

UNOFFICIAL COPY

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Cook County Recorder

41.00

This Instrument Prepared By  
and After Recording Mail To:

Tom Kinasz  
McBride Baker & Coles  
500 West Madison, Suite 4000  
Chicago, Illinois 60601

Box 266



**JUNIOR MORTGAGE**

THIS MORTGAGE is made this 1st day of July, 2000, between **Gladys Simpson**, a married person, whose address is 20 South Waller, Chicago, Illinois ("Mortgagor") and **Fredrick Simpson**, whose address is 20 South Waller, Chicago, Illinois ("Mortgagee").

**Recitals:**

WHEREAS, the Mortgagor is indebted to Mortgagee in the principal sum of TWELVE THOUSAND and NO/100 DOLLARS (\$12,000.00) (the "Loan") pursuant to a certain Promissory Note dated July 1, 2000, by and among the Mortgagor and the Mortgagee (the "Note"), providing for certain payments as therein stated; and

WHEREAS, Mortgagee would not make the Loan to the Mortgagor and others unless Mortgagor granted and executed this Mortgage to Mortgagee;

**Agreement:**

TO SECURE to Mortgagee the repayment of the indebtedness evidenced by the Note, and the performance of the covenants and agreements of Mortgagor herein contained, Mortgagor does hereby mortgage, warrant, grant and convey to Mortgagee the property located in the County of Cook, State of Illinois described in Exhibit A attached hereto.

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances and rents all of which shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said property (or the leasehold estate if this Mortgage is on a leasehold) are hereinafter referred to as the "Property."

Mortgagor covenants that Mortgagor is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property, and that the Property is unencumbered, except for encumbrances of record. Mortgagor covenants that Mortgagor warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record and that the above Recitals are true and accurate.

UNIFORM COVENANTS. Mortgagor and Mortgagee covenant and agree as follows:

1. **Payment of Principal and Interest.** Mortgagor shall promptly pay when due the principal and interest on the indebtedness evidenced by the Note.

2. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Mortgagee under the Note and paragraph 1 hereof shall be applied by Mortgagee to interest payable on the Note and then to the principal of the Note.

3. **Prior Mortgages and Deed of Trust; Charges; Liens.** Mortgagor shall perform all of Mortgagor's obligations under any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage, including Mortgagor's covenants to make payments when due. Mortgagor shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any.

4. **Hazard Insurance.** Mortgagor shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as Mortgagee may require and in such amounts and for such periods as Mortgagee may require.

The insurance carrier providing the insurance shall be chosen by Mortgagor subject to approval by Mortgagee; provided that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Mortgagee and shall include a standard mortgage clause in favor of and in a form acceptable to Mortgagee. Mortgagee shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

In the event of loss, Mortgagor shall give prompt notice to the insurance carrier and Mortgagee. Mortgagee may make proof of loss if not made promptly by Mortgagor.

If the Property is abandoned by Mortgagor, or if Mortgagor fails to respond to Mortgagee within 30 days from the date notice is mailed by Mortgagee to Mortgagor that the insurance carrier offers to settle a claim for insurance benefits, Mortgagee is authorized to collect and apply the insurance proceeds at Mortgagee's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

5. **Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments.** Mortgagor shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or planned unit development, Mortgagor shall perform all of Mortgagor's obligations under the declaration or covenants creating or governing the condominium or planned unit

development, the by-laws and regulations of the condominium or planned unit development, and constituent documents.

**6. Protection of Mortgagee's Security.** If Mortgagor fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Mortgagee's interest in the Property, then Mortgagee, at Mortgagee's option, upon notice to Mortgagor, may make such appearances, disburse such sums, including reasonable attorney's fees, and take such action as is necessary to protect Mortgagee's interest. If Mortgagee required mortgage insurance as a condition of making the loan secured by this Mortgage, Mortgagor shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Mortgagor's and Mortgagee's written agreement or applicable law.

Any amounts disbursed by Mortgagee pursuant to this Paragraph 6, with interest thereto, at the Note rate, shall become additional indebtedness of Mortgagor secured by this Mortgage. Unless Mortgagor and Mortgagee agree to other terms of payment, such amounts shall be payable upon notice from Mortgagee to incur any expense or take any action hereunder.

**7. Inspection.** Mortgagee may make or cause to be made reasonable entries upon and inspections of the Property, provided that Mortgagee shall give Mortgagor notice prior to any such inspection specifying reasonable cause therefor related to Mortgagee's interest in the Property.

