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RECORDATION REQUESTED BY:

Devon Bank
Glenview
950 N. Milwaukee Ave.
Glenview, IL 60025



Doc#: 0333604181
Eugene "Gene" Moore Fee: \$48.00
Cook County Recorder of Deeds
Date: 12/02/2003 02:09 PM Pg: 1 of 13

WHEN RECORDED MAIL TO:

Devon Bank
Glenview
950 N. Milwaukee Ave.
Glenview, IL 60025

SEND TAX NOTICE TO:

Devon Bank
Glenview
950 N. Milwaukee Ave.
Glenview, IL 60025

FOR RECORDER'S USE ONLY

This Mortgage prepared by:

Kathy Stabei, Consumer Loan Department
Devon Bank
6445 N. Western Ave.
Chicago, IL 60645

MORTGAGE

MAXIMUM LIEN. At no time shall the principal amount of indebtedness secured by the Mortgage, not including sums advanced to protect the security of the Mortgage, exceed \$400,000.00.

THIS MORTGAGE dated October 22, 2003, is made and executed between Andrew Piraro and Marianne Piraro, His Wife, Tenants by the Entirety, whose address is 2160 Royal Ridge Dr., Northbrook, IL 60062 (referred to below as "Grantor") and Devon Bank, whose address is 950 N. Milwaukee Ave., Glenview, IL 60025 (referred to below as "Lender").

GRANT OF MORTGAGE. For valuable consideration, Grantor mortgages, warrants, and conveys to Lender all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in Cook County, State of Illinois:

Parcel 1:

An Undivided 1/151 Interest in (I) That Certain Ground Lease Dated as of November 22, 1996, by and Between Cole Taylor Bank, as Successor-Trustee to Harris Trust and Savings Bank Under Trust Agreement Dated April 29, 1991 and Known as Trust No. 94707, as Lessor ("Lessor"), and Assignor/Grantor, as Lessee, and Recorded in the Office of the Recorder of Deeds of Cook County, Illinois on December 9, 1996 as Document No. 96927871, as Amended by That Certain First Amendment to Ground Lease Dated as of January 6, 1997 by and Between Lessor and Assignor/Grantor, and Recorded in the Office of the Recorder of Deeds of Cook County, Illinois on February 28, 1997 as Document No. 97141059, as Amended by That Certain Joinder to Ground Lease Dated as of November 7, 1997 by the Royal Ridge Homeowners Association, an Illinois Not for Profit Corporation, and Recorded in the Office of the Recorder of Deeds of

BOX 333-CTI

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The Real Property or its address is commonly known as 2160 Royal Ridge Dr., Northbrook, IL 60062. The Real Property tax identification number is 04-14-301-082-0000

REVOLVING LINE OF CREDIT. Specifically, in addition to the amounts specified in the indebtedness definition, and without limitation, this Mortgage secures a revolving line of credit and shall secure not only the amount which Lender has presently advanced to Grantor under the Credit Agreement, but also any future amounts which Lender may advance to Grantor under the Credit Agreement within twenty (20) years from the date of this Mortgage to the same extent as if such future advance were made as of the date of the execution of this

Declaration.
 Easements Appurtenant to Parcels 1 and 2 for the Benefit of Such Parcels as Set Forth in the Aforesaid

Parcel 11:
 Defined in the Declaration; Subject to the Terms and Provisions of the Ground Lease
 1997 as Document No. 97820006 (the "Declaration"), Which Improvements Consist of a Dwelling Unit (as
 1997, and Recorded With the Office of the Recorder of Deeds of Cook County, Illinois on November 3,
 Conditions, Restrictions, Easements and Rights for the Royal Ridge Subdivision Dated as of November 3,
 Located on Portions of the Common Area (as Defined in That Certain Declaration of Covenants,
 Building Site Legally Described Herein (Including Any Portion of Such Building and Improvements which is
 Fee Simple Title in and to the Building and All Improvements (But Excluding the Land) Located on the
 Parcel 2:

