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Cook County Recorder 31.00



Box 260

SECOND MORTGAGE

Effective Date: November 2, 2001

County and State where Mortgaged Property is Located:
Cook County, Illinois

MORTGAGOR
(Name, Address and Zip Code)

TIMOTHY R. STUBBS
MELINDA L. STUBBS
2707 Broadway Avenue
Evanston, IL 60201-1503

Mortgaged Property (Address or Location)

2707 Broadway Avenue, Evanston, IL 60201-1503

Obligation Secured (Indicate Nature Date and all Parties):
Promissory Note November 2, 2001

Amount \$75,000.00
Timothy R. Stubbs

Mortgaged Property(Legal Description):

Lot 6 in Block 31 in North Evanston in Township 42 North, Range
13 East of the Third Principal Meridan in Cook County, Illinois
05-34-420-005

Consideration.

For and in consideration of the monies constituting the Obligation Secured, receipt of which is acknowledged by Mortgagor, and for other valuable consideration exchanged between Mortgagor and Mortgagee, Mortgagor hereby executes and delivers this Mortgage on the Mortgaged property.

2. Conveyance.

Mortgagor and its successors, heirs and assigns grant, bargain, sell and convey to Mortgagee and its successors, heirs and assigns the Mortgaged Property as security for the performance

AGTF, INC.

Property of Cook County Clerk's Office

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3. Appurtenances. Mortgagor grants, together with the Mortgaged Property, all buildings and improvements now or hereafter erected thereon, and all fixtures attached to or used in connection with the Mortgaged Property (including, without limiting the generality of the foregoing, all ventilating, heating, air conditioning, refrigeration, plumbing and lighting fixtures), together with all tenements, hereditaments and appurtenances, privileges, water and water rights, pipes, flumes and ditches and the water flowing through them, thereunto belonging to or in any way appertaining, and the reversion, reversions, remainder, remainders, rents, issues and profits therefrom.
4. Warranty of Title in Mortgagor. Mortgagor covenants that he is seized of good and perfect title to the Mortgaged Property conveyed in fee simple, that he has the right and lawful authority to convey the Mortgaged Property, that the title so conveyed is free, clear and unencumbered except as to documents of record of which Mortgagee has actual or constructive notice and that Mortgagor will warrant and forever defend the title to Mortgagee, his successors and assigns against all claims whatsoever. Mortgagor warrants that this is a valid second priority mortgage.
5. Taxes and Assessments. Mortgagor shall pay to the proper officers all taxes and dues for water and assessments, general and special which may be levied or assessed upon the Mortgaged Property, improvements and appurtenances, on or before the date when such taxes or assessments become delinquent.
6. Fire Insurance. Mortgagor shall, at Mortgagor's expense, maintain in force fire and extended coverage insurance in any amount of not less than the full replacement cost of any building which may exist on the Mortgaged Property. Mortgagor shall provide fire insurance protection on his furniture, fixtures and other personal property on the Mortgaged Property, in an amount equal to the full replacement cost thereof, and Mortgagee shall be named as an additional insured party under a standard mortgage endorsement to both the building and contents insurance policies.
7. Liability Insurance. Mortgagor shall, at Mortgagor's expense, maintain in force policies of liability insurance, with Mortgagee as an additional insured thereunder, insuring Mortgagor against any claims resulting from the injury to or the death of any person or the damage to or the destruction of any property belonging to any person by reason or Mortgagee's interest hereunder or the use or occupancy of the Mortgaged Property by Mortgagor.
8. Processing of Insurance Policies. Mortgagor shall promptly deliver to Mortgagee the originals or true and exact copies of all insurance policies required by this Mortgage. Mortgagor shall not do or omit to do any act which will in any way impair or invalidate any insurance policy required by this Mortgagee. All insurance policies shall contain a written obligation of the insurer to notify Mortgagee in writing at least 10 days prior to any cancellation thereof.

9. Indemnification of Mortgagor.

Mortgagor shall hold Mortgagee harmless from, and indemnify Mortgagee for, any and all claims raised by any third party against mortgagor resulting from Mortgagee's interest hereunder or the acts of Mortgagor. Such indemnification shall include reasonable attorney's fees, costs and lost compensation or profits of Mortgagee or its agents resulting from preparation for and participation in any litigation.

10. Right of Mortgagee to Pay Obligations of Mortgagor.

If Mortgagor shall fail or refuse to pay any sums due to be paid by it under the provisions of this Mortgage, or fail or refuse to take any action as herein provided, then Mortgagee shall have the right to pay any such sum due to be paid by Mortgagor and to perform any act necessary. The amount of such sums paid by Mortgagee for the account of Mortgagor and the cost of any such action, together with interest thereon at the maximum legal contractual rate per annum from the date of payment by Mortgagee until the satisfaction thereof, shall be added to the Obligation Secured. The payment by Mortgagee of any such sums or the performance by Mortgagee of any such action shall be prima facie evidence of the necessity therefor.

