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THIS INSTRUMENT PREPARED BY:



Cornelius P. Brown
Cohon, Raizes & Regal
Suite 1860
208 South LaSalle Street
Chicago, Illinois 60604

AFTER RECORDING, MAIL TO:

Linda Jorn
American Chartered Bank
459 S. Rand Rd.
Lake Zurich, Illinois 60047

MORTGAGE AND SECURITY AGREEMENT

Rjm
THIS MORTGAGE AND SECURITY AGREEMENT (hereinafter referred to as this "Mortgage") is made as of ^{Aug} ~~July~~ 4, 2000, from RITA J. MILLER, as trustee under trust agreement dated August 29, 1988, with a mailing address at 724 East Maude Street, Arlington Heights, Illinois 60004, (hereinafter referred to as a "Mortgagor") to AMERICAN CHARTERED BANK (the "Mortgagee"), an Illinois banking corporation with a mailing address at 1199 East Higgins Road, Schaumburg, Illinois 60173 (the "Mortgagee");

WHEREAS, Mortgagor is justly and truly indebted to Mortgagee in the principal sum of ONE HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$150,000.00) evidenced by a certain revolving line of credit loan in the principal sum of \$150,000.00 extended by Mortgagee to Mortgagor, evidenced by Mortgagor's revolving note of even date herewith in the principal sum of ONE HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$150,000.00) (the "Note"), payable to the order of Mortgagee and due on or before July 1, 2005, plus interest payable monthly on the unpaid principal balances outstanding from time to time, calculated at the applicable variable rate per annum set forth in the Note; and

WHEREAS, as a condition precedent to the Mortgagee's extension of all of the above-described loan to Mortgagor, the Mortgagee requires that this Mortgage secure the payment of all such loans, and such other indebtedness hereinbelow recited;

NOW, THEREFORE, in consideration of the premises, and to secure (a) the punctual and full payment of the indebtedness evidenced by the Note (including all advances now or hereafter made thereunder), with interest, when the same becomes due and payable (whether by lapse of time, acceleration or otherwise), and all renewals, extensions, modifications, amendments, refinancings, conversions, and consolidations thereof; (b) the punctual and full payment of all indebtedness and amounts due from Mortgagor to Mortgagee of any and every

BOX 333-CTI

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kind and nature, whether heretofore, now or hereafter owing, arising, due or payable and howsoever evidenced, created, incurred, acquired or owing, whether primary or secondary, direct, contingent, fixed or otherwise (including obligations of performance) and whether arising or existing under the Note, the Loan Agreement (as defined in the Note), by operation of law or otherwise; (c) the payment of all other indebtedness, obligations and liabilities which this Mortgage secures pursuant to any of its terms, including, without limitation, all expenses and charges, legal or otherwise, including reasonable attorneys' fees, paid or incurred by the Mortgagee in realizing upon or protecting this Mortgage or the indebtedness secured hereby; and (d) the performance of Mortgagor's covenants and, agreements under this Mortgage and all other loan documents and instruments executed by Mortgagor in connection herewith, Mortgagor does hereby GRANT, MORTGAGE, CONVEY AND ASSIGN to Mortgagee, its successors and assigns, the real estate described in **Exhibit A** attached hereto and incorporated herein by reference, being situated in the County of Cook, State of Illinois;

TOGETHER WITH (1) all buildings, improvements, fixtures, appurtenances, easements and hereditaments thereto belonging; and together with all equipment and machinery now or hereafter therein or thereon used to supply heat, gas, air conditioning, electrical, sprinkler systems, plumbing, water, light, power, refrigeration and ventilation; elevators, escalators, communication and electronic monitoring equipment, tanks, pumps and together with any other fixtures, equipment, machinery or other personal property now or hereafter placed on the above described property which shall be employed in connection with the operation, use, occupancy or enjoyment thereof; (2) all right, title and interest of Mortgagor, including any after-acquired title or reversion, in and to the rights-of-way, roads, streets, avenues and alleys adjoining the Mortgaged Premises; (3) all rents, issues, proceeds and profits accruing and to accrue from the Mortgaged Premises and all right, title and interest of Mortgagor in and to any and all leases approved by Mortgagee now or hereafter on or affecting the Mortgaged Premises (as hereafter defined) or any portion thereof, whether written or oral, and all other leases and agreements for the use thereof, and all renewals, extensions and substitutions thereof (all of the foregoing collectively, the "Leases"), together with all security therefor and all monies payable thereunder, subject, however, to the conditional permission of Mortgagee given to Mortgagor to collect the rentals to be paid pursuant thereto, provided Mortgagor shall not be in default hereunder; and (4) all proceeds heretofore or hereafter payable to Mortgagor by reason of loss or damage by fire and such other hazards, casualties and contingencies insured pursuant to the insurance policies hereinafter described and awards and other compensation heretofore or hereafter payable to Mortgagor for any taking by condemnation or eminent domain proceedings of all or any part of the Mortgaged Premises (as hereafter defined) or any easement or appurtenance thereof, including severance and consequential damage (said real estate and all of the above collectively referred to herein as the "Mortgaged Premises");

TO HAVE AND TO HOLD the Mortgaged Premises unto Mortgagee, its successors and assigns forever, provided, however, that if and when all principal and accrued interest on the Note and all other indebtedness and obligations hereby secured shall be paid in full, and Mortgagor shall perform all of the terms, covenants and agreements contained herein, then this Mortgage shall be released upon the written request and expense of Mortgagor.

