

UNOFFICIAL COPY

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Cook County Recorder 38.00

PURCHASE MONEY
MORTGAGE

THIS MORTGAGE is dated as of 25th day of February, 2003, and is executed by **Peter Aguilera and Marina Aguilera**, Post Office Box 989, Itasca, Illinois 60143-0989 ("Borrower"), the record owner of the Premises, as hereinafter defined, in favor of **John Georg and Josephine Georg**, 17646 West Gages Lake Road, Gages, Lake, Illinois 60030 ("Lender").



For Recorder's Use Only

WITNESSETH:

Borrower has executed a promissory note ("Note") dated as of the date of this Mortgage, payable to the order of Lender, in the principal amount of **Seven Hundred and Thirty Thousand and 00/100 (\$730,000.00)**. Interest on the outstanding principal balance of the Note shall accrue at the rate of six percent (6%) per annum. The principal and interest on the Note are payable as follows: Interest on the unpaid principal balance of the Note at an annual interest rate of six percent (6%) and principal shall be due and payable in annual installments of **\$4,376.72** each, commencing on the **1st** day of **April, 2003** and on the **1st** day of each and every month thereafter until the "Maturity Date" (as that term hereinafter defined), at which time all accrued and unpaid interest shall be due and payable. Interest hereunder shall be calculated as if the Loan were being amortized over a **360** month period and on the basis of the actual number of days elapsed during the period for which interest is being charged hereunder, predicated on a year consisting of Three Hundred Sixty Five (365) days. The entire unpaid principal balance of the Loan shall be due and payable on **March 1, 2006** (the "Maturity Date").

Interest on the outstanding principal balance of the Note shall be increased to the rate of Eleven percent (11%) after maturity of the Note or upon default under the Note or this Mortgage. If any payment of interest or principal on the Note is not received as when due, Borrower shall be charged a late fee in the following manner unless Borrower tenders late payment to Lender within three (3) days of notice by Lender to Borrower: Borrower shall pay to Lender a late charge of Five Cents (\$.05) for each dollar so overdue in order to defray part of the increased cost of collection resulting from such late payments and the opportunity costs incurred by Lender because of the unavailability of the funds.

To secure payment of the indebtedness evidenced by the Note and the hereinafter defined Liabilities, including, without limitations, future advances, if any, on the Note, prior to its express maturity date to the same extent as if such advances were made on the date of the Note, Borrower does by these presents CONVEY and MORTGAGE unto Lender, all of Borrower's estate, right, title and interest in the real estate situated, lying and being in the County of **Cook**, and State of **Illinois**, legally described as follows:

13-27-401-001-0000

Lots 1, 2, 3 and 4 in Block 2 in Overfield's Addition to Chicago, being a subdivision of the Northwest 1/4 of the Northwest 1/4 of the Southeast 1/4 of Section 27,

1101
ST5044826
O&AS @ 3017649
BOX 333-CTI

Township 40 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois.

which is referred to herein as the "Premises", together with all improvements, buildings, tenements, hereditaments, appurtenances, gas, oil, mineral, easements located in, on, over or under the Premises, whether now on the Premises or hereafter erected, installed or placed on or in the Premises, or used in connection with the Premises and whether or not physically attached to the Premises. The foregoing items are and shall be deemed a part of the Premises and a portion of the security for the Liabilities as between the parties hereto and all persons claiming by, through or under them. Portions of the foregoing are goods which are or shall become fixtures on the Premises, and Borrower agrees that the filing of this Mortgage in the real estate records of Cook County, Illinois shall also operate, at the time of such filing, as fixtures filing in accordance with the provisions of the Uniform Commercial Code as adopted in the State of Illinois.

