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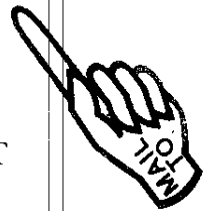
Eugene "Gene" Moore Fee: \$54.00  
Cook County Recorder of Deeds  
Date: 06/23/2003 11:20 AM Pg: 1 of 16

STC IL 298509

This instrument was prepared by:

FLORINDA MUNOZ (LOAN CLOSER)  
SECOND FEDERAL SAVINGS  
4811 W CERMAK ROAD  
CICERO, IL 60804

1685



MULTIFAMILY MORTGAGE,  
ASSIGNMENT OF RENTS AND SECURITY AGREEMENT  
(Security for construction Loan Agreement)

THIS MORTGAGE (herein "instrument") is made this 3RD day of JUNE, 2003  
between the Mortgagor/Grantor,  
DANIEL OROZCO AND ESPERANZA C OROZCO, HIS WIFE

whose address is 2800 S DRAKE AVE  
CHICAGO, IL 60623

(herein "Borrower"),

and the Mortgagee, SECOND FEDERAL SAVINGS

a CORPORATION organized and existing under the laws of UNITED STATES, whose  
address is 4811 W CERMAK ROAD  
CICERO, IL 60804

(herein "Lender").

WHEREAS, Borrower is indebted to Lender in the principal sum of FORTY-EIGHT THOUSAND AND  
00/100 Dollars, which  
indebtedness is evidenced by Borrower's note dated JUNE 3, 2003 (herein "Note"), providing for monthly  
installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on  
JULY 1, 2008;

To SECURE TO LENDER (a) the repayment of the indebtedness evidenced by the Note, with interest thereon, and all  
renewals; extensions and modifications thereof; (b) the repayment of any future advances, with interest thereon, made by  
Lender to Borrower pursuant to paragraph 30 hereof (herein "Future Advances"); (c) the performance of the covenants and  
agreements of Borrower contained in a Construction Loan Agreement between Lender and Borrower dated  
JUNE 3, 2003, if any, as provided in paragraph 25 hereof; (d) the payment of all other sums, with interest  
thereon, advanced in accordance herewith to protect the security of this Instrument; and (e) the performance of the covenants  
and agreements of Borrower herein contained, Borrower does hereby mortgage, grant, convey and assign to Lender [the  
leasehold estate pursuant to (herein "ground lease") dated JUNE 3, 2003, between

recorded in \_\_\_\_\_ in and to\*] the following described property located in  
COOK COUNTY, State of Illinois:

STEWART TITLE OF ILLINOIS  
2 NORTH LA SALLE STREET, SUITE 1920  
CHICAGO, IL 60602

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LOT 49 AND LOT 50 IN GRAY'S SUBDIVISION OF THE EAST 3/4 OF BLOCK 16 IN STEEL SUBDIVISION OF THE SOUTHEAST 1/4 AND THE EAST 1/2 OF THE SOUTHWEST 1/4 THE EAST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 26, TOWNSHIP 39 NORTH, RANGE EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN 16-26-416-022-0000 AND 16-26-416-023-0000 ( VOLUME NUMBER 577)

TOGETHER with all buildings, improvements, and tenements now or hereafter erected on the property, and all heretofore or hereafter vacated alleys and streets abutting the property, and all easements, rights, appurtenance, rents, royalties, mineral, oil and gas rights, and water stock appurtenant to the property, and all fixtures, machinery, equipment, engines, boilers, incinerators, building materials, appliances and goods of every nature whatsoever now or hereafter located in, on, or used, or intended to be used in connection with the property, including, but not limited to, those for the purposes of supplying or distributing heating, cooling, electricity, gas, water, air and light; and all elevators, and related machinery and equipment, fire prevention and extinguishing apparatus, security and access control apparatus, plumbing, bath tubs, water heaters, water closets, sinks, ranges, stoves, refrigerators, dishwashers, disposers, washers, dryers, awnings, storm windows, storm doors, screens, blinds, shades, curtains and curtain rods, mirrors, cabinets, paneling, rugs, attached floor coverings, furniture, pictures, antennas, trees and plants, and

N/A

all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the real property covered by this Instrument; and all of the foregoing together with said property (or the leasehold estate in the event this Instrument is on a leasehold) are herein referred to as the "Property".

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant, convey and assign the Property (and, if this Instrument is on a leasehold, that the ground lease is in full force and effect without modification except as noted above and without default on the part of either lessor or leasehold grantor), that the Property is unencumbered, and that Borrower will warrant and defend generally the title to the Property against all claims and demands, subject to any easements and restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Lender's interest in the Property.

Uniform Covenants. Borrower and Lender covenant and agree as follows:

- 1. PAYMENT OF PRINCIPAL AND INTEREST.** Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, any prepayment and late charges provided in the Note and all other sums secured by this instrument.
- 2. FUNDS FOR TAXES, INSURANCE AND OTHER CHARGES.** Subject to applicable law and a written waiver by Lender, Borrower shall pay to Lender on the day monthly installments of principal or interest are payable under the Note (or on another day designated in writing by Lender), until the Note is paid in full, a sum (herein "Funds") equal to one-twelfth of (a) the yearly water and sewer rates and taxes and assessments which may be levied on the Property, (b) the yearly ground rents, if any, (c) the yearly premium installments for fire and other hazard insurance, rent loss insurance covering the Property as Lender may require pursuant to paragraph 5 hereof, (d) the yearly premium installments for mortgage insurance, if any, and (e) if this Instrument is on a leasehold, the yearly fixed rent, if any, under the ground lease, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof. Any waiver by Lender of a requirement that borrower pay such Funds may be revoked by Lender in Lender's sole discretion, at any time upon notice in writing to Borrower. Lender may require Borrower to pay to Lender in advance, such other Funds for other taxes, charges, premiums, assessments and impositions in connection with Borrower's ownership of the Property which Lender shall reasonably deem necessary to protect Lender's interests therein "Other Impositions". Unless otherwise provided by applicable law, Lender may require Funds for Other Impositions to be paid by Borrower by a lump sum or in periodic installments, at Lender's option. The Funds shall be held in an institution(s) the deposits or accounts of which are insured or guaranteed by a Federal or state agency (including Lender if Lender is such an institution). Lender shall apply

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the Funds to pay said rates, rents, taxes, assessments, insurance premiums and Other Impositions so long as Borrower is not in breach of any covenant or agreement of Borrower in this instrument. Lender shall make no charge for so holding and applying the Funds, analyzing said account or for verifying and compiling said assessments and bills, unless Lender pays Borrower interest, earnings or profits on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing at the time or execution of this instrument that interest on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires interest, earnings or profits to be paid, Lender shall not be required to pay Borrower any interest, earnings or profits on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds in Lender's normal format showing credits and debits to the funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this instrument.