Mortgagor covenants that Mortgagor is lawfully seized of the real estate hereby conveyed and has the right to mortgage, grant and convey the Mortgaged Premises; that the Mortgaged Premises are unencumbered except for a mortgage dated December 16, 1997, and recorded January 21, 1998, as document no. 98052379 to First of America Mortgage Co. which mortgage does not and will not have a principal balance in excess of \$92,600.00 (the "American Mortgage") and that Mortgagor will warrant and defend generally the title to the Mortgaged Premises against all claims and demands, subject to any declarations, easements and restrictions of record existing on the date hereof, approved by Mortgagee. As provided in Section 10 hereinbelow, the total amount of indebtedness secured by this Mortgage may increase or decrease from time to time, but the total unpaid balance so secured at any one time shall not exceed a maximum principal amount of One Hundred and Fifty Thousand Dollars and No/100s (\$150,000.00), plus interest thereon, and any disbursements made by Mortgagee for the payment of taxes, special assessments, or insurance on the Mortgaged Premises, or to protect the Mortgaged Premises, or the lien of this Mortgage, with interest on all such disbursements calculated at the default rate set forth in the Note ("Default Rate"), and all costs of collection and of foreclosing this Mortgage, including reasonable attorneys' fees.

MORTGAGOR HEREBY FURTHER COVENANTS TO MORTGAGEE AND AGREES AS FOLLOWS:

1. Mortgagor hereby agrees: (a) to pay when due all indebtedness secured by this Mortgage, all interest thereon and all other indebtedness, obligations and liabilities which this Mortgage secures; (b) not to commit or permit to exist any waste of the Mortgaged Premises, or any portion thereof (non-payment of taxes or cancellation of insurance shall each constitute waste) and to keep the Mortgaged Premises in good condition and repair; (c) to keep the Mortgaged Premises free of any mortgage, trust deed, assignment of leases and rentals, security agreement, mechanic's lien, or other lien or encumbrance (except this Mortgage, and other mortgages in favor of Mortgagee and the American Mortgage); (d) not to suffer or permit unlawful use or any nuisance to exist upon the Mortgaged Premises or any portion thereof; (e) not to remove or demolish any part of the improvements of a structural nature which would adversely affect the value of the Mortgaged Premises or any portion thereof; (f) not to abandon the Mortgaged Premises or any portion thereof; (g) to pay when due any indebtedness or liability which may be secured by a mortgage, lien, other encumbrance or charge on all or any part of the Mortgaged Premises equal or senior in priority to this Mortgage; (h) to complete within a reasonable time any buildings or improvements now or at any time in the process of erection upon the Mortgaged Premises; (i) immediately after destruction or damage to all or any part of the Mortgaged Premises to commence and promptly complete the rebuilding or restoration of buildings, improvements and all other property now or hereafter on the Mortgaged Premises unless Mortgagee elects to apply the proceeds of insurance to the indebtedness secured by this Mortgage as hereinafter provided; (j) to comply with all laws, regulations, rulings, ordinances, orders and all other requirements imposed by any governmental or other competent authority and with all restrictions, covenants and conditions relating to the Mortgaged Premises or to the use of thereof; (k) to keep and maintain such books and records as required by Mortgagee and to permit Mortgagee reasonable access to and the rights of inspection of such books and records; (l) that no

construction exceeding \$25,000.00 in cost shall hereafter be commenced upon the Mortgaged Premises unless the plans and specifications for such construction have been submitted to and approved in writing by Mortgagee to the end that such construction shall not, in the reasonable judgment of the Mortgagee entail prejudice of the loans evidenced by the Note and this Mortgage; and (m) that if the Mortgaged Premises (or any portion thereof) are now or hereafter located in an area which has been designated as a flood risk area by the Director of the Federal Emergency Management Agency or as otherwise required by the Flood Disaster Protection Act of 1973 (as amended from time to time) and regulations issued under it (collectively, the "Act"), the Mortgagor will keep the Mortgaged Premises (or such portion) covered for the duration of the loans evidenced by the Note by flood insurance up to the maximum limit of coverage available under the Act.

