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FIRST AMERICAN

File # 4094



0320529202  
Eugene "Gene" Moore Fee: \$36.00  
Cook County Recorder of Deeds  
Date: 07/24/2003 12:23 PM Pg: 1 of 7

**SECOND MORTGAGE**

This Second Mortgage made this 5th day of May, 2003, between the 6217 Greenview L.L.C. (hereinafter referred to as "Borrower"), and John D. Norcross, Michael E. Crane and Thaddeus Piecko, (hereinafter referred to as "Lenders").

**WITNESSETH**

The Mortgagor has become indebted to the Mortgagee in the aggregate principal sum of \$91,000.00, with interest at the rate of seven and one half percent (7 1/2%) percent per anum, according to the terms and conditions specified in the Note dated July 2, 2003, any unpaid remaining balance provided for in the Note or in this Mortgage being due and payable on or before May 1, 2004. The terms of the Note are incorporated herein by reference. (7)

NOW, THEREFORE, in consideration of this loan, and as security for repayment to the Lender of the principal, interest and other sums provided for in the Note and Mortgage according to the terms and conditions of the Note and Mortgage, and as security for the performance of the agreements and conditions contained in the Note and Mortgage, the Borrower mortgages to the Lender the real estate located in Chicago, County of Cook and State of Illinois, described as follows:

LOT 39 IN EDGEWATER PARK IN THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 5, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

P.I.N.: 14-05-111-001-0000,

commonly referred to as 6217-21 North Greenview, Chicago, Illinois, releasing and waiving all rights under and by virtue of the homestead exemption laws of this state, together with the following:

- (a) All buildings and improvements erected or to be erected on the property;
- (b) All fixtures, appliances, machinery, equipment, and other articles of personal property at any time installed in, attached to, or situated on the real estate or in the buildings and improvements to be erected on the real estate, or used or intended to be used in connection with the real estate, or in the operation of the buildings and improvements, plant, business, or dwelling on the real estate, whether or not the personal property is affixed to the real estate;

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- (c) All building materials, fixtures, building machinery, and building equipment delivered on site to the real estate during the course of, or in connection with, construction of the buildings and improvements;
- (d) All streets, alleys, passages, watercourses, easements, and covenants existing or to be created for the benefit of the Borrower or any subsequent owner or tenant of the mortgaged real estate over ground adjoining the mortgaged real estate, and all rights to enforce their maintenance;
- (e) All other rights, privileges, reversions, and remainders, and all the income, rents, and profits arising from them, and all other interests or rights of the Borrower in the real estate, and
- (f) The replacements or proceeds from the sale of any of the above.

All of the above-mentioned real estate, improvements, personal property, and other property and interests will be referred to in this instrument as the "Mortgaged Property."

## **2. The Borrower further covenants and agrees that:**

**2.01 Warranty of Title.** The Borrower has good and marketable fee simple title to the Mortgaged Property, free and clear of all liens, encumbrances, charges, and all other conditions.

**2.02 Payment and Performance.** The Borrower will pay to the Lender, in accordance with the terms of the Note and this Mortgage, the principal, interest, and all other sums, and will perform and comply with all the agreements, conditions, covenants, provisions, and stipulations of the Note and this Mortgage.

**2.03 Maintenance of Mortgaged Property.** The Borrower will not commit or permit the commission of waste in or about the Mortgaged Property. The Borrower will not remove, demolish, or structurally alter any building erected at any time on the Mortgaged Property, without the prior written consent of the Lender. The Borrower will not permit the Mortgaged Property to become vacant, deserted, or unguarded, and will maintain the Mortgaged Property in good condition and repair, reasonable wear and tear excepted. The borrower will make, when necessary, all repairs of every nature.

**2.04 Condemnation Awards.** All awards made to the owners of the Mortgaged Property by any governmental or other lawful authorities for Mortgaged Property taken or damaged through exercise of eminent domain, or for any easement taken in the property, including any awards for changes of grade of streets, are assigned to the Lender, who is authorized to collect and receive the proceeds from the authorities and to give proper receipts for those awards. The Lender will apply these payments (after deduction of attorneys' fees and other costs of collecting the funds) toward the payment of the amount owed on this Mortgage and the accompanying Note, even though the amount owed may not then be due and payable. The Borrower agrees, on request, to make any assignments

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or other instruments needed to assign the awards to the Lender, free and clear of any encumbrances. The Borrower agrees to give the Lender immediate notice of the actual or threatened commencement of any eminent domain proceedings affecting the Mortgaged Property, and will give the Lender copies of any papers served on the Borrower in connection with those proceedings. The Borrower will not make any settlement for damages sustained without the Lender's prior written approval, which approval will not be unreasonably withheld.