If the amount of the Funds held by Lender at the time of the annual accounting thereof shall exceed the amount deemed necessary by Lender to provide for the payment of water and sewer rates, taxes, assessments, insurance premiums, rents and Other Imposition, as they fall due, such excess shall be credited to Borrower on the next monthly installment or installments of Funds due. If at any time the amount of the Funds held by Lender shall be less than the amount deemed necessary by Lender to pay water and sewer rates, taxes, assessments, insurance premiums, rents and Other Impositions as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency within thirty days after notice from Lender to Borrower requesting payment thereof.

Upon Borrower's breach of any covenant or agreement of Borrower in this instrument, Lender may apply, in any amount and in any order, as Lender shall determine in Lender's sole discretion, any Funds held by Lender at the time of application (i) to pay rates, rents, taxes, assessments, insurance premiums and Other Impositions which are now or will hereafter become due, or (ii) as a credit against sums secured by this instrument. Upon payment in full of all sums secured by this instrument, Lender shall promptly return to Borrower any funds held by Lender.

3. APPLICATION OF PAYMENTS. Unless applicable law provides otherwise, all payments received by Lender from Borrower under the Note or this instrument, shall be applied by Lender in the following order of priority: (i) amounts payable to Lender by Borrower under paragraph 2 hereof; (ii) interest payable on the Note; (iii) principal of the Note; (iv) interest payable on advances made pursuant to paragraph 8 hereof; (v) principal of advances made pursuant to paragraph 8 hereof; (vi) interest payable on any Future Advance, provided that if more than one Future Advance is outstanding, Lender may apply payments received among the amounts of interest payable on the Future Advances in such order as Lender, in Lender's sole discretion, may determine; (vii) principal of any Future Advance, provided that if more than one Future Advance is outstanding, Lender may apply payments received among the principal balances of the Future Advances in such order as Lender, in Lender's sole discretion, may determine; and (viii) any other sums secured by this instrument in such order as Lender, at Lender's option may determine; provided, however, that Lender may, at Lender's option, apply and sums payable pursuant to paragraph 8 hereof prior to interest or principal of the Note, but such application shall not otherwise affect the order of priority of application specified in this paragraph 3.

4. CHARGES; LIENS. Borrower shall pay all water and sewer rates, taxes, assessments, premiums, and Other Impositions attributable to the Property at Lender's option in the manner provided under paragraph 2 hereof, or if not paid in such manner, by Borrower making payment, when due, directly to the provider thereof or in such other manner as Lender may designate in writing. Borrower shall promptly furnish to Lender a receipt of amount due under paragraph 4, and in the event Borrower shall make payment directly, Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has, or may have, priority over or equal with, the lien of this instrument, and Borrower shall pay, when due, the claim of all persons supplying labor or materials in connection with the Property. Without Lender's prior written permission, Borrower shall not allow any lien in violation of this instrument to be perfected against the Property.

5. HAZARD INSURANCE. Borrower shall keep the improvements now existing or hereafter erected on the Property insured by carriers at all times satisfactory to Lender against loss by fire, hazard included within the term "extended coverage", rent loss and such other hazards, casualties, thefts and other perils as Lender may require. If the instrument is on a leasehold, the ground lease) shall require and in such amount, and for such periods as Lender shall require. All premiums on insurance policies shall be paid, at Lender's option, in the manner provided under paragraph 2 hereof, or by Borrower making payment, when due, directly to the carrier, or in such other manner as Lender may designate in writing.

All insurance policies and receipts therefor shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of and in form acceptable to Lender. Lender shall have the right to hold the policy, and Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. At least thirty days prior to the expiration date of a policy, Borrower shall deliver to Lender a renewal policy in form satisfactory to Lender. If this

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Instrument is on a leasehold, Borrower shall furnish Lender a duplicate of all policies, renewal notices, renewal policies and receipts of paid premiums if, by virtue of the ground lease, the originals thereof may not be supplied by Borrower to Lender.

In the event of loss, Borrower shall give immediate written notice to the insurance carrier and Lender. Borrower hereby authorizes and empowers Lender as attorney-in-fact for Borrower to make proof of loss, to adjust and compromise any claim under insurance policies, to appear in and prosecute any action arising from such insurance policies, to collect and receive insurance proceeds, and to deduct therefrom Lender's expense incurred in the collection of such proceeds; provided however, that nothing contained in this paragraph 5 shall require Lender to incur any expense or take any action hereunder. Borrower further authorizes Lender, at Lender's option, (a) to hold the balance of such proceeds to be used to reimburse Borrower for the cost of reconstruction or repair of the Property or (b) to apply the balance of such proceeds to the payment of the sums secured by this Instrument, whether or not then due, in the order of application set forth in paragraph 3 hereof (subject, however, to the rights of the lessor under the ground lease if this Instrument is on a leasehold).

If the insurance proceeds are held by Lender to reimburse Borrower for the cost of restoration and repair of the Property, the Property shall be restored to the equivalent of its original condition or such condition or other condition as Lender may approve in writing. Lender may, at Lender's option, condition disbursement of said proceeds on Lender's approval of such plans and specifications of an architect satisfactory to Lender, contractor's cost estimates, architect's certificates, waiver of liens, sworn statements of mechanics and materialmen and such other evidence of progress, percentage completion of construction, application of payments, and satisfaction of liens as Lender may reasonably require. If the insurance proceeds are applied to the payment of the sums secured by this Instrument, any such application of proceeds to principal shall not extend or postpone the due dates of the monthly installments referred to in paragraphs 1 and 2 hereof or change the amounts of such installments. If the Property is sold pursuant to paragraph 27 hereof or if Lender acquires title to the Property, Lender shall have all of the right, title and interest of Borrower in and to any insurance policies and unearned premiums thereon and in and to the proceeds resulting from and damage to the Property from any such sale or acquisition.