2. Mortgagor shall keep the Mortgaged Premises continuously insured for the benefit of Mortgagee, until the indebtedness secured hereby shall be paid in full and discharged, against fire and such other hazards and risks customarily covered by the standard form of extended coverage endorsement available in the State of Illinois, including risks of lightning, windstorm, malicious mischief, vandalism and other extended coverage hazards, for full replacement value, and such other appropriate insurance as the Mortgagee may require from time to time. All insurance policies and renewals must be acceptable to Mortgagee, must provide for payment to the Mortgagee in the event of loss, must require thirty (30) days' notice to the Mortgagee in the event of nonrenewal or cancellation, must be written by insurers acceptable to Mortgagee and have such monetary limits as Mortgagee shall require, and must be delivered to the Mortgagee. Should the Mortgagor fail to insure or fail to pay the premiums on any insurance or fail to deliver the policies or certificates or renewals to the Mortgagee, then the Mortgagee at its option may have the insurance written or renewed and pay the premiums for the account of Mortgagor. In the event of loss or damage, the proceeds of the insurance shall be paid to the Mortgagee alone. No loss or damage shall itself reduce the indebtedness secured hereby. All casualty policies shall contain a standard mortgagee clause naming Mortgagee as "Mortgagee and Loss Payee" and a Lender's loss payable endorsement in favor of Mortgagee. Mortgagor shall also provide a Comprehensive General Liability Policy naming Mortgagee as an "Additional Insured", written by an insurer acceptable to Mortgagee and having such monetary limits as Mortgagee shall require.

3. In the event of any loss or damage sustained by casualty for which insurance policies are in effect, the Mortgagee is authorized to adjust, compromise and collect all claims thereunder without the consent of the Mortgagor and to execute and deliver on behalf of Mortgagor all necessary proofs of loss, receipts, vouchers, releases and such other documents as shall be required by the insurers to be executed. At the election of Mortgagee, the proceeds of any insurance may be applied to the reduction of the indebtedness secured by this Mortgage, whether or not then due, or may be applied to the cost of building or restoring of buildings and improvements on the Mortgaged Premises, or may be applied to both purposes in such proportion as the Mortgagee shall determine. That part of the Mortgaged Premises so damaged or destroyed shall be repaired or rebuilt, in accordance with plans and specifications therefor submitted to and approved by Mortgagee (which approval shall not be unreasonably withheld or delayed) and all life, safety and environmental regulations, laws, ordinances (including zoning), rules and regula-

tions of governmental authorities having jurisdiction thereover, so as to be as similar, as is reasonably possible, to the condition which existed prior to such casualty.

4. Mortgagor shall pay all general real estate taxes, special taxes, special assessments, water and sewer charges and all other taxes and charges on the Mortgaged Premises before any charge for nonpayment attaches or accrues, and shall furnish the Mortgagee, upon request, with the original or duplicate receipts therefor. If Mortgagor shall desire to contest any tax or special assessment, to avoid default under this Mortgage, Mortgagor shall pay such tax or assessment in full in the manner provided by law.

5. If any Event of Default shall occur and be continuing, upon written request by Mortgagee, Mortgagor shall pay to Mortgagee, at the time of and in addition to the monthly installments due under the Note, a sum equal to one-twelfth (1/12) of the amount estimated by Mortgagee to be sufficient to enable Mortgagee to pay at least thirty (30) days before they become due and payable, all taxes, assessments and other similar charges levied against the Mortgaged Premises. Mortgagee shall apply the sums received to pay such taxes, assessments and charges. These sums may be commingled with the general funds of Mortgagee, and no interest shall be payable on them nor shall these sums be deemed to be held in trust for the benefit of Mortgagor. Upon notice at any time, the Mortgagor will, within ten (10) days, deposit such additional sums as may be required for the payment of increased taxes, assessments, or charges. In the event of foreclosure of this mortgage, any of the monies then remaining on deposit with Mortgagee or its agent shall be applied against the Note or other indebtedness hereby secured prior to the commencement of foreclosure proceedings. The obligation of the Mortgagor to pay taxes, assessments, or charges is not affected or modified by the arrangements set out in this Section. Any default by Mortgagor in the performance of the provisions of this Section shall constitute a default under this Mortgage.

6. If Mortgagor fail to perform any of their obligations under this Mortgage, or if any action or proceeding is commenced which materially affects Mortgagee's interest in the Mortgaged Premises, or any portion thereof (including, but not limited to, a lien priority dispute, eminent domain, condemnation, code enforcement, insolvency, bankruptcy or probate proceedings), then Mortgagee, at its sole option, may make appearances, disburse sums and take any action it deems necessary to protect its interest (including, but not limited to, the disbursement of reasonable attorneys' fees and paralegals' fees, the entry upon the Mortgaged Premises or any portion thereof) to make repairs, the full or partial payment of principal or interest on prior encumbrances, the payment of delinquent taxes and insurance premiums and the purchase, discharge or settlement of any tax lien or any other prior lien or claim, or the redemption from any tax sale or forfeiture affecting the Mortgaged Premises (or any portion thereof) or the contest of any tax or assessment). All monies paid or incurred by Mortgagee in connection therewith including costs and reasonable attorneys' fees and any other monies advanced by Mortgagee to protect the Mortgaged Premises (or any portion thereof) shall be so much additional indebtedness secured hereby and shall be immediately due and payable by Mortgagor together with interest at the Default Rate.

