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Cook County Recorder 37.50



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Above Space for Recorder's Use Only

MORTGAGE

This Mortgage is made this 4th day of January, 2000 by NORBERT GLEICHER and GABRIELLE GLEICHER, husband and wife (individually and collectively, jointly and severally, hereinafter referred to as "Mortgagors"), having an address at 336 W. Wisconsin, Chicago, Illinois 60614, in favor of CAPITAL HEALTHCARE FINANCING, a division of CAPITAL FACTORS, INC., a Florida corporation (hereinafter referred to as "Mortgagee"), having an office at 120 E Palmetto Park Road, 5th Floor, Boca Raton, Florida 33432 with reference to the following facts:

WHEREAS, Mortgagors are the record owner of the premises herein; and

WHEREAS, Mortgagors have delivered that certain Continuing Guaranty, dated as of even date, executed by Mortgagors, guaranteeing the payment and performance of all indebtedness and obligations of AMERICAN INFERTILITY GROUP OF ILLINOIS, S.C., an Illinois medical service corporation, pursuant to that certain Secured Promissory Note in the stated principal of \$175,000 ("AI-IL A Note") and that certain Secured Promissory Note in the stated principal of \$1,750,000 ("AI-IL B Note"), in favor of Mortgage (the "AI-IL Guaranty") and that certain Continuing Guaranty dated as of even date, executed by Mortgagors, guaranteeing the payment and performance of all indebtedness and obligations of AMERICAN INFERTILITY OF NEW YORK, P.C., an New York medical service corporation, pursuant to that certain Secured Promissory Note in the stated principal of \$400,000 ("AI-NY A Note") and that certain Secured Promissory Note in the stated amount of \$250,000 ("AI-NY B Note") in favor of Mortgagee (the "AI-NY Guaranty").

NOW, THEREFORE, Mortgagors, to secure the payment and performance of all indebtedness and obligations of Mortgagors under the AI-IL Guaranty and the AI-NY Guaranty,

and all modifications, extensions and/or renewals thereof, the payment and performance of all indebtedness and obligations of Mortgagors arising under this Mortgage and other documents executed by Mortgagors in connection herewith, and all modifications, extensions and/or renewals thereof, and payment of any money advanced by Mortgagee to Mortgagors, or their successors, with interest thereon, evidenced by additional notes (indicating that they are so secured) or by endorsement of the original note, executed by Mortgagors or their successor, and also in consideration of One Dollar in hand paid, the receipt whereof is hereby acknowledged, do by these MORTGAGE, CONVEY and WARRANT to Mortgagee, and Mortgagee's successors and assigns, the following described Real Estate and all of their estate, right, title and interest therein, situate, lying and being in the City of Chicago, County of Cook and the State of Illinois, to wit:

LOT 9 AND THE (NORTH AND SOUTH) 10 FOOT VACATED ALLEY LYING WEST OF AND ADJOINING SAID LOT 9 (EXCEPT THE EAST 9.38 FEET OF LOT 9 ALSO EXCEPT THE NORTH 6 FEET OF SAID LOT 9 AND PART OF 10 FOOT VACATED ALLEY); ALSO THE EAST 6 FEET OF LOTS 4 AND 5 AND THAT PART OF EAST 6 FEET OF LOT 3 LYING SOUTH AND SOUTHWESTERLY OF A LINE WHICH COMMENCES AT THE POINT OF INTERSECTION OF THE NORTH LINE OF LOT 9, EXTENDED WEST, WITH THE WEST LINE OF THE EAST 6 FEET OF SAID LOT 3; THENCE SOUTHEASTERLY TO A POINT IN THE EAST LINE OF SAID LOT 3 WHICH IS 6 FEET SOUTH OF THE EXTENSION OF THE NORTH LINE OF SAID LOT 9; ALSO THE EAST 6 FEET OF LOT 1 IN THE RESUBDIVISION OF LOTS 6 TO 8 IN TONERGRAN'S RESUBDIVISION OF THE SOUTH 2 ACRES OF BLOCK 39 IN CANAL TRUSTEE'S SUBDIVISION OF THE NORTH ½ AND THE NORTH ½ OF THE SOUTHEAST ¼ AND THE EAST ½ OF THE SOUTHWEST ¼ OF SECTION 33, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

which with the property herein described, is referred to as the "premises".