**8. Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Mortgagee, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

**9. Mortgagor Not Released; Forbearance By Mortgagee Not a Waiver.**

Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Mortgagee to any successor in interest of Mortgagor shall not operate to release, in any manner, the liability of the original Mortgagor and Mortgagor's successors in interest. Mortgagee shall not be required to commence proceedings against such successor or refuse to extend the time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Mortgagor and Mortgagor's successors in interest. Any forbearance by Mortgagee in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

**10. Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Mortgagee and Mortgagor, subject to the provisions of paragraph 16 hereof. All covenants and agreements of Mortgagor shall be joint and several. Any Mortgagor who co-signs this Mortgage but does not execute the Note (a) is co-signing this

Mortgage only to mortgage, grant and convey that Mortgagor's interest in the Property to Mortgagee under the terms of this Mortgage, (b) is not personally liable on the Note or under this Mortgage and (c) agrees that Mortgagee and any other Mortgagor hereunder may agree to extend, modify, forbear, or make any other accommodations with regard to the terms of this Mortgage or the Note without that Mortgagor's consent and without releasing that Mortgagor or modifying this Mortgage as to that Mortgagor's interest in the Property.

**11. Notice.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Mortgagor provided for in this Mortgage shall be given by delivering it or by mailing such notice by certified mail addressed to the Mortgagor at the Property address or at such other address as Mortgagor may designate by notice to Mortgagee as provided herein, and (b) any notice to Mortgagee shall be given by certified mail to Mortgagee's address stated herein or to such other address as Mortgagee may designate by notice to Mortgagor as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Mortgagor or Mortgagee when given in the manner designated herein.

**12. Governing Law; Severability.** The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of Federal law to this Mortgage. In the event that any provision of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Note are declared to be severable. As used herein, "costs", "expenses" and attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

**13. Mortgagor's Copy.** Mortgagor shall be furnished a copy of the Note and of this Mortgage at the time of execution or after recordation thereof.

**14. Events of Default.** If one or more of the following events (herein called "Events of Default") shall occur:

- a. Any payment required under the terms of the Note is not paid when due;
- b. Except as provided in the Note, if, without the prior written consent of Mortgagee, Mortgagor shall create, effect or consent to or shall suffer or permit (or shall contract for or agree to) any conveyance, sale, assignment, transfer, or alienation of the Property or any part thereof or interest therein, (including without limitation of any beneficial interest), excluding any leases entered into during the ordinary course of business in each case whether any such conveyance, sale, transfer, lien or alienation is effected directly, indirectly, voluntarily or involuntarily, by operation of law or otherwise; or
- c. If,

- (i) Mortgagor shall file a petition for voluntary bankruptcy under any chapter of the federal bankruptcy code, or any similar law for the relief of debtors, state or federal, now or hereafter in effect, or
  - (ii) Mortgagor shall file an answer admitting insolvency or inability to pay its debts, or
  - (iii) Within thirty (30) days after filing against Mortgagor of any involuntary proceeding under the federal bankruptcy code or similar law for the relief of debtors, such proceedings shall not have been vacated or stayed, or
  - (iv) Mortgagor shall be adjudicated a bankrupt, or a trustee or receiver shall be appointed for Mortgagor for all or a material part of Mortgagor's property or the Property, in any involuntary proceeding for the reorganization, dissolution, liquidation or winding up of Mortgagor, and such trustee or receiver shall not be discharge or such jurisdiction relinquished or vacated or stayed on appeal or otherwise stayed within thirty (30) days, or
  - (v) Mortgagor shall make an assignment for the benefit of creditors or shall admit in writing its inability to pay its debts generally as they become due or shall consent to the appointment of a receiver or trustee or liquidator of all a material part of its property, or the Property, or
- d. If default shall continue for thirty (30) days after notice thereof by Mortgagee to Mortgagor in the due and punctual performance or observance of any other agreement contained herein or in the Note.

then Mortgagee is hereby authorized and empowered, at its option and without affecting the lien hereby created or the priority of said lien or any right of Mortgagee hereunder to declare, without further notice, the Note to be immediately due and payable, whether or not such default be thereafter remedied by Mortgagor, and Mortgagee may immediately proceed to foreclose this Mortgage or to exercise any right, power or remedy provided by this Mortgage or the Note or by law or in equity conferred.

**15. Possession by Mortgagee.** When the Note shall become due, whether by acceleration or otherwise, Mortgagee shall have the right to enter into and upon the Property and take possession thereof or to appoint an agent or trustee for the collection of rents, issues and profits of the Property. The net income, after allowing a reasonable fee for the collection thereof and for the management of the Property, may be applied to the payment of the Note as Mortgagee may elect; the rents, issues and profits of and from the Property are hereby specifically pledged to the payment of the Note.