**2.05 Insurance.** (a) The Borrower will keep the Mortgaged Property continuously insured, with extended coverage, against loss or damage by fire. The Borrower will also keep the property insured against such other hazards as the Lender may reasonably require.

**2.06 Taxes and Other Charges.** The Borrower will pay all taxes, assessments, water and sewer rents, and other charges or claims assessed, levied, or filed against the Borrower, the Mortgaged Property, or the interest of the Lender in the Mortgaged Property, or that, by law, may have priority over the indebtedness secured by this Mortgage. These expenses will be paid when due and payable and before interest or penalties accrue. The Borrower will provide the Lender with receipts for payments of these amounts no later than the payment dates. If the Borrower, in good faith and by appropriate legal action, contests the validity or amount of any item, the Borrower, may establish on its books or by deposit of cash with the Lender, as the Lender may elect, a reserve for the payment in an amount required by the Lender.

**2.07 Security Agreement.** This Mortgage constitutes a security agreement under the Uniform Commercial Code and creates a security interest in the personal property included in the Mortgaged Property. The borrower will execute and file any financing statements or other security agreements the Lender may require to confirm the lien of this Mortgage with respect to the personal property. The Borrower will pay all costs of filing.

**2.08 Compliance With Law and Regulations.** The Borrower will comply with all laws, ordinances, regulations, and orders of all federal, state, municipal, and other governmental authorities relating to the Mortgaged Property.

**2.09 Defaults and Right to Remedy.** If the Borrower fails to pay taxes, assessments, water and sewer charges, other lienable claims (not including contested claims), or insurance premiums, or fails to make necessary repairs, permits waste, or otherwise fails to comply with its obligations under the Mortgage, the Note, or any other document executed in connection with the Mortgage, then the Lender, at its election and without notice to the Borrower, has the right to make any payment or expenditure that the Borrower should have made, or that the Lender deems advisable, to protect the security of this Mortgage or the Mortgaged Property. Any payment by the Lender will not prejudice the Lender's right or remedies under this Mortgage. All sums, as well as costs, advanced by the Lender pursuant to this Mortgage will be due immediately from the Borrower to the Lender, will be secured by this Mortgage, and will bear interest at three percent per year in excess of the rate otherwise provided in the Note from the date of payment by the Lender until the date of repayment.

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**3.01 Events of Default.** Any of the following will constitute an "Event of Default":

- (a) Failure of the Borrower to pay any installment of principal or interest, or any other sum, on the date it is due under the Note or this Mortgage subject to any applicable grace period provided in the Note or in this Mortgage;
- (b) The Borrower's failure to perform any of the other agreements, conditions, or covenants in the Note, Mortgage or any other document executed in connection with the Mortgage. If the failure to perform cannot reasonably be cured within the cure period, it will not be an Event of Default if the Borrower commences to cure nonperformance or noncompliance within the cure period and diligently pursues performance or compliance to completion;
- (c) The entry of a decree by court having jurisdiction over the Mortgaged Property with respect to the Borrower in an involuntary case under the federal bankruptcy laws, or any other applicable federal or state bankruptcy, insolvency, or similar laws;
- (d) The appointment of a receiver, liquidator, custodian, trustee, (or similar official) for any substantial part of the Borrower's property;
- (e) A court-ordered winding-up or liquidation of the Borrower's affairs;
- (f) The commencement by the Borrower of a voluntary case under the federal bankruptcy laws or any other applicable federal or state bankruptcy, insolvency, or similar laws;
- (g) The consent by the Borrower to the appointment of a receiver, liquidator, trustee, custodian, or similar official for any substantial part of the Borrower's property;
- (h) The Borrower's making any assignment for the benefit of creditor, or the failure of the Borrower generally to pay its debts as they become due; or

For purposes of this Paragraph 3.01, "the Borrower" means the party named as the Borrower in this Mortgage and all persons guaranteeing the Borrower's obligations to the Lender.

**3.02 Remedies.** (a) If any Event of Default occurs, the entire unpaid balance of principal, accrued interest, and all other sums secured by this Mortgage will become immediately due and payable, at the option of the Lender on written notice to the Borrower.

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(b) When the entire indebtedness becomes due and payable, because of maturity or because of any Event of Default, then the Lender may institute an action of mortgage foreclosure, or take any other action at law or in equity for the enforcement of this Mortgage and realization on the mortgage security that the law may allow. The Lender may proceed to final judgment and execution for the entire unpaid balance of the principal debt, with interest at the rate(s) stipulated in the Note, and all other sums due in accordance with the provisions of the Note and this Mortgage. This amount includes all sums that may have been loaned by the Lender to the Borrower after the date of this Mortgage, and all sums that may have been advanced by the Lender for taxes, water or sewer charges, other lienable charges or claims, insurance, repairs, maintenance, and all costs of the suit. The Borrower authorizes the Lender at its option to foreclose this Mortgage subject to the rights of any tenants of the Mortgaged Property.