6. **PRESERVATION AND MAINTENANCE OF PROPERTY; LEASEHOLDS.** Borrower (a) shall not commit waste or permit impairment or deterioration of the Property, (b) shall not abandon the Property, (c) shall restore in fair promptly and in a good and workmanlike manner all or any part of the Property to the equivalent of its original condition, or such other conditions as Lender may approve in writing, in the event of any change, injury or loss of any kind, whether or not insurance proceeds are available to cover in whole or in part the cost of such restoration or repair, (d) shall keep the Property, including improvements, fixtures, equipment, machinery and appliances thereon in good condition and shall replace fixtures, equipment, machinery and appliances on the Property as necessary to keep such fixtures, equipment and repair, (e) shall comply with all laws, ordinances, regulations and requirements of any governmental body applicable to the Property, (f) shall provide for professional management of the Property by a residential rental property management company to Lender pursuant to a contract approved by Lender in writing, unless such requirement shall be waived by Lender in writing, (g) shall generally operate and maintain the Property in a manner to ensure its enjoyment and shall give notice in writing to Lender and of and, unless otherwise directed in writing by Lender, any claim, suit, demand, action or proceeding purporting to affect the Property, the security of this Instrument or the rights or powers of Lender, Borrower or any tenant or other person shall remove, deny, discontinue or modify any fixture, equipment, machinery or appliance on the Property or any fixture, equipment, machinery or appliance in or on the Property except as required for the replacement of fixtures, equipment, machinery and appliances worn or obsolete.

If this Instrument is on a leasehold, Borrower (i) shall comply with the provisions of the ground lease, (ii) shall give immediate written notice to Lender of any default by lessor under the ground lease or of any default by Borrower from such lessor of any default under the ground lease by Borrower, (iii) shall exercise any option to purchase or extend the ground lease and give written confirmation thereof to Lender within thirty days after such option becomes exercisable, (iv) shall give immediate written notice to Lender of the commencement of any remedial proceedings under the ground lease by any party thereto and, if required by Lender, shall permit and/or as Borrower's attorney-in-fact shall defend and act for Borrower in any such remedial proceedings and (v) shall within thirty days after request by Lender shall receive from the lessor under the ground lease and deliver to Lender the original and certified copies of all documents required hereunder. Borrower hereby expressly transfers and assigns to Lender the benefit of all covenants contained in the ground lease, whether or not such covenants run with the land, but Lender shall have no liability with respect to such covenants or any other covenants nor any other covenants contained in the ground lease.

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Borrower shall not surrender the leasehold estate and interests herein conveyed nor terminate or cancel the ground lease creating said estate and interests, and Borrower shall not, without the express written consent of Lender, alter or amend said ground lease. Borrower covenants and agrees that there shall not be a merger of the ground lease or of the leasehold estate created thereby, with the fee estate covered by the ground lease by reason of said leasehold estate or said fee estate, or any part of either, coming into common ownership, unless Lender shall consent in writing to such merger. If Borrower shall acquire such fee estate, then this Instrument shall simultaneously and without further action be spread so as to become a lien on such fee estate.

7. **USE OF PROPERTY.** Unless required by applicable law or unless Lender has otherwise agreed in writing, Borrower shall not allow changes in the use for which all or any part of the Property was intended at the time this Instrument was executed. Borrower shall not initiate or acquiesce in a change in the zoning classification of the Property without Lender's prior written consent.

8. **PROTECTION OF LENDER'S SECURITY.** If Borrower fails to perform the covenants and agreements contained in this Instrument, or if any action or proceeding is commenced which affects the Property or title hereon in the interest of Lender therein, including, but not limited to, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Lender at Lender's option may make such appearances, disburse such sums and take such action as Lender deems necessary, in its sole discretion, to protect Lender's interest, including, but not limited to, (i) disbursement of attorney's fees, (ii) entry upon the Property to make repairs, (iii) procurement of satisfactory insurance as provided in paragraph 5 hereof, and (iv) if this Instrument is on a leasehold, exercising its option to renew or extend the ground lease on behalf of Borrower and the curing of any default of Borrower in the terms and conditions of the ground lease.

Any amounts disbursed by Lender pursuant to this paragraph 8, with interest thereon, shall constitute additional indebtedness of Borrower secured by this Instrument. Unlike Borrower and Lender agree to other terms of payment, such amounts shall be immediately due and payable and shall bear interest from the date of disbursement at the rate stated in the Note unless collection from Borrower of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate which may be collected from Borrower under applicable law. Borrower hereby covenants and agrees that Lender shall be subrogated to the lien of any mortgage or other lien discharging the whole or part, by the indebtedness secured hereby. Nothing contained in this paragraph shall require Lender to incur any expense or take any action hereunder.

9. **INSPECTION.** Lender may make or cause to be made reasonable entries upon and inspections of the Property.

10. **BOOKS AND RECORDS.** Borrower shall keep an accurate and up-to-date record at Borrower's address or at a place, or such other place as Lender may approve in writing, complete and accurate books and accounts which shall be adequate to reflect correctly the results of the operation of the Property and which shall include, but not be limited to, all contracts, leases and other instruments which affect the Property. Such books, records, contracts, leases and other instruments shall be available for examination and inspection at any reasonable time by Lender. Upon Lender's request, Borrower shall deliver to Lender, within one hundred and twenty days after the end of each fiscal year of Borrower, a balance sheet, a statement of income and expenses of the Property and a statement of changes in financial position, each in reasonable detail and certified, upon demand, if lender shall require, by an independent certified public accountant. Borrower shall furnish, together with the foregoing financial statements and at any other time upon Lender's request, a rent schedule for the Property, certified by the tenant, showing the name of each tenant, and for each tenant, the space occupied, the lease expiration date, the rent payable, and the amount paid.