Permanent Real Estate Index Number(s): 14-33-401-052 and 14-33-401-053

Address(es) of Real Estate: 336 W. Wisconsin, Chicago, Illinois 60614

TOGETHER with all improvements, tenements, easements, fixtures, and appurtenances thereto belonging, and all rents, issues, profits thereof for so long and during all such times as Mortgagors may be entitled thereto (which are pledged primarily and on a parity with said real estate and not secondary) and all apparatus, equipment or articles now or hereafter therein or thereon used to supply heat, gas, air conditioning, water, light, power, refrigeration (whether single units or centrally controlled), and ventilation, including (without restricting the foregoing), screens, window shades, storm doors and windows, floor coverings, inador beds, awnings, stoves and water heaters. All of the foregoing are declared to be part of said real estate whether physically attached thereto or not, and is agreed that all similar apparatus, equipment or articles hereafter placed in the premises by Mortgagors or their successors or assigns shall be considered as constituting part of the real estate.

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TO HAVE AND TO HOLD the premises unto to Mortgagee and Mortgagee's successors and assigns, forever, for the purposes, and upon the uses herein set forth, free from all rights and benefits under and by virtue of the Homestead Exemption Laws of the State of Illinois, which said rights and benefits Mortgageors do hereby expressly release and waive.

MORTGAGORS COVENANT AND AGREE AS FOLLOWS:

1. Mortgageors 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 said premises in good condition and repair, without waste, and free from mechanic's or other liens or claims for lien not expressly subordinated to the lien thereof; (c) pay when due any indebtedness which may be secured by a lien or charge on the premises superior to the lien hereof, and upon request exhibit satisfactory evidence of the discharge of such prior lien to Mortgagee; (d) complete within a reasonable time any building or buildings now or at any time in process of erection upon said premises; (e) comply with all requirements of law or municipal ordinances with respect to the premises and use thereof; (f) make no material alternations in said premises except as required by law or municipal ordinance.

2. Mortgageors shall pay before any penalty attaches all general taxes and shall pay special taxes, special assessments, water charges, sewer service charges, and other charges against the premises when due, and shall, upon written request, furnish to Mortgagee duplicate receipts therefor. To prevent default hereunder Mortgageors shall pay in full under protest, in the manner provided by statute, any tax or assessment which Mortgageors may desire to contest.

3. In the event of the enactment after this date of any law of Illinois deducting from the value of land for the purposes of taxation any lien thereof, or imposing upon Mortgagee the payment of the whole or any part of the taxes or assessments or charges or liens herein required to be paid by Mortgageors, or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or mortgagee's interest in the property, or the manner of collection of taxes, so as to affect this Mortgage or the debt secured hereby or the holder thereof, then and in any such event, Mortgageors, upon demand by Mortgagee, shall pay such taxes or assessments, or reimburse Mortgagee therefor; provided, however, that if in the opinion of counsel for Mortgagee (a) it might be unlawful to require Mortgageors to make such payment or (b) the making of such payment might result in the imposition of interest beyond the maximum amount permitted by law, then and in such event, Mortgagee may elect by notice in writing given to Mortgageors, to declare all of the indebtedness secured hereby to be and become due and payable sixty (60) days from the giving of such notice.

4. If, by the laws of the United States of America or of any state having jurisdiction in the premises, any tax (other than income taxes of Mortgagee) is due or becomes due in respect of the AI-IL Guaranty and the AI-NY Guaranty hereby secured, Mortgageors covenant and agree to pay such tax in the manner required by any such law. Mortgageors further covenant to hold harmless and agree to indemnify Mortgagee, and Mortgagee's successors or assigns, against any liability incurred by reason of the imposition of any tax (other than income taxes of Mortgagee) on the AI-IL Guaranty and the AI-NY Guaranty secured hereby.