Further, Borrower and its beneficiaries does hereby pledge and assign to Lender, all leases, written or verbal, rents, issues and profits of the Premises, including without limitation, all rents, issues, profits, revenues, royalties, bonuses, rights and benefits now due, past due, or to become due and all deposits of money as advanced rent or for security, under any and all present and future leases of the Premises or any other agreement for the occupancy of use of all or any part of the Premises, together with the right, but not the obligation, to collect, receive, demand, sue for and recover the same when due or payable, Borrower hereby authorizing Lender or Lender's agents to collect the aforesaid rents and revenues and hereby directing each tenant of the Premises to pay such rent to Lender or Lender's agents. Lender by acceptance of this Mortgage agrees, as a personal covenant applicable to Borrower only, and not as a limitation or condition hereof and not available to anyone other than Borrower, that until a Default, as hereinafter defined, shall occur or an event shall occur, which under the terms hereof shall give to Lender the right to foreclose this Mortgage, Borrower may collect, receive and enjoy such avails. Borrower agrees that each tenant of the Premises shall pay such rents to Lender or Lender's agents on Lender's written demand therefore without any liability on the part of said tenant to inquire further as to the existence of a Default by Borrower or Obligor. Borrower hereby covenants that Borrower has not executed any prior assignment of said rents, that Borrower has not performed, and will not perform, any acts or has not executed, and will not execute, any instruments which would prevent Lender from exercising any rights pursuant to such rents or other amounts, that at the time of execution of this Mortgage there has been no anticipation or prepayment of the rents for the Premises and that Borrower will not hereafter collect or accept payment of any rents of the Premises prior to the due dates of such rents.

Further, Borrower warrants, covenants and agrees as follows:

1. Duty to Maintain Premises and Title to Premises. Borrower 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 the Premises in good condition and repair, without waste, and, except for this Mortgage, free from any encumbrances, mechanic's liens or other liens or claims for lien; (c) pay when due any indebtedness which may be secured by a lien or charge on the Premises, and upon request exhibit satisfactory evidence of the discharge of such lien to Lender; (d) complete within a reasonable time any building or buildings now or at any time in process of erection upon the Premises; (e) comply with all requirements of all laws or municipal ordinances with respect to the Premises and the use of the Premises; (f) refrain from impairing or diminishing the value of the Premises.
2. Taxes, Assessments and Charges. Borrower shall pay, when due and before any penalty

attaches, all general taxes, special taxes, special assessments, water charges, drainage charges, sewer service charges, and other charges against the Premises. Borrower shall, upon written request, furnish to Lender, duplicate paid receipts for such taxes, assessments and charges. To prevent Default hereunder, Borrower shall pay in full, prior to such tax, assessment or charge becoming delinquent, under protest, in the manner provided by statute, any tax, assessment or charge which Borrower may desire to contest.

3. Leases. Upon the request of Lender, Borrower and its beneficiaries shall deliver to Lender all original leases of all or any portion of the Premises, together with assignments of such leases from Borrower to Lender, which assignments shall be in form and substance satisfactory to Lender.
4. Condemnation. Any awards of damage resulting from condemnation proceedings, exercise of the power of eminent domain, or the taking of the Premises for public use are hereby transferred, assigned and shall be paid to Lender and the proceeds or any part thereof may be applied by Lender, after the payment of all of its expenses, including costs and attorneys' fees, to the reduction of the indebtedness secured hereby and Lender is hereby authorized, on behalf and in the name of Borrower, to execute and deliver valid acquittances and to appeal from any such award.
5. Non-Exclusivity and Preservation of Remedies. No remedy or right of Lender hereunder shall be exclusive. Each right and remedy of Lender with respect to this Mortgage shall be in addition to every other remedy or right now or hereafter existing at law or in equity. No delay by Lender in exercising, or omission to exercise, any remedy or right accruing on Default shall impair any such remedy or right, or shall be construed to be a waiver of any such Default, or acquiescence therein, nor shall it affect any subsequent Default of the same or a different nature. Every such remedy or right may be exercised concurrently or independently, and when and as often as may be deemed expedient by Lender.
6. Insurance. Borrower shall keep all buildings and improvements now or hereafter situated on the Premises insured against loss or damage by fire, lightning, windstorm and such other hazards as may from time to time be designated by Lender, including, without limitation, flood damage, where Lender is required by law to have the loan evidenced by the Note so insured. Each insurance policy shall be for an amount sufficient to pay the cost of replacing or repairing the buildings and improvements on the Premises and, in no event less than the outstanding principal amount of the Note. Each insurance policy shall be payable, in case of loss or damage, to Lender. Each insurance policy shall contain a lender's loss payable clause or endorsement, in form and substance satisfactory to Lender. Borrower shall deliver all insurance policies, including additional and renewal policies, to Lender. In case of insurance about to expire, Borrower shall deliver to Lender renewal policies not less than ten days prior to the respective dates of expiration. Upon the occurrence of any event insured against by any of the aforementioned insurance policies, and the receipt of insurance proceeds by Lender, Lender shall, at its option, after payment of all of Lender's costs and expenses with respect thereto, including outside or in-house attorneys' fees, apply such proceeds to the reduction of the Liabilities, in such order of application as Lender may determine.
7. Expenses. Upon Default hereunder, and at any time during a suit to foreclose the lien of this

