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2001-09-21 16:45:01
Cook County Recorder 31.50

This document was prepared by:
GRUNDY COUNTY NATIONAL BANK
201 Liberty Street
P.O. Box 520
Morris, Illinois 60450



(Space above this line for recording purposes)

NOTE & MORTGAGE ASSIGNMENT
As Security for a Loan
From GRUNDY COUNTY NATIONAL BANK

1. DATE AND PARTIES. The date of this Note and Mortgage Assignment (Agreement) is May 21, 2001, and the parties are the following:

OWNER:

CAMPION CORPORATION
an ILLINOIS corporation
5365 NORTH LAWLER AVENUE
CHICAGO, IL 60630-1538
Tax I.D. # 357-28-2436

BANK:

GRUNDY COUNTY NATIONAL BANK
a national banking association
201 Liberty Street
P.O. Box 520
Morris, Illinois 60450
Tax I.D. # 36-1174113

2. OBLIGATIONS DEFINED. The term "Obligations" is defined as and includes the following:

- A. A promissory note, No. 61675, (Note) dated May 21, 2001, and executed by RICHARD MUENCH and CAMPION CORPORATION (Borrower) payable in monthly payments to the order of Bank, which evidences a loan (Loan) to Borrower in the amount of \$100,040.00, plus interest, and all extensions, renewals, modifications or substitutions thereof.
- B. All future advances by Bank to Borrower, to Owner, to any one of them or to any one of them and others (and all other obligations referred to in the subparagraph(s) below, whether or not this Agreement is specifically referred to in the evidence of indebtedness with regard to such future and additional indebtedness).
- C. All additional sums advanced, and expenses incurred, by Bank for the purpose of insuring, preserving or otherwise protecting the Collateral (as herein defined) and its value, and any other sums advanced, and expenses incurred by Bank pursuant to this Agreement, plus interest at the same rate provided for in the Note computed on a simple interest method.
- D. All other obligations, now existing or hereafter arising, by Borrower owing to Bank to the extent the

accrued interest to date is \$0.00.

- D. Owner states that no defense or discharge to Maker's obligations exists under the Assigned Note or Mortgage.
- E. Where Bank has directed Maker to make payment to Bank and Maker fails to make payment according to the terms of the Assigned Note, Owner agrees that Owner will, at Bank's option, either make all payments to Bank or enforce the Assigned Note, all according to the terms of the Assigned Note without offset or reduction.
- F. Owner states that the Assigned Note and the Mortgage are the originals, are genuine and contain original signatures, that the Assigned Note is negotiable, and that all endorsements of the Assigned Note are genuine and authorized.
- G. The Mortgage is a valid first lien against the Property.
- H. Maker is solvent and is able to pay the Assigned Note when due; and further, Maker is not in default.
- I. Owner will execute and cause to be recorded or filed of record at its own expense all documents deemed necessary by Bank to transfer or assign Owner's interest in and to the Property.
- J. Owner warrants that Owner has good title to the Assigned Note, all signatures on the Assigned Note are genuine or authorized, the Assigned Note has not been altered, no defense to payment of any party is good against Owner, Owner has no knowledge of insolvency proceedings instituted against the Assigned Note's maker, acceptor, or drawer of the yet unaccepted Assigned Note, and Owner makes all other transfer warranties applicable under the Illinois Uniform Commercial Code.

7. **EVENTS OF DEFAULT.** Owner shall be in default upon the occurrence of any of the following events, circumstances or conditions (Events of Default):