Northbrook, Illinois
 Cook County, Illinois (the "Building Site") Building Site Common Known as 2160 Royal Ridge Drive,
 Feet; Thence North 52 Degrees 09 Minutes 04 Seconds East 36.92 Feet (7) South 37 Degrees 50 Minutes 56 Seconds East 8.17
 Degrees 09 Minutes 04 Seconds East 56 Seconds West 12.21 Feet (6) North 52
 Seconds East 57.5 Feet; (5) North 37 Degrees 50 Minutes 56 Seconds West 15.29 Feet; (4) North 52 Degrees 09 Minutes 04
 North 37 Degrees 50 Minutes 56 Seconds West 400 Feet; (2) North 52 Degrees 09 Minutes 04 Seconds East 200 Feet; (3)
 Minutes 56 Seconds West 400 Feet; (2) North 52 Degrees 09 Minutes 04 Seconds East 200 Feet; (3)
 and Distances Coincident With the Exterior Foundation Wall of Said Residence; (1) North 37 Degrees 50
 the Centerline of the Party Wall for 54.00 Feet; Thence Along a Line Following the Next Seven (7) Courses
 as 2160 Royal Ridge Drive); Thence South 37 Degrees 50 Minutes 58 Seconds East 23.34 Feet to the
 Centerline of the Party Wall of Said Residence; Thence South 52 Degrees 09 Minutes 04 Seconds Along
 Along the East Line of Said Lot 1, a Distance of 769.54 Feet; Thence North 88 Degrees 55 Minutes 06
 Seconds West 634.43 Feet to the Exterior Corner of a Concrete Foundation for a Duplex Residence (Known
 Being That Part of Lot 1 in the Planned Unit Development of Royal Ridge, Being a Subdivision of Part of the
 West Half of Section 14, Township 42 North, Range 12 East of the Third Principal Meridian, According to
 the Plat Thereof Recorded November 3, 1997 as Document Number 97818381, Described as Follows:
 Commencing at the Southeast Corner of Said Lot 1; Thence North 01 Degrees 04 Minutes 54 Seconds East
 Along the East Line of Said Lot 1, a Distance of 769.54 Feet; Thence North 88 Degrees 55 Minutes 06
 Seconds West 634.43 Feet to the Exterior Corner of a Concrete Foundation for a Duplex Residence (Known
 as 2160 Royal Ridge Drive); Thence South 37 Degrees 50 Minutes 58 Seconds East 23.34 Feet to the
 Centerline of the Party Wall of Said Residence; Thence South 52 Degrees 09 Minutes 04 Seconds Along
 the Centerline of the Party Wall for 54.00 Feet; Thence Along a Line Following the Next Seven (7) Courses
 and Distances Coincident With the Exterior Foundation Wall of Said Residence; (1) North 37 Degrees 50
 Minutes 56 Seconds West 400 Feet; (2) North 52 Degrees 09 Minutes 04 Seconds East 200 Feet; (3)
 North 37 Degrees 50 Minutes 56 Seconds West 15.29 Feet; (4) North 52 Degrees 09 Minutes 04
 Seconds East 57.5 Feet; (5) North 37 Degrees 50 Minutes 56 Seconds West 12.21 Feet (6) North 52
 Degrees 09 Minutes 04 Seconds East 36.92 Feet (7) South 37 Degrees 50 Minutes 56 Seconds East 8.17
 Feet; Thence North 52 Degrees 09 Minutes 04 Seconds East 36.92 Feet to the Place of Beginning, in
 Cook County, Illinois (the "Building Site") Building Site Common Known as 2160 Royal Ridge Drive,
 Northbrook, Illinois