Mortgage and prior to a sale of the Premises, Lender may, but need not, make any payment or perform any act required of Borrower hereunder in any form and manner deemed expedient by Lender, and Lender may, but need not, make full or partial payments of principal or interest on any encumbrances affecting the Premises and Lender may purchase, discharge, compromise or settle any tax lien or other lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting the Premises or contest any tax or assessment. All moneys paid for any of the purposes authorized in this Mortgage and all expenses paid or incurred in connection therewith, including reasonable attorneys' fees, and any other moneys advanced by Lender to protect the Premises or the lien hereof, plus reasonable compensation to Lender for each matter concerning which action herein authorized may be taken, shall be additional Liabilities and shall become immediately due and payable without notice and with interest thereon at a per annum rate equivalent to the post maturity or post default (whichever is higher) interest rate set forth in the Note. Inaction of Lender shall never be considered as a waiver of any right accruing to Lender on account of any Default hereunder.

8. No Inquiry for Expenses. If Lender makes any payment authorized by this Mortgage relating to taxes, assessments, charges or encumbrances, Lender may do so according to any bill, statement or estimate received from the appropriate public office without inquiry into the accuracy or validity of such bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof.

9. Environmental Matters.

9.1 Environmental Covenants and Agreements. Borrower covenants and agrees, until all Liabilities are paid in full:

9.1.1 Borrower shall not cause or permit to exist any unlawful Environmental Contamination on any portion of the Premises or on any portion of any other real estate now or hereafter owned, leased, occupied or operated by Borrower, or with respect to the business and operations of Borrower.

9.1.2 Borrower shall immediately notify Lender of its receipt of any notice, oral or written, of any such contamination.

9.2 Environmental Indemnification. Borrower hereby indemnifies and holds Lender harmless from and against all losses, costs, claims, causes of action, damages (including special, consequential and punitive damages), and including reasonable attorneys' fees and costs, incurred by Lender and in any manner related to or arising from the breach of any of the foregoing warranties, representations, covenants, agreements.

9.3 Environmental Defaults. The breach of any warranties, representations, covenants or agreements contained in Paragraph 9.1 and 9.2 of this Mortgage shall entitle Lender to accelerate the maturity of all Liabilities, and all such Liabilities shall become immediately thereafter due and payable, and if payment thereof is not immediately made, Lender shall have all remedies stated in this Mortgage or otherwise available to it.

10. Default. Upon Default, at the sole option of Lender, the Note and any other Liabilities shall become immediately due and payable and Borrower shall pay all expenses of Lender including reasonable attorneys' fees and expenses incurred in connection with this Mortgage and all expenses incurred in the enforcement of Lender's rights in the Premises and other costs incurred in connection with the disposition of the Premises. The term "Default" when used in this Mortgage mean (a) any one or more of the events, conditions or acts, if any, defined as a "Default" in the Note, all of which are hereby incorporated by reference herein, (b) the failure of Borrower to pay the Note, in accordance with the terms of the Note, (c) the falsity of, or failure of Borrower to comply with or to perform any representation, warranty, term, condition, covenant or agreement contained in this Mortgage, the Note or any instrument securing any Liabilities, (d) the occurrence of any event,, giving Lender the right to accelerate the maturity of any of the Liabilities or constituting a default of any of the Liabilities.
11. Due On Sale. Notwithstanding any other provisions of this Mortgage, no sale, lease, mortgage, trust deed, grant by Borrower of an encumbrance of any kind, conveyance, contract to sell, or transfer of the Premises, or any part thereof, or transfer of occupancy or possession of the Premises, or any part thereof, shall be made without the prior written consent of Lender.
12. Definitions of Liabilities. "Liabilities" means all obligations of Borrower to Lender for payment of any and all amounts due under the Note, this Mortgage. "Liabilities" also includes all amounts so described herein and all costs of collection, legal expenses and reasonable attorneys' fees incurred or paid by Lender in attempting the collection or enforcement of the Note or this Mortgage, or any extension or modification of this Mortgage or the Note, or in any legal proceeding occurring by reason of Lender's being the Mortgagee under this Mortgage or any extension or modification thereof or the payee under the Note or any extension or modification thereof, including but not limited to any declaratory judgment action, or in the repossession, custody, sale, lease, assignment or other disposition of any collateral for the Note.
13. Foreclosure. When any of the Liabilities shall become due whether by acceleration or otherwise, Lender shall have the right to foreclose the lien of this Mortgage. In any suit to foreclose the lien of this Mortgage, there shall be allowed and included as additional indebtedness in the judgment of foreclosure all expenditures and expenses which may be paid or incurred by or on behalf of Lender for reasonable attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and costs of procuring all abstracts of title, title searches and examinations, title insurance policies, and similar data and assurances with respect to title as Lender may deem to be reasonably necessary either to prosecute the foreclosure suit or to evidence to bidders at any foreclosure sale. All of the foregoing items, which may be expended after entry of the foreclosure judgment, may be estimated by Lender. All expenditures and expenses mentioned in this paragraph shall become additional Liabilities and shall be immediately due and payable, with interest thereon at a rate equivalent to the post-maturity or post-default (whichever is higher) rate set forth in the Note or herein, when paid or incurred by Lender. This paragraph shall also apply to any expenditures or expenses incurred or paid by Lender or

