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Eugene "Gene" Moore Fee: \$74.00
Cook County Recorder of Deeds
Date: 07/09/2003 10:32 AM Pg: 1 of 9

SECOND MORTGAGE, SECURITY AGREEMENT AND ASSIGNMENT OF LEASES AND RENTS (including Fixture Filing Under the Uniform Commercial Code)

Mortgagor: Anthony Wilson

Lender: Greenwald/McDonald Corporation
520 West Ash Street
Suite 200
San Diego, CA 92101

This Mortgage, Security Agreement and Assignment of Leases and Rents is made and entered into by the under signed Borrower(s) ("Mortgagor") in favor of Greenwald/McDonald Corporation ("Lender") as of the date set forth on the last page of this Mortgage.

ARTICLE I. MORTGAGE/SECURITY INTEREST

1.1 Grant of Mortgage/Security Interest. For consideration received, the Mortgagor hereby mortgages, conveys, grants and collateral assigns to the Lender the Mortgaged Property (defined below) to secure all of the Mortgagor's Obligations (defined below) to the Lender. The intent of the parties hereto is that the Mortgaged Property secures all Obligations of the Mortgagor to the Lender, whether or not such Obligations exist under the Mortgage or any other agreements, whether now or hereafter existing between the Mortgagor and the Lender or in favor of the Lender, including, without limitation, any note, any loan or security agreement, any lease, any other mortgage, deed of trust or other pledge of an interest in real or personal property, any guaranty, any letter of credit or reimbursement agreement or bankers' acceptance, any agreement for other services or credit extended by the Lender to the Mortgagor, even though not specifically enumerated hereon and any other agreement with the Lender (together and individually, the "Loan Documents").

1.2 "Mortgaged Property" means all of the following whether now owned or existing or hereafter acquired by the Mortgagor, wherever located: all the real estate described below (the "Land"), together with all buildings, structures and fixtures (and all proceeds and products thereof) now or hereafter located on the Land or any part thereof, and used in connection with the Land and improvements; all materials, contracts, drawings and personal property relating to any construction on the Land and all other improvements now or hereafter constructed, affixed or located thereon (the "Improvements"); (the Land and the Improvements shall be collectively referred to herein as the "Premises"); any and all easements, rights-of-way, licenses, privileges and appurtenances thereto; any and all lease or other agreements for the use or occupancy of the Premises, and all the rents, issues, profits, fees or any proceeds therefrom and all security deposits and any guaranty of a tenant's obligation thereunder (collectively, the "Rents"); all

BOX 333-CTI

CTZ 8134113 E. Guerrero 30F3 LND

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awards as a result of condemnation, eminent domain or other decrease in value of the Premises and all insurance and other proceeds of the Premises; and any interest of Mortgagor in and to the land lying within any street or roadway adjoining the Premises and any strips and gores adjoining the Premises or any part thereof.

The Land is described below:

Lot 10-A5 of Fairways of Blue Island, Phase Four, being a subdivision of part of the southeast quarter and part of the southwest quarter of Section 25, Township 37 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois.

Permanent Index Number: 24-25-301-012-0000
24-25-501-006-0000

Street Address: 12455 Meadow Lane Unit 10-5A

1.3 "Obligations" means all loans by the Lender to Mortgagor, including those loans evidenced by a note dated June 18, 2003 in the initial principal amount of Twenty three thousand dollars (\$23,000.00), and any extensions, renewals, restatements and modifications thereof and all principal, fees and expenses relating thereto (the "Note"); and also means all of the Mortgagor's debts, liabilities, obligations, covenants, warranties, and duties to the Lender (but specifically excluding any form of consumer credit, apart from this Second Mortgage), whether now or hereafter existing or incurred, whether liquidated or unliquidated, whether absolute or contingent, whether arising out of the Loan Documents or otherwise, and regardless of whether such Obligations arise out of existing or future credit granted by the Lender to any Mortgagor, to any Mortgagor and others, to others guaranteed, endorsed or otherwise secured by any Mortgagor or to any debtor-in-possession/successor-in-interest of any Mortgagor, and principal, fees, expenses and charges relating to any of the foregoing, including without limitation, costs and expenses of collection and enforcement of this Mortgage or the Obligations, attorneys' fees and environmental assessment or remediation costs.

ARTICLE II. WARRANTIES AND COVENANTS

In addition to all other warranties and covenants of the Mortgagor under the Loan Documents which are expressly incorporated herein as part of this Mortgage, including the covenants to pay and perform all Obligations, and while any part of the credit granted the Mortgagor under the Loan Documents is available or any Obligations of the Mortgagor to the Lender are unpaid or outstanding, the Mortgagor continuously warrants and agrees as follows.