7. In the event that the Mortgaged Premises or any part thereof is taken by condemnation, Mortgagee is hereby empowered to collect and receive any awards resulting therefrom ("Awards"), which shall, at the election of Mortgagee, be applied to the payment of the Note or any other indebtedness secured hereby, or on account of rebuilding or restoring that part of Mortgaged Premises not so taken or damaged. If Mortgagee elects to permit the use of Awards for rebuilding or restoration of the Mortgaged Premises, the Mortgaged Premises shall be so rebuilt or restored in accordance with plans and specifications therefor submitted to and approved by Mortgagee (which approval shall not be unreasonably withheld or delayed) and applicable laws, so as to be as similar, as is reasonably possible, to the condition which existed prior to condemnation. In the event the Awards are insufficient to pay for all costs of rebuilding or restoration, Mortgagor shall deposit with Mortgagee an amount equal to such excess costs prior to any disbursement.

8. To further secure payment of the Note, all other indebtedness secured hereby and performance of all of the terms, covenants, conditions and agreements contained herein, Mortgagor hereby sells, assigns and transfers to Mortgagee all of Mortgagor's right, title and interest in and to all Leases and rents, issues, proceeds and profits now due and which may hereafter become due pursuant thereto, it being the intention hereby to establish an absolute transfer and assignment thereof to Mortgagee. Mortgagor hereby irrevocably appoints Mortgagee Mortgagor's agent, in Mortgagor's name and stead (with or without taking possession of the Mortgaged Premises), to rent, lease or let all or any part of the Mortgaged Premises to any party or parties, at such rental and upon such terms as Mortgagee shall, in its discretion, determine and to collect all of said avails, rents, issues and profits arising from or accruing at any time hereafter and all presently due or which may hereafter become due pursuant to each and every Lease or any other tenancy existing or which hereafter exists on the Mortgaged Premises, with the same rights and powers and subject to the same rights and powers as Mortgagor would have. If no Event of Default under this Mortgage has occurred, Mortgagor shall have the right to collect all of the rents arising from Leases or renewals thereof. Upon an occurrence of an Event of Default, Mortgagee, at any time or times thereafter, may notify any and all of the tenants of the Leases that the Leases have been assigned to Mortgagee and Mortgagee may direct said tenants thereafter to make all rentals and payments due from tenants under the Leases directly to Mortgagee and shall have the right to enforce the terms of the Leases and obtain payment of and collect the rents, by legal proceedings or otherwise in the name of the Mortgagor. Mortgagor will at all times deliver to the Mortgagee duplicate originals or certified copies of all leases, agreements and documents relating to the Mortgaged Premises and shall permit access by the Mortgagee to their books and records, insurance policies and other papers for examination and making copies and extracts thereof. The Mortgagee, its agents and designees shall have the right to inspect the Mortgaged Premises at all reasonable times and access thereto shall be permitted for that purpose.

9. Prior to execution of this Mortgage, Mortgagor shall obtain and deliver to Mortgagee a commitment for an ALTA Loan Policy issued by Chicago Title Insurance Company in such amount required by Mortgagee. All objections contained in the loan commitment shall be approved by and acceptable to Mortgagee.

10. This Mortgage is given to and shall secure not only existing indebtedness, but also future advances (including, without limitation, all advances now or hereafter made under the Revolving Note which shall constitute "revolving credit" indebtedness under Section 205/4.1 of Chapter 815 of the Illinois Compiled Statutes), and this Mortgage secures all such advances, whether such advances are obligatory or to be made at the option of the Mortgagee, or otherwise, as are made within five (5) years from the date hereof, to the same extent as if future advances were made on the date of the execution of this Mortgage, although there may be no advance made at the time of execution of this Mortgage, and although there may be no indebtedness outstanding at the time any advance is made. The lien of this Mortgage shall be valid as to all such indebtedness and future advances from the time this Mortgage is filed for record in the office of the Recorder of Deeds of the county where the Mortgaged Premises described herein are located. The total amount of indebtedness that may be so secured may increase or decrease from time to time, but the total unpaid balance so secured at anyone time shall not exceed One Hundred and Fifty Thousand Dollars and No/100 (\$150,000.00) of principal, plus interest thereon, and any disbursements by Mortgagee made for the payment of taxes, special assessments or insurance on the Mortgaged Premises, or to protect the Mortgaged Premises or the lien of this Mortgage, with interest on such disbursements, and all costs of collection, including reasonable attorneys' fees.

11. If Mortgagor shall transfer, convey, alienate, pledge, hypothecate or mortgage the Mortgaged Premises or any part thereof, or any beneficiary of Mortgagor shall transfer, convey, alienate, pledge or hypothecate its beneficial interest or shall alter in any way the Trust Agreement under which the Mortgagor holds title, or shall sell, transfer or assign the shares of stock of any corporate owner of the Mortgaged Premises or of any corporation which is the beneficiary of the Mortgagor, Mortgagee, at its option, may accelerate the maturity of the Note and declare it to be due and payable forthwith.