on behalf of Lender in connection with (a) any proceeding, including without limitation, probate and bankruptcy proceedings, to which Lender shall be a party, as plaintiff, claimant, defendant or otherwise, by reason of this Mortgage or any Liabilities; or (b) Preparations for the commencement of any suit for the foreclosure of this Mortgage after accrual of the right to foreclose whether or not actually commenced or preparation for the commencement of any suit to collect upon or enforce the provisions of the Note or any instrument which secures the Note after default under the Note, whether or not actually commenced; or (c) preparations for the defense of any threatened suit or proceeding which might affect the Premises or the security hereof, whether or not actually commenced.

14. Proceeds of Foreclosure. The proceeds of any foreclosure sale shall be distributed and applied in the following order of priority: first, to the reasonable expenses of such sale; second, to the reasonable expenses of security possession of the Premises before sale, holding, maintaining and preparing the Premises for sale, including payment of taxes and other governmental charges, premiums on hazard and liability insurance, management fees, reasonable attorneys' fees, payments made pursuant to Section 15-1505 of the Illinois Mortgage Foreclosure Law or otherwise authorized in this Mortgage and other legal expenses incurred by Lender; third, to the satisfaction of claims in the order of priority adjudicated in the judgment of foreclosure, and with respect to the Liabilities, first to all items which, under the terms of this Mortgage, constitute Liabilities secured by this Mortgage additional to that evidenced by the Note, with interest thereon as herein provided, second to interest remaining unpaid on the Liabilities evidenced by the Note; fourth, to remittance of any surplus to Borrower, or as otherwise directed by the court.
15. Receiver. Upon, or at any time after the filing of a complaint to foreclose this Mortgage, as otherwise permitted by the Illinois Mortgage Foreclosure Law, the court in which such suit is filed may appoint a receiver of the Premises, or may appoint the Lender as a Mortgagee-in-possession of the Premises. Such receiver, or Lender as mortgagee-in-possession, shall have power to collect the rents, issues and profits of the Premises and shall also have all other powers which may be necessary or are unusual for the protection, possession, control, management and operation of the Premises.
16. Unavailability of Certain Defenses. No action for the enforcement of the lien or of any provision of this Mortgage 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.
17. Inspection. Lender shall have the right, but not the obligation, in its sole discretion, to inspect the Premises at all reasonable times and access thereto shall be permitted for that purpose. The foregoing does not relieve Borrower from any obligation, under this Mortgage, the Note or any other instrument securing the Liabilities, to maintain the Premises.
18. Release. Lender shall release (in whole or partially) this Mortgage and the Lien (in whole or partially) by a proper instrument upon payment and discharge of any indebtedness (or applicable agreed portion) secured hereby (including any late charges provided for herein or in the Note) and upon payment of a reasonable fee to Lender for the preparation and


execution of such proper instrument as shall be determined by Lender in its absolute discretion.