(c) When the entire indebtedness becomes due and payable, because of maturity or because of any Event of Default, the Lender may enter into possession of the Mortgaged Property, with or without legal action. In the alternative, the Lender will be entitled to appointment of a receiver without regard to the solvency of the Borrower or another person liable for the debt secured by this Mortgage, and regardless of whether the Lender has an adequate remedy at law. Either the Lender or a receiver may rent the Mortgaged Property for any period and on any terms and conditions that the Lender or receiver may see fit. The Lender or the receiver may collect rents, and, after deducting all costs of collection and administration expense, apply the net rentals to the payment of taxes, water and sewer charges, other lienable charges and claims, and insurance premiums, and to the maintenance, repair, or restoration of the Mortgaged Property, or to the reduction of the principal or interest, as the Lender or the receiver may elect. For that purpose, the Borrower assigns to the Lender all rentals due under any existing or future lease of the Mortgaged Property, as well as all rights and remedies provided in the lease or at law or in equity for the collection of the rentals. Any lease or leases entered into by the Lender or the receiver pursuant to this Paragraph 3.02 will survive foreclosure of the Mortgage and repayment of the debt, unless the lease provides otherwise.

(d) With respect to the personal property in which a security interest is granted, the Lender may exercise any of the rights of a secured party under this Mortgage, the Uniform Commercial Code, and any other applicable law. If the Lender is required to provide notice of a public or private sale, lease, or other disposition of the personal property, the notice may be personally delivered to the Borrower or may be deposited in the United States Mail with postage prepaid, at least ten (10) business days prior to the proposed action. This notice will constitute reasonable and fair notice to the Borrower of any action.

**3.03 Attorneys' Fees.** If the Lender becomes a party to any suit or proceeding affecting the Mortgaged Property, the lien created by this Mortgage, or the Lender's interest in the Mortgaged Property, or if the Lender engages counsel to collect any of the indebtedness or to enforce performance of the agreements or covenants of this Mortgage or the Note, the Lender's costs, expenses, and reasonable attorneys' fees will be paid by the Borrower, on demand, with interest at the rate provided in the Note. Until paid they will be deemed to be part of the indebtedness



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evidenced by the Note and secured by this Mortgage.

**4.01 Assignment.** Except as provided otherwise in this instrument, the Lender may assign this mortgage, together with any and all notes or bonds representing the obligation of the Borrower to make payments, at any time without the prior consent of the Borrower. However, the Lender must give the borrower actual notice of any assignment by certified mail, return receipt requested, or by Federal Express or personal delivery, before the due date of the next installment payment that is to be paid after the effective date of the assignment.

**4.02 Other Financing.** The Borrower will not create or permit to exist any other lien on, or security interest in, any portion of the Mortgaged Property including any furniture, fixtures, machinery, and equipment used in connection with the Mortgaged Property. The Borrower will not lease any furniture, fixtures, machinery, and equipment and will not incur any indebtedness to purchase any furniture, fixtures, machinery, and equipment, except as contemplated by this Mortgage, without the prior written consent of the Lender.

**4.03 Due-on-Sale Clause.** Without the prior written consent of the Lender, the Borrower will not cause or permit any sale, exchange, transfer, lease, or conveyance ("transfer") or any part of the Mortgaged Property, or any interest in it, voluntarily or by operation of law. If the Borrower is a corporation, any change in the ownership of the corporate stock of the Borrower or the issuance of additional stock that results in the transfer of control and management of the Borrower will be deemed to be a transfer of the Mortgaged Property within the meaning of this Article. If the borrower is a partnership, any change of thirty percent (30%) or more in the ownership of partnership interests of the Borrower will be deemed to be a transfer of the Mortgaged Property within the meaning of this Article.

**4.04 Acceleration.** The entire unpaid balance of principal and any unpaid interest provided for in the Note or in this Mortgage shall become due and payable upon the earlier occurrence of either one year for the date hereof or upon the condition that the gross monthly rental income from the subject property shall be equal to \$9,940.00.

**4.05 Notices.** Unless otherwise specified, all notices permitted or required under this Mortgage or the Note will be in writing, and will be sent by registered or certified mail, postage prepaid, or by Federal Express or by personal delivery, addressed, or served to, the addressee at the address set forth in this Mortgage or in the Note, or at such other address as the addressee may designate in writing from time to time.

**4.06 State Law to Apply.** This Mortgage shall be construed under and in accordance with the laws of the State of Illinois.

**4.07 Amendment.** This Mortgage cannot be changed or amended except by agreement in writing signed by the party against whom enforcement of the change is sought.