Each With the Respect Solely to the Building Site Identified and Legally Described as Follows:
 Building Site 7/5
 Pursuant to the Plat Thereof Recorded in the Office of the Recorder of Deeds of Cook County, Illinois on
 November 3, 1997 as Document No. 97818381.
 Commonly known as Techny Parcel E-1 Located on the East Side of Waukegan Road, South of Techny
 Road, in Northbrook, Illinois.
 Cook County, Illinois on November 12, 1997 as Document No. 97846934, and as Further Amended From
 Time to Time (Collectively, the "Ground Lease"); and (iii) the Leasehold Estate in the Premises (the
 "Premises") Legally Described as:

UNOFFICIAL COPY**MORTGAGE****(Continued)**

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Mortgage. The revolving line of credit obligates Lender to make advances to Grantor so long as Grantor complies with all the terms of the Credit Agreement and Related Documents. Such advances may be made, repaid, and remade from time to time, subject to the limitation that the total outstanding balance owing at any one time, not including finance charges on such balance at a fixed or variable rate or sum as provided in the Credit Agreement, any temporary overages, other charges, and any amounts expended or advanced as provided in either the Indebtedness paragraph or this paragraph, shall not exceed the Credit Limit as provided in the Credit Agreement. It is the intention of Grantor and Lender that this Mortgage secures the balance outstanding under the Credit Agreement from time to time from zero up to the Credit Limit as provided in this Mortgage and any intermediate balance.

Grantor presently assigns to Lender all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF EACH OF GRANTOR'S AGREEMENTS AND OBLIGATIONS UNDER THE CREDIT AGREEMENT, THE RELATED DOCUMENTS, AND THIS MORTGAGE. THIS MORTGAGE IS INTENDED TO AND SHALL BE VALID AND HAVE PRIORITY OVER ALL SUBSEQUENT LIENS AND ENCUMBRANCES, INCLUDING STATUTORY LIENS, EXCEPTING SOLELY TAXES AND ASSESSMENTS LEVIED ON THE REAL PROPERTY, TO THE EXTENT OF THE MAXIMUM AMOUNT SECURED HEREBY. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Mortgage, Grantor shall pay to Lender all amounts secured by this Mortgage as they become due and shall strictly perform all of Grantor's obligations under this Mortgage.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor agrees that Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property.

Duty to Maintain. Grantor shall maintain the Property in good condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Compliance With Environmental Laws. Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Mortgage. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future

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Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges and sewer service charges levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of any liens having priority over or equal to the interest of Lender under this Mortgage, except for the Existing Indebtedness referred to in this Mortgage or those liens specifically agreed to in writing by Lender, and except for the lien of taxes and assessments not due as further specified in the Right to Contest paragraph.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are part of this Mortgage:

DUE ON SALE - CONSENT BY LENDER. Lender may, at Lender's option, declare immediately due and payable all sums secured by this Mortgage upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Illinois law.

Duty to Protect. Grantor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interests.

Lender's Right to Enter. Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Grantor's compliance with the terms and conditions of this Mortgage.

Removal of Improvements. Grantor shall not demolish or remove any improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such improvements with improvements of at least equal value.

Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, mineral (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, mineral (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

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Right to Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials and the cost exceeds \$1,000.00. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Mortgage:

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all Improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Policies shall be written by such insurance companies and in such form as may be reasonably acceptable to Lender. Grantor shall deliver to Lender certificates of coverage from each insurer containing a stipulation that coverage will not be cancelled or diminished without a minimum of ten (10) days' prior written notice to Lender and not containing any disclaimer of the insurer's liability for failure to give such notice. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance, if available, within 45 days after notice is given by Lender that the Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender and to maintain such insurance for the term of the loan.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property if the estimated cost of repair or replacement exceeds \$1,000.00. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed Improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Mortgage. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Mortgage, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. If Lender holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear.