11. **CONDEMNATION.** Borrower shall promptly notify Lender of any action or proceeding relating to the condemnation or other taking, whether direct or indirect, of the Property, or part thereof. Borrower shall not prosecute any such action or proceeding unless otherwise directed by Lender in writing. Borrower shall, at Lender's option, as attorney-in-fact for Borrower, to commence, defend, settle or compromise, or Lender's or Lender's attorney's action or proceeding relating to any condemnation or other taking of the Property, whether direct or indirect, and to settle or compromise any claim in connection with such condemnation or other taking. The proceeds of any such action or claim for damages, direct or consequential, in connection with any condemnation or other taking, whether direct or indirect, of the Property, or part thereof, or for any damages in fact or consequential or otherwise as a result of the condemnation or other taking, shall be paid to Lender subject, if this Instrument is on a leasehold, to the rights of Lender under the ground lease.

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Borrower authorizes Lender to apply such awards, payments, proceeds or damages, after the deduction of Lender's expenses incurred in the collection of such amounts, at Lender's option, to restoration or repair of the Property or to payment of the sums secured by the Instrument, whether or not then due, in the order of application set forth in paragraph 3 hereof, with the balance, if any, to Borrower. Unless Borrower and Lender otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to in paragraph 1 and 2 hereof or change the amount of such installments. Borrower agrees to execute such further evidence of assignment of any awards, proceeds, damages or claims arising in connection with such condemnation or taking as Lender may require.

**12. BORROWER AND LIEN NOT RELEASED.** From time to time, at Lender's option, without giving notice to or obtaining the consent of Borrower, Borrower's successors or assigns or of any junior lienholder or guarantors, without liability on Lender's part and notwithstanding Borrower's breach or any covenants or agreement of Borrower in this Instrument, extend the time for payment of said indebtedness or any part thereof, reduce the amount thereon, release anyone liable on any of said indebtedness, accept a renewal note or notes therefor, modify the terms and conditions of payment of said indebtedness, release from the lien of this Instrument any part of the Property, take or cause to be taken additional security, reconvey any part of the Property, consent to any map or plan of the Property, consent to the granting of any easement, join in any extension or subordination agreement, and agree in writing with Borrower to vary the rate of interest or period of amortization of the Note or change the amount of the monthly installments payable thereunder. Any actions taken by Lender pursuant to the terms of this paragraph 12 shall not effect the obligation of Borrower or Borrower's successors or assigns to pay the sums secured by this Instrument and to observe the covenants of Borrower contained herein, shall not affect the guaranty of any person, corporation, partnership or other entity for payment of the indebtedness secured hereby, and shall not effect the lien or priority of lien hereof on the Property. Borrower shall pay Lender a reasonable service charge, together with such title insurance premiums and attorney's fees as may be incurred by Lender's option, for any such action if taken at Borrower's expense.

**13. FORBEARANCE BY LENDER NOT A WAIVER.** Any forbearance by Lender in exercising any right of remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any right or remedy. The acceptance by Lender of payment of any sum secured by this Instrument after the due date of any payment shall not be a waiver of Lender's right to either require prompt payment when due of all other sums so secured or to declare a default for failure to make prompt payment. The procurement of insurance, the payment of taxes or other charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Instrument, nor shall Lender's receipt of any awards, proceeds or damages under paragraphs 8 and 11 hereof constitute a waiver of the Borrower's default in payment of sums secured by this Instrument.

**14. ESTOPPEL CERTIFICATE.** Borrower shall within ten days of a written request from Lender furnish Lender with a written statement, duly acknowledged, setting forth the sums secured by this Instrument and the amount of set-off, counterclaim or other defense which entitles against such sums and the effect of this Instrument.

**15. UNIFORM COMMERCIAL CODE SECURITY AGREEMENT.** This Instrument is intended to be a security agreement pursuant to the Uniform Commercial Code for any of the items specified to be secured by the Property which, under applicable law, may be subject to a security interest pursuant to the Uniform Commercial Code. Borrower hereby grants Lender a security interest in all items. Borrower agrees that Lender may file this Instrument and a reproduction thereof, in the real estate records or other appropriate index, as a financing statement for any of the items specified above as part of the Property. Any reproduction of this Instrument or any other security agreement or financing statement shall be sufficient as a financing statement. In addition, Borrower agrees to execute and deliver to Lender, at Lender's request, any financing statements, as well as extensions, renewals and amendments thereof, and reproductions of this Instrument in such form as Lender may require to perfect a security interest with respect to said items. Borrower shall pay all costs of filing such financing statements and any extensions, renewals, amendments and releases thereof, and shall pay all reasonable costs and expenses of any record searches for financing statements. Lender may reasonably require, without the prior written consent of Lender, Borrower shall not create or suffer to be created pursuant to the Uniform Commercial Code any other security interest in said items which includes replacements and additions thereto. Upon payment of the indebtedness or any covenant or agreement of Borrower contained in this Instrument, including the covenants to pay when due, the sums secured by this Instrument, Lender shall have the remedies of a second party under the Uniform Commercial Code. In addition, at Lender's option, Lender may also invoke the remedies provided in paragraph 27 of this Instrument as to such items. As to any of said items, Lender may proceed against the items or real property and contents of personal property, including the items specified above as part of the Property separately or together and in any order whatsoever, with or without any way affecting the priority of Lender's remedies under the Uniform Commercial Code or of the real property and contents of personal property specified in paragraph 27 of this Instrument.