- A. Failure by any party obligated on the Obligations to make payment when due; or
- B. A default or breach by Borrower, Owner or any co-signer, endorser, surety, or guarantor under any of the terms of this Agreement, the Note, the Assigned Note, the Mortgage securing the Assigned Note, any construction loan agreement or other loan agreement, any security agreement, mortgage, deed to secure debt, deed of trust, trust deed, or any other document or instrument evidencing, guarantying, securing or otherwise relating to the Obligations; or
- C. The making or furnishing of any verbal or written representation, statement or warranty to Bank which is or becomes false or incorrect in any material respect by or on behalf of Owner, Borrower, Maker, or any one of them, or any co-signer, endorser, surety or guarantor of the Obligations; or
- D. The death, dissolution or insolvency of, the appointment of a receiver by or on behalf of, the assignment for the benefit of creditors by or on behalf of, the voluntary or involuntary termination of existence by, or the commencement of any proceeding under any present or future federal or state insolvency, bankruptcy, reorganization, composition or debtor relief law by or against Owner, Borrower, Maker, or any one of them, or any co-signer, endorser, surety or guarantor of the Obligations; or
- E. A good faith belief by Bank at any time that Bank is insecure with respect to Borrower, or any co-signer, endorser, surety or guarantor, that the prospect of any payment is impaired or that the Collateral (as herein defined) is impaired; or
- F. Failure to pay or provide proof of payment of any tax, assessment, rent, insurance premium, escrow or escrow deficiency on or before its due date; or
- G. A material adverse change in Owner's business, including ownership, management, and financial conditions, which in Bank's opinion, impairs the Collateral or repayment of the Obligations; or
- H. A transfer of a substantial part of Owner's or Maker's money or property.

8. **REMEDIES ON DEFAULT.** At the option of Bank, all or any part of the principal of, and accrued interest on, the Obligations shall become immediately due and payable without notice or demand upon the occurrence of an Event of Default or at any time thereafter. In addition, upon the occurrence of any Event of Default, Bank shall be entitled to all of the remedies provided by law, the Note and any related loan documents. Bank is entitled to all rights and remedies provided at law or equity whether or not expressly stated in this Agreement. By choosing any remedy, Bank does not waive its right to an immediate use of any other remedy if the event of default continues or occurs again.

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[Corporate Seal*]

By:

Richard Muench
RICHARD MUENCH, PRESIDENT

WITNESSES:

Attest

(*Corporate seal may be affixed, but failure to affix shall not affect validity or reliance.)

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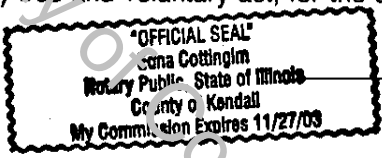
STATE OF Illinois

COUNTY OF Kendall SS:

On this 22 day of May, 2001, I, Edna Cottingham, a notary public, certify that RICHARD MUENCH, PRESIDENT of CAMPION CORPORATION, an ILLINOIS corporation, 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/she) signed and delivered the instrument as (his/her) free and voluntary act, for the uses and purposes set forth.

My commission expires:

11-27-03



Edna Cottingham
NOTARY PUBLIC

ACKNOWLEDGMENT OF ASSIGNMENT

Each Maker of the Assigned Note acknowledges the assignment of the Assigned Note and receipt of the Agreement from Owner to Bank and upon written demand of Bank, agrees to make all payments required under the Assigned Note directly to Bank. Each Maker covenants that the above reported status of the Assigned Note is correct in that the principal balance currently payable is \$100,000.00, unpaid interest is \$0.00, and no defenses exist to its enforcement. Each Maker warrants that no defenses will be asserted against Bank which Maker(s) may have against Owner. Each Maker also waives demand, protest, presentment for payment, notice of dishonor, notice of intent to accelerate, notice of acceleration, and other defenses to Bank's enforcement of the Assigned Note.

Dated on this 30 day of MAY - 2001

[Signature]
(Maker)

PRESIDENT OF DIAMOND SEATING

[Signature]
(Maker)

PRESIDENT OF TEDI'S INC

THIS IS THE LAST PAGE OF A 5 PAGE DOCUMENT. EXHIBITS AND/OR ADDENDA MAY FOLLOW.

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ATTACHMENT

10885816

LOT 4 IN BLOCK 11 IN THE NORTH WEST LAND ASSOCIATION SUBDIVISION OF THE EAST HALF OF THE EAST HALF OF THE NORTH EAST QUARTER AND THE EAST 33 FEET OF THE WEST HALF OF THE EAST HALF OF NORTH EAST QUARTER LYING SOUTH OF THE RIGHT OF WAY OF THE NORTHWESTERN "L" RAILROAD IN SECTION 13, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPT THAT PART OF SAID PREMISES LYING EAST OF A LINE 50 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF SAID SECTION 13 CONVEYED TO THE CITY OF CHICAGO BY DEED DATED SEPTEMBER 21, 1926, AND RECORDED DECEMBER 8, 1926 AS DOCUMENT 9489667) IN COOK COUNTY, ILLINOIS.

Property of Cook County Clerk's Office