12. This Mortgage shall constitute a security agreement between Mortgagor and Mortgagee with respect to that portion of the Mortgaged Premises constituting property or interests in property, whether real or personal, including any and all sums deposited by Mortgagor and held by Mortgagee which are subject to the priority and perfection provisions of the Illinois Uniform Commercial Code. Therefore, to secure payment of the Note and all other indebtedness and obligations of Mortgagor hereunder, Mortgagor hereby grants to Mortgagee a security interest in the Mortgaged Premises and in all such deposits and agrees that, upon an Event of Default, Mortgagee shall have all of the rights and remedies of a secured party under the Illinois Uniform Commercial Code.

13. Mortgagor shall not and will not apply for or avail themselves of any appraisal, valuation, stay, extension or exemption laws, or any so-called "moratorium laws" now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but do hereby waive the benefit of such laws. **MORTGAGOR EXPRESSLY WAIVES ANY AND ALL RIGHTS OF REDEMPTION UNDER ANY JUDGMENT OR DECREE OF FORECLOSURE OF THIS MORTGAGE, ON MORTGAGOR'S OWN**

BEHALF, ON BEHALF OF THE BENEFICIARIES OF MORTGAGOR, ON BEHALF OF ALL PERSONS CLAIMING OR HAVING AN INTEREST (DIRECT OR INDIRECT) BY, THROUGH OR UNDER MORTGAGOR AND ON BEHALF OF EACH AND EVERY PERSON ACQUIRING ANY INTEREST IN OR TITLE TO THE MORTGAGED PREMISES SUBSEQUENT TO THE DATE HEREOF, IT BEING THE INTENT OF MORTGAGOR HEREBY THAT ANY AND ALL SUCH RIGHTS OF REDEMPTION OF MORTGAGOR AND OF ALL OTHER PERSONS ARE AND SHALL BE DEEMED TO BE HEREBY WAIVED TO THE FULL EXTENT PERMITTED BY APPLICABLE LAWS.

14. The Mortgagor represents and warrants to Mortgagee that Mortgagor has not used Hazardous Substances (as defined hereinafter) on or affecting the Mortgaged Premises (or any portion thereof) in any manner which violates federal, state or local laws, ordinances, statutes, rules, regulations or judgments governing the use, storage, treatment, handling, manufacture, transportation, or disposal of Hazardous Substances ("Environmental Laws"), and that, to the best of Mortgagor's knowledge, no prior owner of the Mortgaged Premises or any current or prior occupant has used Hazardous Substances on or affecting the Mortgaged Premises in any manner which violates Environmental Laws. The Mortgagor covenants and agrees that neither she nor any occupant shall use, introduce or maintain Hazardous Substances on the Mortgaged Premises in any manner unless done in strict compliance with all Environmental Laws.

The Mortgagor shall conduct and complete all investigations, studies, sampling and testing, and all remedial, removal and other actions necessary to clean up and remove all Hazardous Substances on or affecting the Mortgaged Premises, whether caused by the Mortgagor or a third party, in accordance with the orders and directives of all federal, state, and local governmental authorities. Additionally, the Mortgagor shall defend, indemnify and hold harmless the Mortgagee, its employees, agents, officers and directors, from and against any and all claims, demands, penalties, fines, liabilities, settlements, damages, costs or expenses of whatever kind or nature arising out of or related to (1) the presence, disposal, release or threatened release of any Hazardous Substances on, from or affecting the Mortgaged Premises or the soil, water, vegetation, buildings, personal property, persons or animals thereon, (2) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Substances, (3) any lawsuit brought or threatened, settlement reached or governmental order relating to such Hazardous Substances, (4) the cost of removal of all such Hazardous Substances from all or any portions of the Mortgaged Premises, (5) taking necessary precautions to protect against the release of Hazardous Substances on or affecting the Mortgaged Premises, (6) complying with all Environmental Laws and/or (7) any violation of Environmental Laws or requirements of the Mortgagee, which are based upon or in any way related to such Hazardous Substances including, without limitation, attorney's and consultant's fees (said attorneys and consultants to be approved by Mortgagee), investigation and laboratory fees, environmental studies required by the Mortgagee (whether prior to foreclosure or otherwise), and court costs and litigation expenses.

The Mortgagor has never received any notice ("Environmental Complaint") of any violations of Environmental Laws (and, within five [5] days of receipt of any Environmental Complaint the Mortgagor shall give the Mortgagee a copy thereof), and to the best of the Mortgagor's knowledge, there have been no actions commenced or threatened by any party for non-compliance with any Environmental Laws.

In the event this Mortgage is foreclosed or the Mortgagor tenders a deed in lieu of foreclosure, the Mortgagor shall deliver the Mortgaged Premises to the Mortgagee free of any and all Hazardous Substances so that the condition of the Mortgaged Premises shall not be a violation of any Environmental Laws.

Upon ten (10) day's notice to the Mortgagor (except in an emergency), without limiting the Mortgagee's other rights under this Mortgage or elsewhere, the Mortgagee shall have the right, but not the obligation, to enter on the Mortgaged Premises or to take such other actions as it deems appropriate to clean up, remove, resolve or minimize the impact of any Hazardous Material or Environmental Complaint upon the Mortgagee's receipt of any notice from any source asserting the existence of any Hazardous Material or an Environmental Complaint pertaining to the Mortgaged Premises which, if true, could result in an order, suit or other action against the Mortgagor and/or any part of the Mortgaged Premises which, in the sole opinion of the Mortgagee, could jeopardize its security under this Mortgage or any related document. All reasonable costs and expenses incurred by the Mortgagee in the exercise of any such rights shall be secured by this Mortgage and shall be payable by the Mortgagor upon demand, with interest at the highest per annum rate then being charged on any of the Note.