**16. Foreclosure.** When the Note, or any part, thereof shall become due, whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereof for such

indebtedness or part thereof. In any suit to foreclose the lien, all reasonable expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographer's charges, publication costs and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies and similar data and assurance with respect to title, as Mortgagee may deem necessary either to prosecute such suit or to evidence to bidders at sales which may be had pursuant to such decree, the true conditions of the title to or the value of the Property. All expenditures and expenses of the nature mentioned in this paragraph, and such other expenses and fees as may be incurred in the protection of the Property and the maintenance of the lien of this Mortgage, including the reasonable fees of attorneys employed by Mortgagee in any litigation or proceedings affecting this Mortgage, the Note or the Property, including probate and bankruptcy proceedings, or in preparation of the commencement or defense of any proceedings or threatened suit or proceeding, shall be so much additional Note and shall be immediately due and payable by the Mortgagor, with interest thereon at the default rate in the Note per annum until paid.

**17. Proceeds of Foreclosure Sale.** The proceeds of any foreclosure sale of the Property 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 Paragraphs 15 and 16 hereof; Second, all other items which, under the terms hereof, constitute indebtedness additional to that evidenced by the Note, with interest on such items as herein provided; Third, to interest remaining unpaid upon the Note; Fourth, to the principal remaining unpaid upon the Note; and Fifth, any remaining amounts to Mortgagor and its successors or assigns, as their rights may appear.

**18. Hazardous Waste.** From the date of this Mortgage, Mortgagor agrees not to cause or permit any toxic or hazardous substance or waste or underground storage tanks or any other pollutants which could be detrimental to the premises, human health, or the environment or that would violate any local, state, or federal laws or regulations (collectively "Environmental Conditions") to be present on or effect the Property. If Mortgagee determines that Environmental Conditions either do or may exist at the Property, or if Mortgagor causes or permits Environmental Conditions to be present on or affect the Property, Mortgagor agrees to indemnify, defend and save Mortgagee, its successors and assigns harmless from and against the following: (a) any liability, loss, cost, damage, or expense including without limitation attorneys' fees and expenses, arising from the imposition or recording of the lien, the occurrence of any clean up and removal costs under any hazardous waste, environmental protection, spill compensation, clean air and water, or other local, state, or federal law (collectively "Environmental Laws") with respect to the Property, or to any other real or personal property owned by Mortgagor in the State of Illinois or liability to any third party in connection with any violation of the Environmental Laws or other action by Mortgagor or its agents, and (b) any loss of value in the Property as a result of any such lien, such clean up and removal costs, or such other liability incurred pursuant to (a) above, and (c) any liability, loss, cost, damage or expense arising from any failure or defect in title occasioned by any of the applicable Environmental Laws.

**19. Insurance Upon Foreclosure.** In case of an insured loss after foreclosure proceedings have been instituted, the proceeds of any insurance policy or policies shall be used to pay the amount due in accordance with any decree of foreclosure that may be entered in any such proceedings, and the balance, if any, shall be paid as the court may direct. In the case of foreclosure of this Mortgage, the court, in its decree, may provide that Mortgagee's clause attached to each of the casualty insurance policies may be canceled and that the decree creditor may cause a new loss clause to be attached to each of said casualty insurance policies making the loss thereunder payable to said decree creditor. In the event of foreclosure sale, Mortgagee is hereby authorized, without the consent of Mortgagor, to assign any and all such insurance policies to the purchaser at the sale, or to take such larger steps as Mortgagee may deem advisable to cause the interest of such purchaser to be protected by any of the said insurance policies without credit or allowance to Mortgagor for prepaid premiums thereon.

**20. Rights Cumulative.** Each right, power and remedy herein conferred upon Mortgagee is cumulative and in addition to every other right, power or remedy, express or limited, given now or hereafter existing, at law or in equity, and each and every right, power and remedy herein set forth or otherwise so existing may be exercised from time to time as often and in such order as may be deemed expedient to Mortgagee and the exercise or the beginning of the exercise of one right, power or remedy shall not be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy. No delay or omission of Mortgagee in the exercise of any right, power or remedy shall impair any such right, power or remedy, or be construed to be a waiver of any type.

**21. Assignment of Rents; Appointment of Receiver.** As additional security hereunder, Mortgagor hereby assigns to Mortgagee the rents of the Property, provided that Mortgagor shall, prior to acceleration hereunder or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration hereunder or abandonment of the Property, Mortgagee shall be entitled to have a receiver appointed by a court to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees and then to the sums secured by this Mortgage. The receiver shall be liable to account only for those rents actually received.

**22. Release.** Upon payment of all sums secured by this Mortgage, Mortgagee shall release this Mortgage without charge to Mortgagor shall pay all costs of recordation, if any.