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16. **LEASES OF THE PROPERTY.** As used in this paragraph 16, the word "lease" shall mean "sublease" if this Instrument is on a leasehold. Borrower shall comply with and observe Borrower's obligations as landlord under all leases of the Property or any part thereof. Borrower will not lease any portion of the Property for non-residential use except with the prior written approval of Lender. Borrower, at Lender's request, shall furnish Lender with executed copies of all leases now existing or hereafter made of all or any part of the Property, and all leases now or hereafter entered into in form and substance subject to the approval of Lender. All leases of the Property shall specifically provide that such leases are subordinate to this Instrument; that the tenant attorns to Lender, such attornment to be effective upon Lender's requisition of title to the Property; that the tenant agrees to execute such further evidences of attornment as Lender may from time to time request; that the attornment of the tenant shall not be terminated by foreclosure; and that Lender may, at Lender's option, accept or reject such attornments. Borrower shall not, without Lender's written consent, execute, modify, surrender or terminate, either orally or in writing, any lease now existing or hereafter made of all or any part of the Property providing for a term of three years or more, permit an assignment or sublease of such a lease without Lender's written consent, or request or consent to the subordination of any lease of all or any part of the Property to any lease subordinate to this Instrument. If Borrower becomes aware that any tenant proposes to do, or is doing, any act or thing which may give rise to any right of set-off against rent, Borrower shall (i) take such steps as shall be reasonable calculated to prevent the accrual of any right to a set-off against rent, (ii) notify Lender thereof and of the amount of said set-off, and (iii) within ten days after such accrual, reimburse the tenant who shall have acquired such right to set-off or take such other action as shall effectively discharge such set-off and as shall assure that rents thereafter due shall continue to be payable without such set-off deduction.

Upon Lender's request, Borrower shall assign to Lender, all leases now existing or hereafter made of all or any part of the Property and all security deposits made by tenants in connection with such leases of the Property, and an assignment by Borrower to Lender of any leases of the Property, Lender shall have all of the rights and powers of a landlord. Prior to such assignment and Lender shall have the right to modify, extend or terminate such existing leases and to execute new leases, in Lender's sole discretion.

17. **REMEDIES CUMULATIVE.** Each remedy provided in this Instrument is distinct and cumulative with all other rights or remedies under this Instrument or afforded by law or equity, and may be exercised concurrently, independently, or successively, in any order whatsoever.

18. **ACCELERATION IN CASE OF BORROWER'S INSOLVENCY.** If Borrower shall voluntarily file a petition under the Federal Bankruptcy Act, or such Act may from time to time be amended, or under any state or Federal statute relating to bankruptcy, insolvency, arrangement or reorganization, or under any state or Federal insolvency act, or file an answer in an involuntary proceeding relating to insolvency or inability to pay debts, or if any court shall fail to obtain a vacation or stay of involuntary proceedings brought for the reorganization, dissolution or liquidation of Borrower shall be adjudged a bankrupt, or if a trustee or receiver shall be appointed for Borrower or for any part of the Property, or if the Property shall become subject to the jurisdiction of Federal bankruptcy court or similar state court, then Borrower shall make an assignment for the benefit of Borrower's creditors, or if there is an attachment, execution or other judicial seizure of any portion of Borrower's assets and such seizure is not discharged within ten days, then Lender may, at Lender's option, declare all of the sums secured by this Instrument to be immediately due and payable without prejudice to Borrower, and Lender may invoke any remedies permitted by paragraph 27 of this Instrument. Any amount of attorney's fees and expenses incurred by Lender in connection with Paragraphs 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

19. **TRANSFERS OF THE PROPERTY OR BENEFICIAL INTERESTS IN PROPERTY AS SECURITY.** On sale or transfer of (i) all or any part of the Property, or any interest therein, or any beneficial interest therein, if Borrower is not a natural person or persons but is a corporation, partnership, trust, or other legal entity, Lender, at Lender's option, declare all of the sums secured by this Instrument to be immediately due and payable, and Lender may invoke any remedies permitted by paragraph 27 of this Instrument. This section shall not apply in case of:

- transfers by devise or descent, or by operation of law, under the will of a joint tenant or partner;
- sales or transfers when the transferee is a bona fide purchaser in good faith and for value, and the Lender and the transferee has executed, prior to the sale or transfer, a written instrument containing a covenant to pay the sums as Lender may require, including, if required by Lender, an increase in the rate of interest payable until the sums are paid;
- the grant of a leasehold interest in part of the Property of three years or less (or such longer term as Lender may permit by prior written agreement) to a bona fide tenant, or lease or assignment of any part of the Property under a lease, if this Instrument is on a leasehold.);

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- (d) sales or transfers of beneficial interests in Borrower provided that such sales or transfers, together with any prior sales or transfers of beneficial interests in Borrower, but excluding sales or transfers under paragraphs (a) and (b) above, do not result in more than 40% of the beneficial interests in Borrower having been sold or transferred since commencement of amortization of the Note; and
- (e) sales or transfers of fixtures or any personal property pursuant to the first paragraph of paragraph 6 hereof.

**20. NOTICE.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Instrument or in the Note shall be given by mailing such notice by certified mail addressed to Borrower at Borrower's address stated below or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by certified mail, return receipt requested, addressed to Lender at the address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Instrument or in the Note shall be deemed to have been given to Borrower or Lender in the manner designated herein.

**21. SUCCESSORS AND ASSIGNS BOUND; JOINT AND SEVERAL LIABILITY; AGENT'S COVENANTS.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 22 hereof. All covenants and agreements of Borrower shall be joint and several. In exercising any rights hereunder or taking any actions permitted hereunder, Lender may act through its employees, agents or independent contractors as authorized by Lender. The covenants and agreements of the Borrower hereunder shall not be used to interpret or define the terms of this Instrument.

**22. UNIFORM MULTIFAMILY INSTRUMENTS; GOVERNING LAW; SEVERABILITY.** This instrument combines uniform covenants for national use and non-uniform covenants with limited variations to constitute a uniform security instrument covering real property and related fixtures and personal property. This instrument shall be governed by the law of the jurisdiction in which the Property is located. In the event that any provision of this Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Instrument or the Note which can be given effect without the conflict. All covenants and agreements of Borrower shall be joint and several. In exercising any rights hereunder or taking any actions permitted hereunder, Lender may act through its employees, agents or independent contractors as authorized by Lender. The covenants and agreements of the Borrower hereunder shall not be used to interpret or define the terms of this Instrument. In the event that any provision of this Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Instrument or the Note which can be given effect without the conflict. All covenants and agreements of Borrower shall be joint and several. In exercising any rights hereunder or taking any actions permitted hereunder, Lender may act through its employees, agents or independent contractors as authorized by Lender. The covenants and agreements of the Borrower hereunder shall not be used to interpret or define the terms of this Instrument. In the event that any provision of this Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Instrument or the Note which can be given effect without the conflict. All covenants and agreements of Borrower shall be joint and several. In exercising any rights hereunder or taking any actions permitted hereunder, Lender may act through its employees, agents or independent contractors as authorized by Lender. The covenants and agreements of the Borrower hereunder shall not be used to interpret or define the terms of this Instrument.