The provisions of this Section 14 shall be in addition to any and all other obligations and liabilities the Mortgagor may have to the Mortgagee at common law or pursuant to any other loan document or instrument evidencing, securing or relating to the Note, and, notwithstanding anything contained herein to the contrary, shall survive (i) the repayment of all sums due under the Note and all other indebtedness secured hereby, (ii) the satisfaction of all of the Mortgagor's other obligations hereunder and under all such other loan documents and instruments, (iii) the discharge of this Mortgage or any other such loan documents and instruments and (iv) the foreclosure of this Mortgage or acceptance of a deed in lieu thereof. "Hazardous Substances" includes, without limitation, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. § 9601, *et seq.*), the Hazardous Materials Transportation Act, as amended (42 U.S.C. § 1801, *et seq.*), the Resource Conservation and Recovery Act of 1976, as amended (42 U.S.C. § 6901, *et seq.*) and in the regulations adopted and publications promulgated pursuant thereto, or any other federal, state or local governmental law, ordinance, rule, or regulation.

This Mortgage shall secure, in addition to all other indebtedness and obligations herein recited, any loss, liability, penalty, damage, expense, or judgment including reasonable attorneys' fees incurred by Mortgagee by reason of any actual or alleged violation of Environmental Laws with respect to the Mortgaged Premises, or any governmental or judicial claim, order, lien, or

judgment with respect to the repair, cleanup or detoxification of any Hazardous Substances at or with respect to the Mortgaged Premises or any adjoining parcels, and the preparation and implementation of any closure, remedial or other required plans (all of the foregoing collectively called "Environmental Costs").

15. Anyone or more of the following shall constitute an event of default ("Event of Default") hereunder: (a) default in the payment, when due, (whether by lapse of time, acceleration or otherwise) of the principal of or interest on the Note or of any other indebtedness hereby secured, and such default shall not be cured within five (5) business days after written notice thereof is sent to Mortgagor; or (b) default for more than twenty (20) days after written notice thereof is sent to Mortgagor in the observance or compliance with any other covenant, warranty, term or provision of this Mortgage or of any other instrument or document securing the Note or relating thereto; or (c) any representation or warranty made by any Mortgagor herein or by any Mortgagor in any separate assignment of leases and/or rents securing the Note or in any other instrument or document securing the Note or relating thereto or in any statement or certificate furnished by it pursuant hereto or thereto proves to be untrue or misleading in any material respect as of the date of issuance or making thereof; or (d) the Mortgaged Premises or any part thereof, or the beneficial interest in the trust estate holding title thereto shall be assigned, sold, transferred or conveyed, whether voluntarily or involuntarily, by operation of law or otherwise; or (e) any indebtedness secured by a lien or charge on the Mortgaged Premises or any part thereof is not paid when due or proceedings are commenced to foreclose or otherwise realize upon any such lien or charge or to have a receiver appointed for the property subject thereto or to place the holder of such indebtedness or its representative in possession thereof; or (f) any Mortgagor becomes insolvent or bankrupt or admits in writing Mortgagor's inability to pay Mortgagor's debts as they mature or makes an assignment for the benefit of creditors or applies for or consents to the appointment of a trustee, custodian or receiver for the major part of Mortgagor's property or such a trustee, custodian or receiver is appointed for any Mortgagor or for the major part of the properties of any of them and is not discharged within thirty (30) days after such appointment, or bankruptcy, reorganization, arrangement, insolvency, readjustment, liquidation, dissolution or other proceedings for relief under any present or future bankruptcy law or laws or other statute, law or regulation for the relief of debtors are instituted by or against any Mortgagor and if instituted against such party are consented to or acquiesced in or are not dismissed within thirty (30) days after such institution, or any Mortgagor takes any action in contemplation of or furtherance of any of the foregoing; or (g) there shall be any execution, attachment or levy on the Mortgaged Premises, or any portion thereof, not stayed or released within thirty (30) days; or (h) any financial or other information submitted by Mortgagor proves untrue in any material respect; or (i) the Mortgaged Premises (or any portion thereof) are abandoned; or (j) Mortgagor shall fail or refuse to pay Environmental Costs as herein defined; or (k) any Hazardous Substances shall be installed, used, generated, manufactured, produced, stored, released, discharged or disposed of on, under or about the Mortgaged Premises or any portion thereof, or transported to or from the Mortgaged Premises, in violation of any Federal, state or local environmental statute, ordinance, rule or regulation; or (l) Mortgagor shall fail or refuse voluntarily to clean up and to bear the cost of cleaning up all Hazardous Substances on, under or about the Mortgaged Premises within sixty (60) days after their discovery, or after receipt from any environmental