**23. Uniform Commercial Code.** By execution of this Mortgage, Mortgagor grants Mortgagee a security interest, under the Illinois Uniform Commercial Code (the "Code"), in the following property: All fixtures and personal property located on, related to or used in connection with the maintenance and operation of the Property and all of Mortgagor's accounts with Mortgagee (all for the purposes of this Paragraph 23 hereinafter referred to as "Collateral"). All of the terms,

provisions, conditions and agreements contained in this Mortgage pertain and apply to the Collateral as fully and to the same extent as to any other property comprising the Property. In addition thereto:

- a. Mortgagor represents that it (being the debtor as that term is used in the Code) is and will be the true and lawful owner of the Collateral.
- b. The Collateral will be kept at the real property compromised within the Property, and will not be removed therefrom without the prior written consent of Mortgagee (being the Secured Party as that term is used in the Code) and the Collateral may be affixed to such real property but will not be affixed to any other real property.
- c. Mortgagor will at its own cost and expense, upon demand, furnish to Mortgagee such further information and will execute and deliver to Mortgagee such financing statements and other documents in form satisfactory to Mortgagee and will do all such acts and things as Mortgagee may at any time or from time to time request to establish and maintain a perfected security interest in the Collateral as security for the Note; subject to no prior liens or encumbrances and Mortgagor will pay the cost of filing the same or recording such financing statements or other documents and this instrument, in all public offices wherever filing or recording is deemed by Mortgagee to be desirable.
- d. Upon an Event of Default hereunder and at any time thereafter, Mortgagee at its option may declare the Note immediately due and payable, all as more fully set forth in Paragraph 14 hereof, and thereupon Mortgagee shall have the remedies of the secured party under the Code. Any foreclosure sale may be held as part of and in conjunction with any foreclosure sale of the real property comprised within the Property, the Collateral and real property to be sold as one lot if Mortgagee so elects. The net proceeds realized upon any such disposition, after deduction for the expenses of retaking, holding, preparing for sale, selling the like and the attorneys' fees and legal expenses incurred by Mortgagee shall be applied against the Note. Mortgagee will account to Mortgagor for any surplus realized on such disposition.
- e. The remedies of the Mortgagee hereunder are cumulative and the exercise of any one or more of the remedies provided for herein or under the Code shall not be construed as a waiver of any of the other remedies of Mortgagee, including having the Collateral deemed part of the realty upon any foreclosure thereof so long as any part of the Note remains unsatisfied.

**24. Collateral Protection Act.** Pursuant to the requirements of the Illinois Collateral Protection Act, Mortgagor is hereby notified as follows:

Unless the Mortgagor provides the Mortgagee with evidence of the insurance coverage required by this Mortgage or the Note, Mortgagee may purchase insurance at Mortgagor's expense to protect



Mortgagee's interests in the Property or any other collateral for the indebtedness or obligations secured by this Mortgage. This insurance may, but need not, protect Mortgagor's interests. The coverage the Mortgagee purchases may not pay any claim that Mortgagor makes or any claim that is made against Mortgagor in connection with the Property or any other collateral for the indebtedness or obligations secured by this Mortgage. Mortgagor may later cancel any insurance purchased by Mortgagee but only after providing Mortgagee with evidence that Mortgagor has obtained insurance as required by this Mortgage or the Note. If Mortgagee purchases insurance for the Property or any other collateral for the indebtedness or obligations secured by this Mortgage, Mortgagor will be responsible for the costs of that insurance, including interest in any other charges that Mortgagee may lawfully impose in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to the total outstanding indebtedness secured by this Mortgage. The costs of the insurance may be more than the cost of insurance that Mortgagor may be able to obtain on its own.

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage as of the date first written above.

*Gladys Simpson*  
Gladys Simpson

Property of Cook County Clerk's Office

STATE OF ILLINOIS )  
 ) SS.  
COUNTY OF COOK )

On December 21, 2000, before me, the undersigned, a Notary Public in and for the county and state aforesaid, personally appeared GLADYS SIMPSON, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument and acknowledged to me that the execution thereof was her free and voluntary act and deed for the uses and purposes therein described.

WITNESS my hand and official seal.

(SEAL)

Diane F. Mosher

Notary Public in and for the State of Illinois

My commission expires: 2-23-01

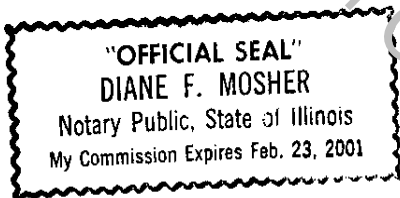


EXHIBIT A  
LEGAL DESCRIPTION

LOT 18 IN BLOCK 7 IN GAUGERS ADDITION TO CHICAGO IN SECTION 15,  
TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN  
COOK COUNTY, ILLINOIS.

PROPERTY INDEX NO.: 16-15-224-038-0000

PROPERTY ADDRESS: 4316 West Congress Parkway  
Chicago, Illinois 60624