11. Condemnation.

Any award of damage, in connection with any condemnation or injury to any of the Mortgaged Property by reason of public use or for damages for private trespass or injury thereto are hereby assigned in full and shall be paid to Mortgagee, who shall apply them to payment of the principal of the Obligation Secured, the interest thereon and any other charges or amount secured hereby in such manner as Mortgagee may elect. Any remaining balance shall be paid to Mortgagor. Mortgagee may, at Mortgagee's option, appeal from any such award in the name of Mortgagor.

12. Care of Property.

Mortgagor shall take reasonable care of the Mortgaged Property and the buildings thereon and maintain them in good repair and condition as at the original date of this Mortgage, ordinary depreciation excepted. Mortgagor shall commit or permit no waste and do no act which will unduly impair or depreciate the value of the mortgaged Property as security or affect its insurability. If Mortgagor fails to maintain the Mortgaged Property as required, then Mortgagee, at its option, may make necessary repairs and add the cost thereof to the Obligation Secured. Mortgagor shall purchase and use on the Mortgaged Property the amount of water to which it is or shall be entitled and shall not abandon water rights, power rights or any rights of whatever nature which are appurtenant to the Mortgaged Property.

13. Right to Inspect Mortgaged Property.

At all convenient and reasonable times, upon prior notice to Mortgagor, Mortgagee shall have the right and license to go on and into the Mortgaged Property to inspect it in order to determine whether the provisions of the Mortgage are being kept and performed.

14. Acceleration.

Mortgagor agrees that in the event of default and after proper notice of the default has been given by Mortgagee, Mortgagee may declare all amounts owing on the Obligation Secured to be immediately due and payable from the date of acceleration, these amounts shall accrue interest at the highest legal contractual rate.

15. Event of Default. Each of the following shall be deemed an event of default:

- 15.a. The failure of Mortgagor to make any payment due hereunder on or before the due date;
- 15.b. The failure of Mortgagor to perform any duty required by this Mortgage;
- 15.c. The breach by Mortgagor of any covenant or warranty contained in this Mortgage;
- 15.d. The sale or attempted sale of the Mortgaged Property by Mortgagor without the consent of Mortgagee;
- 15.e. The removal or attempted removal by Mortgagor of any property included in the Mortgaged Property without the consent of Mortgagee;
- 15.f. Abandonment of the Mortgaged Property by Mortgagor;
- 15.g. The filing, execution or occurrence of:
 - (1) A petition in bankruptcy by or against Mortgagor;
 - (2.) A petition or answer seeking a reorganization, composition, readjustment, liquidation, dissolution or other relief of the same or different kind under any provision of the Bankruptcy Act;
 - (3) Adjudication of Mortgagor as a bankrupt or insolvent, or insolvency in the bankruptcy equity sense.
 - (4) An assignment by Mortgagor for the benefit of creditors, whether by trust, mortgage or otherwise;
 - (5) A petition or other proceedings by or against Mortgagor for the appointment of a trustee, receiver, guardian, conservator or liquidator of Mortgagor with respect to all or substantially all of its property;
 - (6) Mortgagor's dissolution or liquidation, or the taking of possession of Mortgagor's property by any governmental authority in connection with dissolution or liquidation; or
 - (7) The taking by any person of the title created hereby or any part hereof upon execution, attachment or other process of law or equity.
- 15.h. The failure of Mortgagor to perform when due any obligation under any Mortgage having priority over this Second Mortgage.

16. Default. In an event of default and after proper notice has been given, Mortgagee shall have the following rights, in addition to all other rights provided herein and by law and equity.

- 16.a. To declare Obligation Secured, with interest and any other sums secured hereby, immediately due and payable as provided under paragraph 14 (Acceleration); provided, however, that should Mortgagee, upon default of Mortgagor, exercise its option to declare the entire amount of the principal immediately due and payable and should acceleration be revoked by agreement or operation of law then such indebtedness shall be payable in accordance with the original schedule therefor unless otherwise agreed by Mortgagor and Mortgagee.
- 16.b. In addition, Mortgagee may bring foreclosure proceedings as provided by law and discussed in paragraph 17 (Foreclosure).