**23. WAIVER OF STATUTE OF LIMITATIONS.** Borrower hereby waives the right to assert any statute of limitations as a bar to the enforcement of the lien of this Instrument or to any action brought to enforce the obligations secured by this instrument.

**24. WAIVER OF MARSHALLING.** Notwithstanding the existence of any other security interest in the Property held by Lender or by other party, Lender shall have the first priority lien on the Property in which any security interest is held, and shall be entitled to the remedies provided herein, and the proceeds of any sale of the Property shall be applied to the indebtedness secured hereby, in preference to the proceeds realized by the exercise of the remedies provided herein. Borrower, any party who consents to this Instrument and any party who now or hereafter acquires an interest in the Property and who has actual or constructive notice hereof hereby waives and releases all right to require marshaling of assets in connection with the exercise of any of the remedies permitted by, or provided for in, this Instrument.

**25. CONSTRUCTION LOAN PROVISIONS.** Borrower agrees to comply with the covenants and conditions of the Construction Loan Agreement, if any, which is hereby incorporated by reference in and annexed to this Instrument. All advances made by Lender pursuant to the Construction Loan Agreement shall be subject to the covenants and conditions of the Construction Loan Agreement.



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Instrument, and such advances may be obligatory as provided in the Construction Loan Agreement. All sums disbursed by Lender prior to completion of the improvements to protect the security of this Instrument up to the total amount of the Note shall be treated as disbursements pursuant to the Construction Loan Agreement. All such sums shall bear interest from the date of disbursement at the rate stated in the Note, unless collection from Borrower of interest on such sums would be contrary to applicable law in which event such amounts shall bear interest at the highest rate which may be collected from Borrower under applicable law and shall be payable upon notice from Lender to Borrower requesting payment therefor.

From time to time as Lender deems necessary to protect Lender's interest, Borrower shall, upon request of Lender, execute and deliver to Lender, in such form as Lender shall direct, assignments of any and all rights and interests of Borrower which relate to the construction of the Property and which Borrower may have against any party supplying or who has supplied labor materials or services in connection with construction of the Property. In case of breach by Borrower of the covenants and conditions of the Construction Loan Agreement, Lender, at Lender's option, with or without notice to Borrower, may invoke any of the rights and remedies provided in the Construction Loan Agreement, (ii) may exercise the sums secured by this Instrument and invoke those remedies provided in paragraph 27 hereof, or (iii) may, after commencement of amortization of the Note, the Note and this Instrument are sold by Lender, the Construction Loan Agreement shall cease to be part of this Instrument and Borrower shall not assert any counterclaim or other claim or defense arising out of or in connection with the Construction Loan Agreement or the obligations of the Note and this Instrument.

26. ASSIGNMENT OF RENTS; APPOINTMENTS OF RECEIVER; LENDER IN POSSESSION. As consideration for the indebtedness evidenced by the Note, Borrower hereby absolutely and irrevocably transfers to Lender all the rents and revenues of the Property, including those now due, past due, or to become due, of any lease or other agreement for the occupancy or use of all or any part of the Property, regardless of whether such rents and revenues of the Property are presently payable. Borrower hereby authorizes Lender or Lender's agent to collect such rents and revenues and hereby directs each tenant of the Property to pay such rents and revenues to Lender or to the agent of Lender, however, that prior to written notice given by Lender to Borrower of the foregoing Borrower of the rights of Lender in this Instrument. Borrower shall collect and receive all rents and revenues of the Property for the benefit of Lender and Borrower, to apply the rents and revenues so collected to the sums secured by this Instrument in the order provided in paragraph 3 hereof with the balance, so long as no such breach has occurred, to be paid to Borrower, it being intended by Borrower and Lender that this assignment of rents constitutes an absolute assignment for additional security only. Upon delivery of written notice by Lender to Borrower of any covenant or agreement of Borrower in this Instrument, and without the necessity of Lender's appointment of a receiver, Lender shall be entitled to possession of all rents and revenues of the Property as provided in this paragraph 26 and payable, including but not limited to rents then due and to become due, which rents shall immediately after such notice be held by Borrower as trustee for the benefit of Lender only. However, upon delivery of such notice by Lender to Borrower of the breach by Borrower of any covenant or agreement of Borrower in this Instrument, Lender shall exercise its rights under this paragraph 26 and shall remain a trustee for the benefit of Lender only. Borrower agrees that commencement upon delivery of such written notice of Lender's breach by Borrower of any covenant or agreement of Borrower in this Instrument, each tenant of the Property shall make such rents payable to and pay such rents to Lender or Lender's agent on demand to each tenant therefor, delivered to each tenant personally, by mail or by delivery to the rental unit, without any liability on the part of said tenant to furnish further security to the existence of such rents.

Borrower hereby covenants that Borrower has not executed and will not execute any instrument which purports to assign, transfer, convey, or otherwise dispose of any interest in the Property, or to prevent Lender from exercising its rights under this paragraph 26, until after the time of execution of this Instrument, and that there shall be no anticipation or prepayment of any of the rents of the Property for more than two months prior to the due dates of such rents. Borrower covenants that Borrower will not, nor will it collect or receive payment of any part of the rents of the Property, or any part of the proceeds of the sale of the Property, for more than two months prior to the due dates of such rents. If there were further covenants that Borrower has not executed and will not execute any instrument which purports to assign, transfer, convey, or otherwise dispose of any interest in the Property, or to prevent Lender from exercising its rights under this paragraph 26, until after the time of execution of this Instrument, and that there shall be no anticipation or prepayment of any of the rents of the Property for more than two months prior to the due dates of such rents.