2.1 Warranty of Title/Possession. The Mortgagor has sole and exclusive title to and possession of the Premises, excepting only the following "Permitted Encumbrances": restrictions and utility easements of record and zoning ordinances (the terms of which are and will be complied with, and in the case of easement, are and will be kept free of encroachments); taxes

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and assessments not yet due and payable; and a senior mortgage on the Premises to _____ (the "Senior Mortgage"). There will be no additional Permitted Encumbrances. The lien of this Mortgage, subject only to Permitted Encumbrances (including the Senior Mortgage), is and will continue to be a valid first and senior lien upon all of the Mortgaged Property.

2.2 Maintenance; Waste; Alteration. The Mortgagor will maintain the Premises in good and tenable condition and will restore or replace damaged or destroyed improvements with items of at least equal utility and value. The Mortgagor will not commit or permit waste to be committed on the Premises. The Mortgagor will not remove, demolish or materially alter any part of the Premises without the Lender's prior written consent, except the Mortgagor may remove a fixture, provided the fixture is promptly replaced with another fixture or item of personal property of at least equal utility. The replacement fixture or item of personal property will be subject to the lien and security interest of this Mortgage.

2.3 Transfer and Liens. The Mortgagor will not, without the prior written consent of the Lender which may be withheld in the Lender's sole and absolute discretion, either voluntarily or involuntarily (i) sell, assign, lease, license or transfer, or permit to be sold, assigned, leased, licenses or transferred any part of the Premises, or any interest therein; or (ii) pledge or otherwise encumber, create or permit to exist any mortgage, pledge, lien or claim for lien or encumbrance upon any part of the Premises or interest therein, except for the Permitted Encumbrances.

2.4 Escrow. If (and only if) the Mortgagor has not made arrangements to do so in connection with the Senior Mortgage, the Mortgagor will pay to the Lender sufficient funds at such time as the Lender designates, to pay (i) the estimated annual real estate taxes and assessments on the Premises; (ii) all property or hazard insurance premiums when due; and (iii) flood insurance premiums, if any. Interest will not be paid by the Lender on any escrow funds. Escrowed funds may be commingled with other funds of the Lender. All escrowed funds are hereby pledged as additional security for the Obligations.

2.5 Taxes, Assessments and Charges. To the extent not paid to the Lender under 2.4 above, the Mortgagor will pay before they become delinquent all taxes, assessments and other charges now or hereafter levied or assessed against the Premises, against the Lender based upon this Mortgage or the Obligations secured by this Mortgage, or upon the Lender's interest in the Premises, and will deliver to the Lender receipts showing timely payment.

2.6 Insurance. The Mortgagor will continuously insure the Premises, with insurers acceptable to the Lender, against such perils or hazards as the Lender may require, in amounts not less than the unpaid balance of the Obligations or the full replacement value of the Improvements, whichever is less, with acceptable co-insurance provisions. The policies will contain an agreement by each insurer that the policy will not be terminated or modified without

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at least 30 days' prior notice to the Lender and will contain a mortgage clause acceptable to the Lender; and the Mortgagor will take such other action as the Lender may reasonably request to ensure that the Lender will receive (subject to no other interests, apart from that of the holder of the Senior Mortgage) the insurance proceeds from the Improvements. The Mortgagor hereby assigns all insurance proceeds to and irrevocably directs, while any Obligations remain unpaid, any insurer to pay to the Lender the proceeds of all such insurance and any premium refund, subject only to the rights and claims of the holder of the Senior Mortgage; and authorizes the Lender to endorse the Mortgagor's name to effect the same, to make, adjust or settle, in the Mortgagor's name, any claim on any insurance policy relating to the Premises. The proceeds and refunds will be applied in such manner as the Lender, in its sole and absolute discretion, determines to rebuilding the Premises or to payment of the Obligations whether or not then due and payable.

2.7 Condemnation. Subject only to the rights and claims of the holder of the Senior Mortgage, the Mortgagor will pay to the Lender all compensation received for the taking (whether temporary or permanent) of the Premises, or any part thereof, by a condemnation proceeding (including payments in compromise of condemnation proceedings), and all compensation received as damages for use or injury to the Premises, or any part thereof. The compensation will be applied in such manner as the Lender, in its sole and absolute discretion, determines to rebuilding of the Premises or to payment of the Obligations, whether or not then due and payable.

2.8 Omitted.

2.9 Assignment. The Mortgagor will not assign, in whole or in part, to anyone other than the Lender, the rents, issues, fees or profits arising from the Premises, without the Lender's prior written consent.