17. Foreclosure. If Mortgagee at any time brings an action in court to foreclose this Mortgage, then it is expressly understood and agreed that:

- 17.a. A receiver may be appointed without notice to Mortgagor, and Mortgagor shall surrender possession of each and every part of the Mortgaged Property to that receiver. The receiver shall have the right to take possession of the Mortgaged Property and collect the rents and profits therefrom, pending foreclosure proceedings and up to the time of redemption or issuance of Sheriff's Deed. Rents and profits shall be applied to foreclosure costs and expenses and the balance to the Obligation Secured.
- 17.b. There shall be due to Mortgagee, in addition to the principal, interest and expenses herein mentioned, the cost of a search of the title of the Mortgaged Property, and this cost shall be secured by this Mortgage.
- 17.c. Mortgagor shall pay the taxable costs of the foreclosure suit and reasonable attorneys' fees for Mortgagee's attorney. The fees shall be fixed by the court and shall accrue interest at the highest contractual legal rate and shall be a lien on the Mortgaged Property and secured thereby. If there is a settlement after suit is brought but before trial, Mortgagor agrees to pay reasonable attorney's fees to be fixed by the court, as well as all the costs for such suit and the costs of the appointment of a receiver, if appointed, and any sums expended by such receiver in the management,

carrying on, protection and repair of the Mortgaged Property, together with interest thereon as described above. If suit is brought for the foreclosure of this Mortgage, Mortgagee shall have the right, at its option, to have the judgment of foreclosure provide that all Mortgaged Property then subject to the lien of this Mortgage be sold, as a whole and not in parcels or parts.

18. Deficiency Judgment. Unless prohibited by law, Mortgagee shall be entitled to a deficiency judgment against Mortgagor if the Sheriff's sale of the Mortgaged Property yields an amount insufficient to fully satisfy Mortgagor's obligation hereunder. ARS 33-729.
19. Defaults on Prior Encumbrances. If there are other mortgages upon the Mortgaged Property or other encumbrances which are prior in time or prior in right, then Mortgagor promises to comply with the terms of these prior mortgages or encumbrances. If Mortgagor fails to comply with such terms and defaults on these mortgages or obligations, such default shall also be considered a default of this Mortgage, and Mortgagee herein may advance the monies necessary to remedy such defaults, and, if it does, such monies shall be added to the Obligation Secured and shall bear the maximum contractual legal rate of interest from the date monies are tendered. Mortgagee may also proceed on this default by exercising the same remedies it has on this Mortgage.
20. Satisfaction of the Obligation. If Mortgagee receives full payment of the Obligation Secured in the amount secured, at the request of Mortgagor, Mortgagee shall acknowledge satisfaction of the Mortgage by recording and delivering to Mortgagor a Satisfaction or Release of Realty Mortgage. Should Mortgagee fail to make such acknowledgment within 10 days of the request by Mortgagor, Mortgagee shall be liable to Mortgagor, its heirs or assigns, in the amount of \$100 plus actual damages occasioned by the neglect or failure. ARS 33-712.
21. Notices. Copies of all notices and communication concerning this Mortgage shall be mailed to the parties at the addresses specified in this Mortgage, and any change of address shall be communicated to the other party in writing. Any documents which may adversely affect the rights of any party to this Mortgage shall be dispatched by Certified Mail, Return Receipt Requested.
22. Headings. The marginal or topical headings of the provisions herein are for convenience only and do not define, limit or construe the contents of these provisions.
23. Interpretation. In this Mortgage whenever the context so requires, the masculine gender includes the feminine and neuter, and the singular number includes the plural and vice versa.
24. Applicable Law. This Mortgage shall be subject to and governed by the laws of the State of Illinois regardless of the fact that one or more parties now is or may become a resident of a different state.
25. Waiver. Any waiver by either party of a breach of any, provision of this Mortgage shall not operate or be construed as a waiver of any subsequent breach thereof.

26. Succession of Benefits.

The provisions of this Mortgage shall endure to the benefit of and be binding upon the parties hereto, their heirs, personal representatives, conservators and permitted assigns.

27. Entire Agreement.

The terms of this Mortgage constitute the entire agreement between the parties, and the parties represent that there are no collateral or side agreements not otherwise provided for within the terms of this Mortgage.

28. Time of Essence.

Time is of the essence in this Mortgage and every term, condition, covenant, and provision hereof.

29. Modification.

No modification of this Mortgage shall be binding unless evidenced by an agreement in writing and signed by both parties.

30. Partial Invalidity.

If any provision of this Mortgage is held to be invalid or unenforceable, all the remaining provisions shall nevertheless continue in full force and effect.

WITNESSES:

MORTGAGOR:

[Signature]
[Signature]

[Signature]
Timothy R. Stubbs
[Signature]
Melinda L. Stubbs

SUBSCRIBED AND SWORN BEFORE ME ON THIS DATE 2nd of November, 2001.

STATE OF ILLINOIS)
County of Cook)ss

Notary Public [Signature] (seal)

PREPARED BY AND RETURN TO:

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