5. Mortgagors shall keep all buildings and improvements now or hereafter situated on said premises insured against loss or damage by fire, lightning and windstorm under policies providing for payment by the insurance companies of moneys sufficient either to pay the cost of replacing or repairing the same or to pay in full the indebtedness secured hereby, all in companies satisfactory to Mortgagee, under insurance policies payable, in case of loss or damage, to Mortgagee, such rights to be evidenced by the standard mortgage clause to be attached to each policy, and shall deliver all policies, including additional and renewal policies, to Mortgagee, and in case of insurance about to expire, shall deliver renewal policies not less than ten days prior to the respective dates of expiration.

6. In case of default therein, Mortgagee may, but need not, make any payment or perform any act hereinbefore required of Mortgagors in any form and manner deemed expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting said premises or contest 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' fees, and any other moneys advanced by Mortgagee to protect the mortgaged premises and the lien hereof, shall be so much additional indebtedness secured hereby and shall become immediately due and payable without notice and with interest thereon at the highest rate now permitted by Illinois law. 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 Mortgagors.

7. Mortgagee making any payment hereby authorized relating to taxes or assessments, may do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof.

8. Mortgagors shall pay each item of indebtedness herein mentioned, both principal and interest, when due according to the terms hereof. At the option of Mortgagee and without notice to Mortgagors, all unpaid indebtedness secured by this Mortgage shall, notwithstanding anything in the note or in this Mortgage (except for Section 17 herein) to the contrary, become due and payable (a) immediately in the case of any event of default set forth in Section 11 of under AI-IL Guaranty or Section 11 of the AI-NY Guaranty where Lender may declare all of the Guaranteed Obligations immediately due and payable by Mortgagors, or (b) when default shall occur and continue for ten (10) days in the performance of any other agreement of Mortgagors herein contained.

9. When the indebtedness hereby secured shall become due whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereof. In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale all 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, stenographers' 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, Torrens certificates, and similar data and assurances with respect to title as Mortgagee may deem to be reasonably necessary either to prosecute such suit or to evidence to

bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the premises. All expenditure and expenses of the nature in this paragraph mentioned shall become so much additional indebtedness, secured hereby and immediately due and payable, with interest thereon at the highest rate now permitted by Illinois law, when paid or incurred by Mortgagee in connection with (a) any proceeding, including 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 hereby secured; or (b) preparations for the commencement of any suit for the foreclosure hereof after accrual of such right to foreclose whether or not actually commenced; or (c) preparations for the defense of any actual or threatened suit or proceeding which might affect the premises or the security hereof.

10. Notwithstanding anything to the contrary, in case of default, Mortgagors acknowledge and agree that Mortgagee has the right and power to foreclose on or sell the entire premises (the "Sale") or exercise any other remedies, in any manner provided by Illinois law, and Mortgagee is entitled to transfer the entire right, title and interest of Mortgagors in and to the premises to the purchaser(s) at the Sale (including Mortgagee) free and clear of any right, title and interest of Mortgagors. The proceeds of the Sale are available for distribution and application in the order set forth in the next paragraphs only if there is an actual sale of the premises. Mortgagee shall not have to distribute or apply any proceeds of the Sale if Mortgagee credit bids at the foreclosure sale. Upon a subsequent sale of the premises, Mortgagee shall distribute or apply the proceeds from such subsequent sale.

(a) In the event that AI-IL A Note and AI-NY A Note have not been repaid as of the date of any Sale, the proceeds of the 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 Section 9 hereof; second, all other items which under the terms hereof constitute secured indebtedness additional to that under AI-IL Guaranty and the AI-NY Guaranty, with interest thereon as herein provided; third, all sums remaining unpaid under AI-IL Guaranty with respect to the AI-IL A Note and the AI-NY Guaranty with respect to the AI-NY A Note; fourth, half of the remaining proceeds to all sums remaining unpaid under AI-IL Guaranty with respect to the AI-IL B Note and the AI-NY Guaranty with respect to the AI-NY B Note, and half of the remaining proceeds to Gabrielle Gleicher; fifth, to any overplus to Mortgagors, their heirs, legal representatives or assigns, as their rights may appear.