agency or any other governmental unit or authority that a violation of any applicable Federal, state or local environmental statute, ordinance, rule or regulation has occurred; or (m) any Mortgagor shall die or become incompetent, or any guarantor shall terminate, revoke, repudiate or disavow any of Mortgagor's obligations under his guarantee agreement executed in connection with any of the loans secured hereby, or any guarantor shall die and a substitute guarantor, acceptable to Mortgagee in its sole discretion, shall not have executed and delivered to Mortgagee a guaranty (in identical form as that executed by the deceased guarantor) within one hundred twenty (120) days after such death; or (n) Mortgagor shall, if applicable, voluntarily or involuntarily dissolve; or (o) an event of default shall occur under that certain Loan and Security Agreement dated the date hereof between Rita J. Miller, individually, Mortgagor and Mortgagee, or any other document or instrument securing the Note, and such default shall not be cured within the applicable grace period, if any; or (p) a default shall occur under any other mortgage or other security document recorded against the Mortgaged Premises (or any portion thereof), and not be cured within any applicable grace period.

16. When any Event of Default has occurred and is continuing (regardless of the pendency of any proceeding which has or might have the effect of preventing Mortgagor from complying with the terms of this instrument and of the adequacy of the security for the Note) and in addition to such other rights as may be available under applicable law, but subject at all times to any mandatory legal requirements: (a) Mortgagee may, by written notice to Mortgagor, declare the Note and all unpaid indebtedness of Mortgagor hereby secured, including any interest then accrued thereon, to be forthwith due and payable, whereupon the same shall become and be forthwith due and payable, without other notice or demand of any kind; (b) Mortgagee shall, with respect to any part of the Mortgaged Premises constituting property of the type in respect of which realization on a lien or security interest granted therein is governed by the Illinois Uniform Commercial Code, have all the rights, options and remedies of a secured party under the Illinois Uniform Commercial Code; (c) Mortgagee may proceed to protect and enforce the rights of Mortgagee hereunder (i) by any action at law, suit in equity or other appropriate proceedings, whether for the specific performance of any agreement contained herein, or for an injunction against the violation of any of the terms hereof, or in aid of the exercise of any power granted hereby or by law; or (ii) by the foreclosure of this Mortgage in any manner permitted by law (and Mortgagor expressly acknowledges and consents to Mortgagee's sale of the Mortgaged Premises in one or more parcels); (d) Mortgagee shall, as a matter of right, without giving bond to Mortgagor or anyone claiming by, under or through it, and without regard to the solvency or insolvency of Mortgagor or the then value of the Mortgaged Premises, be entitled to have a receiver appointed of all or any part of the Mortgaged Premises and rents, issues and profits thereof, with such power as the court making such appointment shall confer, and Mortgagor hereby consents to the appointment of such receiver and shall not oppose any such appointment. Any such receiver may, to the extent permitted under applicable law, without notice, enter upon, and take possession of the Mortgaged Premises or any part thereof by force, summary proceedings, ejectment or otherwise, and may remove Mortgagor or other persons and any and all property therefrom, and may hold, operate and manage the same and receive all earnings, income, rents, issues and proceeds accruing with respect thereto or any part thereof, whether during the pendency of any foreclosure or until any right of redemption shall expire or otherwise; (e) Mor-

Mortgagee may enter and take possession of the Mortgaged Premises or any part thereof and manage, operate, insure, repair and improve the same and take any action which, in Mortgagee's judgment, is necessary or proper to conserve the value of the Mortgaged Premises. Mortgagee may also take possession of, and for these purposes use, any and all personal property contained on or about the Mortgaged Premises and used in the operation, rental or leasing thereof or any part thereof. Mortgagee shall be entitled to collect and receive all earnings revenues, rents, issues and profits of the Mortgaged Premises or any part thereof (and for such purpose Mortgagee does hereby irrevocably constitute and appoint Mortgagee Mortgagor's true and lawful attorney-in-fact for Mortgagor and in Mortgagor's name, place and stead to receive, collect and receipt for all of the foregoing, Mortgagor irrevocably acknowledging that any payment made to Mortgagee hereunder shall be a good receipt and acquittance against Mortgagor to the extent so made) and to apply same to the reduction of the indebtedness hereby secured. The right to enter and take possession of the Mortgaged Premises and use any personal property thereon, to manage, operate and conserve the same, and to collect the rents, issues and profits thereof, shall be in addition to all other rights or remedies of Mortgagee hereunder or afforded by law, and may be exercised concurrently therewith or independently thereof. The expense (including any receiver's fees, counsel fees, costs and agent's compensation) incurred pursuant to the powers herein contained shall be so much additional indebtedness hereby secured which Mortgagor promises to pay upon demand together with interest at the Default Rate. Mortgagee shall not be liable to account to Mortgagor for any action taken pursuant hereto other than to account for any rents actually received by Mortgagee. Without taking possession of the Mortgaged Premises, Mortgagee may, in the event the Mortgaged Premises becomes vacant or is abandoned, take such steps as it deems appropriate to protect and secure the Mortgaged Premises (including hiring watchmen therefor) and all costs incurred in so doing shall constitute so much additional indebtedness hereby secured payable upon demand with interest thereon at the Default Rate.