Upon Borrower's breach of any covenant or agreement of Borrower in this Instrument, or by a court appointed receiver, regardless of the advice of counsel's opinion, Lender shall be entitled to possession and control of the Property in order to perform all acts necessary and appropriate for the operation and maintenance of the Property, including, but not limited to, the execution, carrying out or fulfillment of the terms, the collection of the rents of the property, the making of repairs to the Property and the carrying out of the management or maintenance of the Property, all in such terms as are deemed necessary to protect the security of the sums secured by this Instrument. In the event Lender elects to sell the Property or to appoint a receiver for the foregoing upon Borrower's breach of any covenant or agreement of Borrower in this Instrument, or in the event of the sale of the Property or the receiver shall be entitled to receive all rents and revenues of the Property.

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All rents and revenues collected subsequent to delivery of written notice by Lender to Borrower of the breach by Borrower of any covenant or agreement of Borrower in this Instrument shall be applied first to the payment of any, of taking control of and managing the Property and collecting the rents, including, but not limited to, attorney's fees, receivers fees, premiums on receiver's bonds, costs of repairs to the Property, premiums on insurance policies, taxes, assessments and other charges on the Property, and the costs of discharging any obligation or liability of Borrower as landlord of the Property and then to the sums secured by this Instrument. Lender or the receiver shall have access to the books and records used in the operation and maintenance of the Property and shall be liable to account only for those rents actually received. Lender shall not be liable to Borrower, anyone claiming under or through Borrower or anyone claiming an interest in the Property by reason of anything done or left undone by Lender under this paragraph 26.

If the rents of the Property are not sufficient to meet the costs, if any, of taking control of and managing the Property and collecting the rents, any funds expended by Lender for such purposes shall become indebtedness of Borrower to Lender secured by this Instrument pursuant to paragraph 8 hereof. Unless Lender and Borrower agree in writing to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment. Such amounts shall bear interest from the date of disbursement at the rate stated in the Note unless payment of interest at such rate shall be contrary to applicable law, in which event such amounts shall bear interests at the lowest rate which may be obtained from Borrower under applicable law.

Any entering upon and taking and maintaining of control of the Property by Lender or the receiver and any application of rents as provided herein shall not cure or waive any default hereunder or validate any other default of Borrower under applicable law or provided herein. This assignment of rents of the Property shall terminate at the time as this Instrument ceases to secure indebtedness held by Lender.

Non-Uniform Covenants. Borrower and Lender further covenant and agree as follows:

27. **ACCELERATION; REMEDY.** Upon Borrower's breach of a covenant or agreement of Borrower in this Instrument, including, but not limited to, the covenants to pay when due the sums secured by this Instrument, Lender at Lender's option may declare all of the sums secured by this Instrument to be immediately due and payable without further demand and may foreclose this Instrument thereon. Lender may invoke any other remedies permitted by applicable law or provided herein. Lender shall be entitled to collect all costs and expenses incurred in pursuing such remedies, including, but not limited to, attorney's fees, costs of depositions, evidence, abstracts and other charges.

28. **RELEASE.** Upon payment of all sums secured by this Instrument, Lender shall release this Instrument. Borrower shall pay Lender's reasonable costs incurred in releasing this instrument.

29. **WAIVER OF HOMESTEAD AND DEFEASANCE.** Borrower hereby waives all right of homestead exemption in the Property. If Borrower is a co-owner, Borrower hereby waives all right of redemption on the Property and on behalf of all other persons acquiring any future or after acquired interest in the Property, except for judgment creditors of Borrower.

30. **FUTURE ADVANCES.** In an event of Borrower, Lender, at Lender's option securing this Instrument secures indebtedness held by Lender, may make Future Advances to Borrower. Such Future Advances, if any, shall be secured by this Instrument when evidenced by promissory notes stating that said notes are secured by this Instrument and no time shall the principal amount of the indebtedness secured by this Instrument, exceed the original amount of the indebtedness.

(U.S. \$ 48,000.00 ) plus the additional sum of 0/100

U.S. \$ N/A

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IN WITNESS WHEREOF, Borrower has executed this Instrument or has caused the same to be executed by its representatives thereunto duly authorized.

\_\_\_\_\_

Daniel Orozco (Seal)  
DANIEL OROZCO - Borrower

\_\_\_\_\_

Esperanza C. Orozco (Seal)  
ESPERANZA C OROZCO - Borrower

\_\_\_\_\_ (Seal)  
- Borrower

\_\_\_\_\_ (Seal)  
- Borrower

Borrower's Address

2800 S DRAKE AVE

CHICAGO, IL 60623

## CORPORATE ACKNOWLEDGMENT

STATE OF ILLINOIS,

County ss:

The foregoing instrument was acknowledged before me this \_\_\_\_\_ by \_\_\_\_\_ of \_\_\_\_\_

(person acknowledging)

(office)

, a \_\_\_\_\_

corporation,

(name of corporation)

(state)

behalf of the corporation.

My Commission Expires: \_\_\_\_\_

Notary Public

## INDIVIDUAL ACKNOWLEDGMENT

STATE OF ILLINOIS,

County ss:

I, me undersigned a Notary Public in and for said county and state, hereby certify that Daniel Orozco and Esperanza C. Orozco, husband and wife, personally know to me to be the same person(s) whose names subscribed to the foregoing instrument, appeared voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 30th day of August, 2003

My Commission Expires: \_\_\_\_\_

Notary Public



# UNOFFICIAL COPY

## CORPORATE LIMITED PARTNERSHIP ACKNOWLEDGMENT

STATE OF ILLINOIS,

County ss:

The foregoing instrument was acknowledged before me this

(date)

by

(name of officer)

(office)

of

(name of corporation)

(state)

corporation, general partner on behalf of

(name of partnership)

a limited partnership.