(b) In the event that AI-IL A Note and AI-NY A Notes have been repaid as of the date of any Sale, the proceeds of the 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 Section 9 hereof; second, all other items which under the terms hereof constitute secured indebtedness additional to that under AI-IL Guaranty and the AI-NY Guaranty, with interest thereon as herein provided; third, half of the remaining proceeds to all sums remaining unpaid under AI-IL Guaranty with respect to the AI-IL B Note and the AI-NY Guaranty with respect to the AI-NY B Note, and half of the remaining proceeds to Gabrielle Norbert; fourth, to any overplus to Mortgagors, their heirs, legal representatives or assigns, as their rights may appear.

11. Upon or at any time after the filing of a complaint to foreclose this Mortgage the court in which such complaint is filed may appoint a receiver of said premises. Such appointment may be made either before or after sale without notice, without regard to the solvency or insolvency of Mortgagors at the time of application for such receiver and without regard to the then value of the premises or whether the same shall be then occupied as a homestead or not, and Mortgagee may be appointed as such receiver. Such receiver shall have power to collect the rents, issues and profits of said premises during the pendency of such foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, whether there be redemption or not, as well as during any further times when Mortgagors, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the premises during the whole of said period. The Court from time to time 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.

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

13. Mortgagors shall periodically deposit with Mortgagee such sums as Mortgagee may reasonably require for payment of taxes and assessments on the premises if Mortgagors have not otherwise deposited such sums with another mortgagee of the premises for the same purpose. No such deposit shall bear any interest.

14. If any of the indebtedness or obligations, or any part thereof, be extended or varied or if any part of the security be released, all persons now or at any time hereafter liable therefor, or interested in said premises, shall be held to assent to such extension, variation or release, and their liability and the lien and all provisions hereof shall continue in full force, the right of recourse against all such persons being expressly reserved by Mortgagee, notwithstanding such extension, variation or release.

15. Mortgagee shall release this Mortgage and lien thereof by proper instrument upon payment and discharge of all indebtedness and obligations secured hereby and payment of a reasonable processing fee (not to exceed \$100) to Mortgagee for the execution of such release.

16. This mortgage and all provisions hereof, shall extend to and be binding upon Mortgagors and all persons claiming under or through Mortgagors, and the word "Mortgagors" when used herein shall include all such persons and all persons liable for the payment of the indebtedness or any part thereof, whether or not such persons shall have executed the AI-IL Guaranty and the AI-NY Guaranty or this Mortgage. The word "Mortgagee" when used herein shall include the successors and assigns of Mortgagee named herein and the holder or holders, from time to time, of the note secured hereby.

17. This Mortgage is junior and subordinate only to that certain mortgage dated April 24, 1996 and recorded June 6, 1996 as document 96430652 in favor of American National Bank to secure a note in the amount of \$1,177,000.00 and that certain mortgage dated January 8, 1999 and recorded January 21, 1999 as document 99064611 in favor of First Mortgage of Chicago (American National Bank and First Mortgage of Chicago, each a "Prior Mortgage" and collectively the "Prior Mortgages") to secure an indebtedness in the amount of \$100,000.00 (the "Prior Mortgages"). Mortgagors represent and warrant that the outstanding balance under the Prior Mortgages as of the date of this Mortgage is not greater than \$1,327,000.00. Mortgagors shall request and attempt in good faith to deliver a consent/estoppel, in form and substance acceptable to Mortgagee, duly executed by each of the Prior Mortgagees within fifteen (15) days from the date of this Mortgage, which consent/estoppel shall state (a) the total outstanding amount under each Prior Mortgage, (b) each Prior Mortgagee's consent to this Mortgage, and (c) each Prior Mortgagee's agreement not to extend any additional advances exceeding the total outstanding amount set forth in subparagraph (a), except for advances for the protection of each Prior Mortgagee's security interest in the premises. Mortgagors shall comply with all the covenants and agreements of the Prior Mortgages and make all payments due under the Prior Mortgages timely. Mortgagors covenant and agree not to obtain any additional advances or loans from the mortgagees under any of the Prior Mortgages, or cause any additional advances or loans whether extended to Mortgagors, Patricia Birgit Von Schondorf-Gleicher or any other party to be secured by any of the Prior Mortgages, except with the prior written consent of Mortgagee. Mortgagee agrees that it shall release this Mortgage and lien to permit a sale of the property without requiring any payment under the AI-IL Guaranty or the AI-NY Guaranty, provided that: (a) a default has not occurred under the AI-IL Guaranty or the AI-NY Guaranty; and (b) Mortgagors shall have issued a replacement security to Mortgagee in the form of (1) the collateral assignment of a Certificate of Deposit in the amount equal to the greater of (i) half of the net sales proceeds of the premises or (ii) \$800,000.00, or (2) in lieu of assignment of a Certificate of Deposit, a junior mortgage on any principal residence which Mortgagors acquire in the State of New York, subsequent to the date of this Mortgage; provided that Norbert Gleicher's equity in such residence exceeds \$800,000.00.

