special assessments, or insurance on the property subject to the Mortgage, with interest on such disbursements as shall be permitted by law, disbursements made by Mortgagee in accordance herewith and attorneys' fees, costs and expenses relating to the enforcement or attempted enforcement of the Note and this Mortgage, plus interest as provided herein.

14. When the Liabilities secured hereby shall become due whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien of this Mortgage. In any suit to foreclose the lien of this Mortgage, there shall be allowed and included as additional indebtedness in the judgment of foreclosure all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee, attorneys' and paralegals' fees, appraiser's fees, outlays for documentary and expert evidence, stenographer's charges, publication costs and costs of procuring all abstracts of title, title searches and examinations, title insurance policies, Torrens certificates, tax and lien searches, and similar data and assurances with respect to title as Mortgagee may deem to be reasonable necessary either to prosecute the foreclosure suit or to sell the Premises at any foreclosure sale. All of the foregoing items, which may be expended after entry of the foreclosure judgment, may be estimated by Mortgagee. All expenditures and expenses mentioned in this paragraph, when incurred or paid by Mortgagee, shall become additional indebtedness secured hereby and, all immediately due and payable, with interest thereon, at a rate equivalent to the post maturity interest rate set forth in the Note. This paragraph shall also apply to any expenditure or expenses incurred or paid by Mortgagee or on behalf of Mortgagee in connection with (a) any proceeding, including without limitation probate and bankruptcy proceedings, to which Mortgagee shall be a party, either as plaintiff, claimant or defendant, by reason of this Mortgage or any indebtedness secured hereby; or (b) any preparation for the commencement of any suit for the foreclosure hereof after accrual of the right to foreclose whether or not actually commenced, or preparation for the commencement of any suit to collect upon or enforce the provisions of the Note or any instrument secured by this Mortgage after Default, whether or not actually commenced; or (c) any preparation for the defense of any threatened suit or proceeding which might affect the Premises or the security hereof, whether or not actually commenced.

15. The proceeds of any foreclosure sale of the Premises shall be distributed and applied in the following order of priority: first, on account 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 of this Mortgage constitute indebtedness secured by this Mortgage additional to that evidenced by the Note, with interest thereon, as herein provided; third, all principal and interest remaining unpaid on the Note in the manner provided in the Note; fourth, any surplus to Mortgagor, or to such party as is entitled to it.

16. Upon or at any time after the filing of a complaint to foreclose this Mortgage, the court in which such suit is filed may appoint a receiver of the Premises. The receiver's appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of Mortgagor at the time of application for the receiver and without regard to the value of the Premises or whether the Premises shall be then occupied as a homestead or not. Mortgagee may be appointed as such receiver. Such receiver shall have power to collect the rents, issues and profits of the Premises during the pendency of such foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, if any, whether there be redemption or not, as well as during any further times when Mortgagor, except for the intervention of the receiver, would be entitled to collect the rents, issues and profits. Such receiver shall also have all other powers and rights permitted by law and usual to the protection, possession, control, management and operation of the Premises. The court in which such foreclosure suit is filed may authorize the receiver to apply the net income in his hands in payment in whole or in part of: (a) 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; (b) the deficiency in case of a sale and deficiency.

17. No [illegible] shall be construed to be a waiver of any Default by Mortgagee shall extend to or affect any subsequent Default or shall impair any rights resulting from such Default.

18. Any defense which Mortgagor may have to any action by Mortgagee shall not be good and available to the party interposing the same in an action at law upon the Note.

19. Mortgagee and its agents shall have the right to inspect the Premises at all reasonable times and access thereto shall be permitted for that purpose.

20. Mortgagee is hereby authorized to make from time to time, any amendments to this Mortgage, and to release the lien of this Mortgage, in whole or in part, without notice to any party, which may be required by a lender making a loan secured by this Mortgage, or any agreement with such lender, or which Mortgagee shall deem desirable for the purpose of conforming this Mortgage to the requirements of such lender or any agreement with such lender, or which Mortgagee shall deem desirable for the protection of the security hereof, or which Mortgagee shall deem desirable for any other reason, including recording fees and otherwise, to release the lien of this Mortgage, in whole or in part, when Mortgagee has received payment in full of all Liabilities secured by this Mortgage.

21. This Mortgage and all provisions hereof, shall extend to and be binding upon Mortgagor and all persons or parties claiming by, under or through Mortgagor. The word "Mortgagor" when used herein shall include all persons or parties liable for the payment of the indebtedness secured hereby or any part thereof, whether or not such persons or parties shall have assumed the Note or this Mortgage. Each Mortgagor shall be jointly and severally obligated hereunder. The singular shall include the plural and the plural shall include the singular and the use of any gender shall be applicable to all genders. The word "Mortgagee" includes successors and assigns of Mortgagee.

22. This Mortgage has been duly executed and delivered to Mortgagee in [illegible] and shall be construed in accordance with the laws of the State of Illinois. Whenever possible, each provision of this Mortgage shall be interpreted in such manner as to be effective and valid under applicable law. If any provision of this Mortgage is prohibited by or determined to be invalid under applicable law, such provisions shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Mortgage.

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