My Commission Expires:

Notary Public

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## 1 - 4 FAMILY RIDER

(Assignments of Rents)

LOAN NO. 6546-0

THIS 1-4 FAMILY RIDER is made this 3RD day of JUNE, 2003, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to

SECOND FEDERAL SAVINGS

FIX RATE NOTE

(the "Lender") of the same date and covering the Property described in the Security Instrument and located at:

2800 S DRAKE AVE  
CHICAGO, IL 60623

[Property Address]

**1-4 FAMILY COVENANTS.** In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

**A. ADDITIONAL PROPERTY SUBJECT TO THE SECURITY INSTRUMENT.** In addition to the Property described in Security Instrument, the following items now or hereafter attached to the Property to the extent they are fixtures are added to the Property description, and shall also constitute the Property covered by the Security Instrument: building materials, appliances and goods of every nature whatsoever now or hereafter located in, on, or used, or intended to be used in connection with the Property, including, but not limited to, those for the purposes of supplying or distributing heating, cooling, electricity, gas, water, air and light, fire prevention and extinguishing apparatus, security and access control apparatus, plumbing, bath tubs, water heaters, water closets, sinks, ranges, stoves, refrigerators, dishwashers, disposals, washers, dryers, awnings, storm windows, storm doors, screens, blinds, shades, curtains and curtain rods, attached mirrors, cabinets, paneling and attached floor coverings, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the Property covered by the Security Instrument. All of the foregoing together with the Property described in the Security Instrument (or leasehold estate if the Security Instrument is on a leasehold) are referred to in this 1-4 Family Rider and the Security Instrument as the "Property."

**B. USE OF PROPERTY; COMPLIANCE WITH LAW.** Borrower shall not seek, agree to or make a change in the use of the Property or its zoning classification, unless Lender has agreed in writing to the change. Borrower shall comply with all laws, ordinances, regulations and requirements of any governmental body applicable to the Property.

**C. SUBORDINATE LIENS.** Except as permitted by federal law, Borrower shall not allow any lien inferior to the Security Instrument to be perfected against the Property without Lender's prior written permission.

MULTISTATE 1-4 FAMILY RIDER - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

FNMA3170 (10/00)

Page 1 of 3

FORM 3170 1/01

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**D. RENT LOSS INSURANCE.** Borrower shall maintain insurance against rent loss in addition to the other hazards for which insurance is required by Section 5.

**E. "BORROWER'S RIGHT TO REINSTATE" DELETED.** Section 19 is deleted.

**F. BORROWER'S OCCUPANCY.** Unless Lender and Borrower otherwise agree in writing, Section 6 concerning Borrower's occupancy of the Property is deleted.

**G. ASSIGNMENT OF LEASES.** Upon Lender's request after default, Borrower shall assign to Lender all leases of the Property and all security deposits made in connection with leases of the Property. Upon the assignment, Lender shall have the right to modify, extend or terminate the existing leases and to execute new leases, in Lender's sole discretion. As used in this paragraph G, the word "lease" shall mean "sublease" if the Security Instrument is on a leasehold.

**H. ASSIGNMENT OF RENTS; APPOINTMENT OF RECEIVER; LENDER IN POSSESSION.** Borrower absolutely and unconditionally assigns and transfers to Lender all the rents and revenues ("Rents") of the Property, regardless of to whom the Rents of the Property are payable. Borrower authorizes Lender or Lender's agents to collect the Rents, and agrees that each tenant of the Property shall pay the Rents to Lender or Lender's agents. However, Borrower shall receive Rents until (i) Lender has given Borrower notice of default pursuant to Section 22 of the Security Instrument and (ii) Lender has given notice to the tenant(s) that the Rents are to be paid to Lender or Lender's agent. This assignment of Rents constitutes an absolute assignment and not an assignment for additional security only.

If Lender gives notice of default to Borrower: (i) all Rents received by Borrower shall be held by Borrower as trustee for the benefit of Lender only to be applied to the sums secured by the Security Instrument; (ii) Lender shall be entitled to collect and receive all of the Rents of the Property; (iii) Borrower agrees that each tenant of the Property shall pay all Rents due and unpaid to Lender or Lender's agents upon Lender's written demand to the tenant; (iv) unless applicable law provides otherwise, all Rents collected by Lender or Lender's agents shall be applied first to the costs of taking control of and managing the Property and collecting the Rents, including, but not limited to, attorney's fees, receiver's fees, premiums on receiver's bonds, repair and maintenance costs, insurance premiums, taxes, assessments and other charges on the Property, and then to the sums secured by the Security Instrument; (v) Lender, Lender's agents or any judicially appointed receiver shall be liable to account for only those Rents actually received; and (vi) Lender shall be entitled to have a receiver appointed to take possession of and manage the Property and collect Rents and profits derived from the Property without any showing as to the inadequacy of the Property as security.

If the Rents of the Property are not sufficient to cover the costs of taking control of and managing the Property and of collecting the Rents any funds expended by Lender for such purposes shall become indebtedness of Borrower to Lender secured by the Security Instrument pursuant to Section 9.

Borrower represents and warrants that Borrower has not executed any prior assignment of the Rents and has not performed, and will not perform, any act that would prevent Lender from exercising its rights under this paragraph.

Lender, or Lender's agents or a judicially appointed receiver, shall not be required to enter upon, take control of or maintain the Property before or after giving notice of default to Borrower. However, Lender, or Lender's agents or a judicially appointed receiver, may do so at any time when a default occurs. Any application of Rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of Rents of the Property shall terminate when all the sums secured by the Security Instrument are paid in full.

**I. CROSS-DEFAULT PROVISION.** Borrower's default or breach under any note or agreement in which Lender has an interest shall be a breach under the Security Instrument and Lender may invoke any of the remedies permitted by the Security Instrument.

# UNOFFICIAL COPY

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this 1-4 Family Rider.

Daniel Z. Orozco (Seal)  
-Borrower  
DANIEL OROZCO

Esperanza C. Orozco (Seal)  
-Borrower  
ESPERANZA C OROZCO

\_\_\_\_ (Seal)  
-Borrower

\_\_\_\_ (Seal)  
-Borrower

[Sign Original Only]

File Number: TM102827

**UNOFFICIAL COPY**

**LEGAL DESCRIPTION**

LOT 49 AND LOT 50 IN GRAY'S SUBDIVISION OF THE EAST 3/4 OF BLOCK 16 IN STEELS SUBDIVISION OF THE SOUTHEAST 1/4 AND THE EAST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 26, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

**Commonly known as:** 2800 South Drake  
Chicago IL 60623

Property of Cook County Clerk's Office