2.10 Right of Inspection. The Lender may at all reasonable times enter and inspect the Premises.

2.11 Assignment of Rents and Leases. Subject only to the rights and claims of the holder of the Senior Mortgage, the Mortgagor assigns and transfers to the Lender, as additional security for the Obligations, all right, title and interest of the Mortgagor in and to all leases, licenses and similar agreements which now exist or hereafter may be executed by or on behalf of the Mortgagor covering the Premises and any extensions or renewals thereof, together with the Rents. Upon default under this Mortgage or any of the Loan Documents or any Obligation (notwithstanding any cure period), the Lender shall be immediately entitled to the Rents. The Lender, at its option, without notice and without seeking or obtaining the appointment of a receiver or taking actual possession of the Premises may (a) give notice to any tenant(s) (including any persons lawfully occupying the Premises under a lease or otherwise) that the tenant(s) should begin making payments under their agreements directly to the Lender or its designee; (b) commence a foreclosure action and file a motion for appointment of a receiver; or

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(c) give notice to the Mortgagor that the Mortgagor should collect all Rents arising from the Premises and remit them to the Lender upon collection and that the Mortgagor should enforce the terms of the lease(s) or other agreements to ensure prompt payment by tenant(s) thereunder. After default, all Rents received by the Mortgagor shall be held in trust by the Mortgagor for the Lender. All such payments received by the Lender may be applied in any manner as the Lender determines to payments required under this Mortgage, the Loan Documents and the Obligations. The Mortgagor agrees to hold each tenant harmless from actions relating to tenant's payment of Rents to the Lender.

2.12 Omitted.

2.13 Fixture Filing. From the date of its recording, this Mortgage shall be effective as a financing statement filed as a fixture filing with respect to the Improvements and for this purpose, the name and address of the debtor is the name and address of the Mortgagor as set forth in this Mortgage and the name and address of the secured party is the name and address of the Lender as set forth in this Mortgage. The Mortgaged Property includes goods which are or are to become fixtures.

2.14 Compliance with Leases. The Mortgagor will comply with all terms, covenants and conditions of any lease(s) affecting the Premises. Mortgagor will not accept any prepayment of Rent for more than one month in advance, without the prior written consent of the Lender.

ARTICLE III. RIGHTS AND DUTIES OF THE LENDER

In addition to all other rights (including setoff) and duties of the Lender under the Loan Documents which are expressly incorporated herein as a part of this Mortgage, the following provisions will also apply.

3.1 Lender Authorized to Perform for Mortgagor. If the Mortgagor fails to perform any of the Mortgagor's duties or covenants set forth in this Mortgage, the Lender may perform the duties or cause them to be performed, including without limitation signing the Mortgagor's name and paying any amount as required, and the cost, with interest at the default rate set forth in the Loan Documents, will immediately be due from the Mortgagor to the Lender from the date of expenditure by the Lender to the date of payment by the Mortgagor, and will be one of the Obligations secured by this Mortgage. All acts by the Lender are hereby ratified and approved, and the Lender will not be liable for any acts of commission or omission, nor for any errors of judgment or mistakes of fact or law.

ARTICLE IV. DEFAULTS AND REMEDIES

The Lender may enforce its rights and remedies under this Mortgage upon default. A default will occur if the Mortgagor fails to comply with the terms of any Loan Documents or this mortgage (including any guaranty by the Mortgagor) or defaults under the terms of any other

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mortgage affecting the Premises, or if any other obligor fails to comply with the terms of any loan documents for which the mortgagor has given the Lender a guaranty secured by this Mortgage, or if any guarantor of this Mortgage or the Obligations becomes in default of their guaranty or any provision thereof.

4.1 Cumulative Remedies; Waiver. In addition to the remedies for default set forth in the Loan Documents, including acceleration, the Lender upon default will have all other rights and remedies for default available by law or equity including foreclosure of this Mortgage. The rights and remedies specified herein are cumulative and are not exclusive of any rights or remedies which the Lender would otherwise have. With respect to such rights and remedies:

a. Receiver. Upon the commencement or during the pendency of any action to foreclose the Mortgage, the Lender will be entitled, as a matter of right, without notice or demand and without giving bond or other security, and without regard to the solvency or insolvency of the Mortgagor or to the value of the Premises, to have a receiver appointed for all or any part of the Premises, which receiver will be authorized to collect the rents, issues and profits of the Premises (including without limitation, the Rents) during the pendency of such foreclosure action, and until the confirmation of sale made under any judgment foreclosing this Mortgage, and to hold and apply such rents, issues and profits, when so collected, as the court will from time to time direct.

b. Agreement to State Foreclosure. The Mortgagor agrees that in the event of foreclosure of this mortgage, the Mortgagor will be bound by the provisions of Illinois statutory and common law as the same may be amended or renumbered from time to time, whichever may be applicable to the Premises.