17. All rights and remedies set forth in this Mortgage are cumulative and the holder of the Note and of every other obligation secured hereby may recover judgment herein, issue execution therefor, and resort to every other right or remedy available at law or in equity, without first exhausting and without affecting or impairing the security of any right or remedy afforded hereby.

18. Unless expressly provided in this Mortgage to the contrary, no consent or waiver, express or implied, by Mortgagee to or of any breach or default by Mortgagor in the performance by Mortgagor of any obligations contained herein shall be deemed a consent to or waiver by Mortgagee of such performance in any other instance or any other obligation hereunder. The failure of Mortgagee to exercise either or both of its remedies to accelerate the maturity of the indebtedness secured hereby and/or to foreclose the lien hereof following any Event of Default hereunder, or to exercise any other remedy granted to Mortgagee hereunder or under applicable law in anyone or more instances, or the acceptance by Mortgagee of partial payments of such indebtedness shall neither constitute a waiver of any such Event of Default or of Mortgagee's remedies hereunder or under applicable law nor establish, extend or affect any grace period for payments due under the Note, but such remedies shall remain continuously in force. Acceleration of maturity, once claimed hereunder by Mortgagee, may at Mortgagee's option be rescinded

by written acknowledgment to that effect by Mortgagee and shall not affect Mortgagee's right to accelerate maturity upon or after any future Event of Default.

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

20. Mortgagor represents and agrees that the proceeds of the Note will be used for business purposes and that the Note and this Mortgage are exempt from limitations upon lawful interest, pursuant to the terms of Section 205/4 of Chapter 815 of the Illinois Compiled Statutes.

21. If by the laws of the United States of America, or of any state having jurisdiction over the Mortgagor, any tax is due or becomes due in respect of the issuance of the Note, the Mortgagor shall pay such tax in the manner required by such law.

22. All notices and other communications provided for hereunder shall be given in writing and shall be addressed to the party intended to receive the same at its address hereinbefore set forth (or to such other and different address as Mortgagor or Mortgagee may designate pursuant to a written notice sent in accordance with the provisions hereof), and will be deemed given or furnished (i) when delivered at such address to such party (or to an officer of such party) or (ii) when received if deposited in the United States mail as first-class registered or certified mail, return receipt requested, postage prepaid, or (iii) when received if deposited at the office of a nationally-recognized overnight delivery service; or (iv) when received if sent by facsimile transmission.

23. This Mortgage shall be construed in accordance with and governed pursuant to the laws of the State of Illinois. Whenever possible, each provision of this Mortgage shall be interpreted in such a manner as to be effective and valid pursuant to applicable law; provided, however, that if any part hereof shall be prohibited by or invalid thereunder, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remaining provisions of this Mortgage.

24. Whenever any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party; and all the covenants, promises and agreements in this Mortgage contained by or on behalf of Mortgagor, or by or on behalf of Mortgagee, shall bind and inure to the benefit of the respective heirs, executors, administrators, successors, vendees and assigns of such parties, whether so expressed or not. In addition, all covenants, promises and agreements of Mortgagor herein shall be binding upon any other parties claiming any interest in the Mortgaged Premises under Mortgagor. All Mortgagors shall be jointly and severally liable under this Mortgage. In addition, the term "Mortgagor" shall include all persons claiming under or through Mortgagor and all persons liable for the payment of the indebtedness or any part thereof, whether or not such persons shall have executed the Note or this Mortgage.

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00625113

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage the day and year first above written.

Rita J. Miller, as trustee under trust
agreement dated August 29, 1988

By: Rita J. Miller
RITA J. MILLER, trustee

Property of Cook County Clerk's Office

UNOFFICIAL COPY

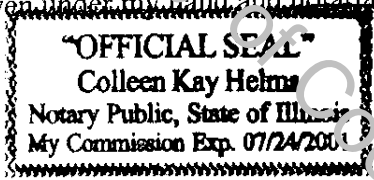
00625113

MORTGAGOR'S ACKNOWLEDGMENT

STATE OF ILLINOIS)
) ss.
COUNTY OF COOK)

The undersigned, a Notary Public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that RITA J. MILLER, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that she signed and delivered the said instrument as her own free and voluntary act, and as her free and voluntary act as trustee of the Rita J. Miller trust dated August 29, 1988, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 2ND day of ^{August}~~July~~, 2000.



Colleen Kay Helms
Notary Public

COOK County Clerk's Office

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00625113

LEGAL DESCRIPTION

Lot 17 in Locascio's Subdivision Unit No. 2, being a resubdivision of Lot 112 and part of Lot 113 in C.A. Goelz's Arlington Heights Gardens, a subdivision in the Northeast 1/4 of Section 20, Township 42 North, Range 11, East of the Third Principal Meridian, in Cook County, Illinois.

Commonly known as: 724 E. Maude, Arlington Heights, Illinois

Assessment Parcel Number: 03-20-214-001-0000

Property of Cook County Clerk's Office

EXHIBIT A