18. Mortgagee shall give written notice to Mortgagors prior to acceleration following Mortgagors' failure to make payment of any sums due under the AI-IL Guaranty or the AI-NY Guaranty, or following Mortgagors' breach of any covenant or agreement in this Mortgage, or any other agreement of Mortgagors herein contained. The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date not less than ten days from the date notice is given to the Mortgagors, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage, foreclosure by judicial proceeding and sale of the property. Any notice given in connection with this Mortgage shall be in writing addressed to Mortgagors at the property address set forth in this Mortgage, and may be personally served, telecopied or sent by overnight courier service or United States certified mail, postage prepaid. Notices shall be deemed to have been given: (a) if delivered in person, when delivered; (b) if delivered by telecopy, on the date of transmission if confirmed and if transmitted on a business day before 4:00 p.m. or, if not, on the next succeeding business day; (c) if delivered by overnight courier, two days after delivery to such courier properly addressed; or (d) if by United States certified mail, five business days after depositing in the United States mail, with postage prepaid and properly addressed. The address

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for notices may be changed by delivering written notice of such change in accordance with this Section.

Witness the hand and seal of Mortgagors the day and year first above written.

Witnesses:

Meg K Files

"Mortgagors"


Norbert Gleicher

Witnesses

Meg Hill Files



Gabrielle Gleicher

This instrument prepared by and return to:

McLaurin Hill Files
D'Ancona & Pflaum, LLC
111 E. Wacker Dr., Ste. 2800
Chicago, IL 60601
(312) 602-2264

RETURN TO BOX 389 (MHF)

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ACKNOWLEDGMENT BY INDIVIDUAL (S.H.A. 765 ILCS 5/26)

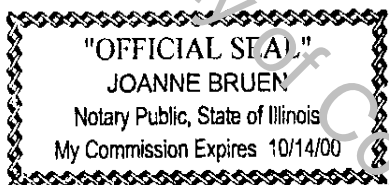
State of Illinois

County of Cook

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Norbert Gleicher, 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 he signed, sealed and delivered the said instrument as his free and voluntary act, for the use and purposes therein set forth, including but not limited to, the release and waiver of the right of homestead.

Given under my hand and official seal, this 4th day of January, 2000.

[Seal]



Joanne Bruen
Name: Joanne BRUEN
Title: Notary Public

ACKNOWLEDGMENT BY INDIVIDUAL (S.H.A. 765 ILCS 5/26)

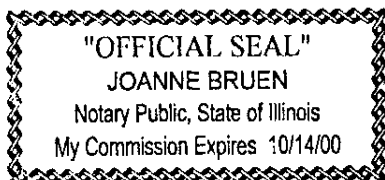
State of Illinois

County of Cook

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Gabrielle Gleicher, 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 he signed, sealed and delivered the said instrument as his free and voluntary act, for the uses and purposes therein set forth, including but not limited to, the release and waiver of the right of homestead.

Given under my hand and official seal, this 4th day of January, 2000.

[Seal]



Joanne Bruen
Name: Joanne BRUEN
Title: Notary Public