c. Power of Sale. In the event of foreclosure, the Lender may sell the Premises at public sale and execute and deliver to the purchasers deeds of conveyance pursuant to statute.

d. Waiver by the Lender. The Lender may permit the Mortgagor to attempt to remedy any default without waiving its rights and remedies hereunder, and the Lender may waive any default without waiving any other subsequent or prior default by the Mortgagor. Furthermore, delay on the part of the Lender in exercising any right, power or privilege hereunder or at law will not operate as a waiver thereof, nor will any single or partial exercise of such right, power or privilege preclude other exercise thereof or the exercise of any other right, power or privilege. No waiver or suspension will be deemed to have occurred unless the Lender has expressly agreed in writing specifying such waiver or suspension.

e. Acceleration. In the event of a default by Mortgagor under any of the Loan Documents or Obligations, the Lender may, at its sole option and in its absolute discretion, accelerate the maturity of any or all Obligations, and declare them to be immediately due and payable. Such acceleration shall be effective immediately and without the requirement of prior

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notice to the Mortgagor.

ARTICLE V. MISCELLANEOUS

In addition to all other miscellaneous provisions under the Loan Documents which are expressly incorporated as a part of this Mortgage, the following provisions will apply.

5.1 Term of Mortgage. The Lender's rights under this Mortgage will continue until the Lender's commitment to lend has been terminated or expired, and until all Obligations have been paid in full and performed.

5.2 Time of the Essence. Time is of the essence with respect to payment of the Obligations, the performance of all covenants of the Mortgagor and the payment of taxes, assessments, and similar charges and insurance premiums.

5.3 Subrogation. The Lender will be subrogated to the lien of any mortgage or other lien discharged, in whole or in part, by the proceeds of the Note.

5.4 Choice of Law. Foreclosure of this Mortgage will be governed by the laws of the state in which the land is located. For all other purposes, the choice of law specified in the Loan Documents will govern, or, if no such specification is made, Illinois law shall govern without regard to conflict of law principles.

5.5 Severability. Invalidity or unenforceability of any provision of this mortgage shall not affect the validity or enforceability of any other provision.

5.6 Entire Agreement. This Mortgage is intended by the mortgagor and Lender as a final expression of this Mortgage and as a complete and exclusive statement of its terms, there being no conditions to the full effectiveness of this Mortgage. No parol evidence of any nature shall be used to supplement or modify any terms.

5.7 Joint Liability; Successors and Assigns. If there is more than one Mortgagor, the liability of the Mortgagors will be joint and several, and the reference to "Mortgagor" shall refer to all Mortgagors. The rights, options, powers and remedies granted in this mortgage and the other Loan Documents shall extend to the Lender and to its successors and assigns, shall be binding upon the Mortgagor and its successors and assigns, and shall be applicable hereto and to all renewals, amendments and/or extensions hereof.

5.8 Indemnification. Except for harm arising from the Lender's willful misconduct, the Mortgagor hereby indemnifies and agrees to hold the Lender harmless from any and all losses, costs, damages, claims and expenses of any kind suffered by or asserted against the Lender

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relating to claims by third parties arising out of the financing provided under the Loan Document or related to the Mortgaged property. This indemnification and hold harmless provision will survive the termination of the Loan Documents and the satisfaction of this Mortgage and Obligations due the Lender.

5.9 Waiver of Homestead. The Mortgagor waives any and all rights of homestead in the Premises under State or Federal Law, to the fullest extent permitted by law.

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5.10 Notices. Notice of any record shall be deemed delivered when the record has been (a) deposited in the United States Mail, postage pre-paid; (b) received by overnight delivery service; (c) received by telex; (d) received by telecopy; (e) received through the internet; or (f) when personally delivered.

5.11 Jury Trial Waiver. Mortgagor and Lender **WAIVE ANY RIGHT WHICH THEY MAY HAVE TO A JURY TRIAL WITH RESPECT TO ANY DISPUTE WHICH MAY HEREAFTER ARISE WITH RESPECT TO THE OBLIGATIONS OR THIS SECOND MORTGAGE.**

IN WITNESS WHEREOF, the undersigned has executed this Mortgage, Security Agreement and Assignment of Leases and Rents as of _____, 2003

Antonia Wilson
6-19-03

I, the undersigned, a Notary Public in and for Cook County, in the State of Illinois, DO HEREBY CERTIFY THAT

Anthony Wilson,

personally known to me to be the same person whose name is subscribed to this instrument, appeared before me this day in person, and acknowledged that they signed, sealed and delivered the said instrument as his free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of the right of homestead.

IMPRESS SEAL HERE

Given under my hand and official seal this 1st day of June, 2003

Commission expires: 4/30, 2003

Notary Public

Maria E. Guerero