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Existing Lien. The lien of this Mortgage securing the Indebtedness may be secondary and inferior to the lien securing payment of an existing obligation with an account number of 520815414 to Midamerica Bank described as: Mortgage dated October 15, 2002 and recorded October 29, 2002 as Document No. 0021193301. The existing obligation has a current principal balance of approximately \$333,440.00 and is in the original principal amount of \$350,000.00. The obligation has the following payment terms:

Mortgage:

EXISTING INDEBTEDNESS. The following provisions concerning Existing Indebtedness are a part of this

force and effect until such time as Grantor's Indebtedness is paid in full. survive the execution and delivery of this Mortgage, shall be continuing in nature and shall remain in full

Survival of Promises. All promises, agreements, and statements Grantor has made in this Mortgage shall with all existing applicable laws, ordinances, and regulations of governmental authorities.

Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property complies

such instruments as Lender may request from time to time to permit such participation. proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding is commenced that questions Grantor's title or the interest of Lender under this Mortgage, defend the title to the Property against the lawful claims of all persons. In the event any action or

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever

has the full right, power, and authority to execute and deliver this Mortgage to Lender. title opinion issued in favor of, and accepted by, Lender in connection with this Mortgage, and (b) Grantor description or in the Existing Indebtedness section below or in any title insurance policy, title report, or final simple, free and clear of all liens and encumbrances other than those set forth in the Real Property

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee

this Mortgage:

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of

would have had.

Lender shall not be construed as curing the default so as to bar Lender from any remedy that it otherwise other rights or any remedies to which Lender may be entitled on account of any default. Any such action by will secure payment of these amounts. The rights provided for in this paragraph shall be in addition to any as a balloon payment which will be due and payable at the Credit Agreement's maturity. The Mortgage also term of any applicable insurance policy; or (2) the remaining term of the Credit Agreement; or (C) be treated and be apportioned among and be payable with any installment payments to become due during either (1) the and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Credit Agreement paid by Lender to the rate of repayment by Grantor. All such expenses will become a part of the Indebtedness such purposes will then bear interest at the rate charged under the Credit Agreement from the date incurred or Lender believes to be appropriate to protect Lender's interests. All expenses incurred or paid by Lender for interests in the Property, then Lender on Grantor's behalf may, but is not required to, take any action that below, then Lender may do so. If any action or proceeding is commenced that would materially affect Lender's to the Property or to comply with any obligation to maintain Existing Indebtedness in good standing as required encumbrances, and other claims, (B) to provide any required insurance on the Property, (C) to make repairs

LENDER'S EXPENDITURES. If Grantor fails (A) to keep the Property free of all taxes, liens, security interests,

indebtedness. proceeds shall apply only to that portion of the proceeds not payable to the holder of the Existing if any proceeds from the insurance become payable on loss, the provisions in this Mortgage for division of extent compliance with the terms of this Mortgage would constitute a duplication of insurance requirement. Existing Indebtedness shall constitute compliance with the insurance provisions under this Mortgage, to the below is in effect, compliance with the insurance provisions contained in the instrument evidencing such

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\$2,953.00 per Month. Grantor expressly covenants and agrees to pay, or see to the payment of, the Existing Indebtedness and to prevent any default on such indebtedness, any default under the instruments evidencing such indebtedness, or any default under any security documents for such indebtedness.

No Modification. Grantor shall not enter into any agreement with the holder of any mortgage, deed of trust, or other security agreement which has priority over this Mortgage by which that agreement is modified, amended, extended, or renewed without the prior written consent of Lender. Grantor shall neither request nor accept any future advances under any such security agreement without the prior written consent of Lender.

CONDEMNATION. The following provisions relating to condemnation proceedings are a part of this Mortgage:

Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the Indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Lender in connection with the condemnation.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Mortgage:

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Mortgage and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Mortgage, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Mortgage.

Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Mortgage or upon all or any part of the Indebtedness secured by this Mortgage; (2) a specific tax on Grantor which Grantor is authorized or required to deduct from payments on the Indebtedness secured by this type of Mortgage; (3) a tax on this type of Mortgage chargeable against the Lender or the holder of the Credit Agreement; and (4) a specific tax on all or any portion of the Indebtedness or on payments of principal and interest made by Grantor.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Mortgage, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Mortgage as a security agreement are a part of this Mortgage:

Security Agreement. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shall execute financing statements and take whatever other action is requested by Lender to perfect and continue Lender's security interest in the Personal Property. In addition to recording this Mortgage in the real property records, Lender may, at any time and

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EVENTS OF DEFAULT. Grantor will be in default under this Mortgage if any of the following happen: (A) Grantor commits fraud or makes a material misrepresentation at any time in connection with the Credit Agreement. This can include, for example, a false statement about Grantor's income, assets, liabilities, or any

or compromise relating to the Indebtedness or to this Mortgage. Grantor shall be bound by any judgment, decree, order, settlement had been originally received by Lender, and Grantor shall be bound by any judgment, decree, order, settlement of this Mortgage or of any note or other instrument or agreement evidencing the Indebtedness and cancellation of this Mortgage or of any claim made by Lender with any claimant (including without limitation Mortgage shall continue to be effective or shall be reinstated, as the case may be, notwithstanding any Grantor), the Indebtedness shall be considered unpaid for the purpose of enforcement of this Mortgage and this settlement or compromise of any claim made by Lender over Lender or any of Lender's property, or (C) by reason of any administrative body having jurisdiction over Lender or any of Lender's property, or (B) by reason of any court or bankruptcy law or law for the relief of debtors, (A) to Grantor's trustee in bankruptcy or to any similar person under any federal or state of that payment (A) to Grantor's trustee in bankruptcy or to any similar person under any federal or state or by guarantor or by any third party, on the Indebtedness and thereafter Lender is forced to remit the amount REINSTATEMENT OF SECURITY INTEREST. If payment is made by Grantor, whether voluntarily or otherwise, or by guarantor or by any third party, on the Indebtedness and thereafter Lender is forced to remit the amount

time to time. Grantor will pay, if permitted by applicable law, any reasonable termination fees as determined by Lender from financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. otherwise performs all the obligations imposed upon Grantor under this Mortgage, Lender shall execute and deliver to Grantor a suitable satisfaction of this Mortgage and suitable statements of termination of any FULL PERFORMANCE. If Grantor pays all the Indebtedness when due, terminates the credit line account, and

accomplish the matters referred to in the preceding paragraph. Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to

costs and expenses incurred in connection with the matters referred to in this paragraph. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all interests created by this Mortgage on the Property, whether now owned or hereafter acquired by Grantor, under the Credit Agreement, this Mortgage, and the Related Documents, and (2) the liens and security or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Grantor's obligations of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary of trust, security deeds, security agreements, financing statements, continuation statements, instruments times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds when requested by Lender, cause to be filed, recorded, refilled, or rerecorded, as the case may be, at such execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and Further Assurance: At any time, and from time to time, upon request of Lender, Grantor will make,

attorney-in-fact are a part of this Mortgage. **FURTHER ASSURANCES; ATTORNEY-IN-FACT.** The following provisions relating to further assurances and

Uniform Commercial Code) are as stated on the first page of this Mortgage.

Addresses. The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Mortgage may be obtained (each as required by the applicable law. Lender within three (3) days after receipt of written demand from Lender to the extent permitted by Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Mortgage as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the without further authorization from Grantor, file executed counterparts, copies or reproductions of this

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MORTGAGE (Continued)

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other aspects of Grantor's financial condition. (B) Grantor does not meet the repayment terms of the Credit Agreement. (C) Grantor's action or inaction adversely affects the collateral or Lender's rights in the collateral. This can include, for example, failure to maintain required insurance, waste or destructive use of the dwelling, failure to pay taxes, death of all persons liable on the account, transfer of title or sale of the dwelling, creation of a senior lien on the dwelling without Lender's permission, foreclosure by the holder of another lien, or the use of funds or the dwelling for prohibited purposes.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of an Event of Default and at any time thereafter, Lender, at Lender's option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