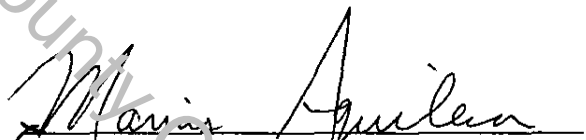
19. Estoppel Statement by Borrower. Borrower shall, within ten days of a written request therefore from Lender, furnish Lender with a written statement, duly acknowledged, setting forth the then outstanding balance of the Note and that there are no rights of set-off, counterclaim or defense which exist against such balance or any of the other Liabilities.
20. Binding on Assigns. This Mortgage and all provisions hereof, shall extend to and be binding upon Borrower and all persons or parties claiming under or through Borrower. The singular shall include the plural, the plural shall mean the singular and the use of any gender shall be applicable to all genders. The word "Lender" includes the heirs, successors and assigns of Lender.
21. Waiver of Redemption. Borrower hereby waives any and all rights of redemption from any judgment of foreclosure of this Mortgage, on its own behalf and on behalf of each and every person claiming through Borrower as a successor, on its own behalf and on behalf of any person claiming a right of reinstatement as a successor to Borrower.
22. Time is of the Essence. It is specifically agreed that time is of the essence of this Mortgage.
23. Governing Law; Severability. This Mortgage has been made, executed and delivered to Lender in Illinois and shall be construed in accordance with the internal laws of the State of Illinois. Wherever possible, each provision of this Mortgage shall be interpreted in such manner as to be effective and valid under applicable law. If any provisions of this Mortgage are prohibited by or determined to be invalid under applicable law, such provisions shall be ineffective to the extent of such prohibitions or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Mortgage.
24. Loan Purpose. Borrower hereby represents, or if applicable, Borrower has been advised by its beneficiaries, that the proceeds of the Loan secured by this Mortgage will be used for the purposes specified in Paragraph 815 ILCS 205/4 and that the principal obligations secured hereby constitute a "business loan" which comes within the purview and operation of said paragraph.
25. Headings. Heading of paragraphs in the Mortgage are for convenience and reference only and shall be construed in any way to limit or define the content, scope or intent of the provisions hereof.
26. Governmental Compliance. Borrower shall comply with all statutes, ordinances, regulations, rules, orders, decrees, and all other requirements relating to the Premises or any part thereof by any federal, state, or local authority; and shall observe and comply with all conditions and requirements necessary to preserve and extend any and all rights, licenses, permits (including, without limitation, zoning variances, special exceptions, and non-conforming uses), privileges, franchises, and concessions applicable to the Premises or that have been granted to or contracted for by Borrower in connection with any existing or presently

contemplated use of the Premises.

- 27. Lender's Continuing Options. The failure of Lender to exercise either or both of its options to accelerate the maturity of the indebtedness secured hereby and to foreclose the lien hereof following any Default under this Mortgage, or to exercise any other option granted to Lender hereunder in any one or more instances, or the acceptance by Lender of partial payments of such indebtedness, shall neither constitute a waiver of any such Default or of Lender's options hereunder nor establish, extend or effect any grace period for payments due under the Note, but such options shall remain continuously in force. Escalation of maturity, once claimed hereunder by Lender, may at Lender's option be rescinded by written acknowledgment to that effect by a Lender and shall not affect Lender's rights to accelerate maturity upon or after any future Default.
- 28. Notices. Except as otherwise hereinabove provided, any notice that Lender or Borrower may desire or be required to give to the other shall be in writing and shall be mailed or delivered to the intended recipient thereof at its address hereinabove set forth or at such other address as such intended recipient may, from time to time, by notice in writing, designate to the sender pursuant hereto any such notice shall be deemed to have been delivered to and received by the other party three (3) business days after mailing by United States registered or certified mail, return receipt requested, or when delivered to Lender or Borrower in person.

WITNESS Borrower has executed and delivered this Mortgage as of the day and year set forth above.


 Peter Aguilera


 Marina Aguilera

STATE OF ILLINOIS, Cook County ss:

I, _____, a Notary Public in and for said county and state, do hereby certify that **Peter Aguilera and Marina Aguilera**, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

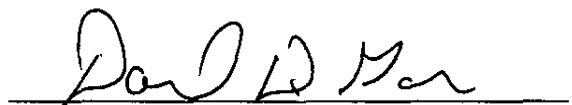
Given under my hand and official seal, this 25 day of February



My Commission expires: 8/17/06

RETURN TO:

John BAUMGARTNER
 P.O. Box 284
 GRAYSLAKE, IL.
 60030


 Notary Public