Accelerate Indebtedness. Lender shall have the right at its option without notice to Grantor to declare the entire Indebtedness immediately due and payable, including any prepayment penalty which Grantor would be required to pay.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Collect Rents. Lender shall have the right, without notice to Grantor, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Mortgagee in Possession. Lender shall have the right to be placed as mortgagee in possession or to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The mortgagee in possession or receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Judicial Foreclosure. Lender may obtain a judicial decree foreclosing Grantor's interest in all or any part of the Property.

Deficiency Judgment. If permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the Indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this section.

Other Remedies. Lender shall have all other rights and remedies provided in this Mortgage or the Credit Agreement or available at law or in equity.

Sale of the Property. To the extent permitted by applicable law, Grantor hereby waives any and all right to have the Property marshalled. In exercising its rights and remedies, Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

Notice of Sale. Lender will give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

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responsible for all obligations in this Mortgage. references to Grantor shall mean each and every Grantor. This means that each Grantor signing below is **Joint and Several Liability.** All obligations of Grantor under this Mortgage shall be joint and several, and all

of the courts of Cook County, State of Illinois. **Choice of Venue.** If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction

used to interpret or define the provisions of this Mortgage. **Caption Headings.** Caption headings in this Mortgage are for convenience purposes only and are not to be

by the change or amendment. **Amendments.** What is written in this Mortgage and in the Related Documents is Grantor's entire agreement with Lender concerning the matters covered by this Mortgage. To be effective, any change or amendment to this Mortgage must be in writing and must be signed by whoever will be bound or obligated

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Mortgage:

Lender in the State of Illinois. **GOVERNING LAW.** This Mortgage will be governed by and interpreted in accordance with federal law and the internal laws of the State of Illinois, excluding its Conflict of Law Rules. This Mortgage has been accepted by

obtain and maintain the insurance required hereunder shall be an Event of Default for which there is no right to cure. **FAILURE TO MAINTAIN INSURANCE.** Notwithstanding the other provisions of this Mortgage, the failure to

notice given to all Grantors. It will be Grantor's responsibility to tell the others of the notice from Lender. required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be required to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or specifying that the purpose of the notice is to change the person's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. For notice purposes, Grantor address for notices under this Mortgage by giving formal written notice to the other person or persons, to Lender's address, as shown near the beginning of this Mortgage. Any person may change his or her copies of notices of foreclosure from the holder of any lien which has priority over this Mortgage shall be sent registered mail postage prepaid, directed to the addresses shown near the beginning of this Mortgage. All recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally default and any notice of sale shall be given in writing, and shall be effective when actually delivered, when **NOTICES.** Any notice required to be given under this Mortgage, including without limitation any notice of

costs, in addition to all other sums provided by law. appraisal fees and title insurance, to the extent permitted by applicable law. Grantor also will pay any court the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits payable on demand and shall bear interest at the Credit Agreement rate from the date of the expenditure for the protection of its interest or the enforcement of its rights shall become a part of the indebtedness prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time Mortgage, Lender shall be entitled to recover such sum as the court may judge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not **Attorneys' Fees; Expenses.** If Lender institutes any suit or action to enforce any of the terms of this

default and to exercise Lender's remedies. after Grantor's failure to do so, that decision by Lender will not affect Lender's right to declare Grantor in remedy. If Lender decides to spend money or to perform any of Grantor's obligations under this Mortgage, together. An election by Lender to choose any one remedy will not bar Lender from using any other **Election of Remedies.** All of Lender's rights and remedies will be cumulative and may be exercised alone or

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No Waiver by Lender. Grantor understands Lender will not give up any of Lender's rights under this Mortgage unless Lender does so in writing. The fact that Lender delays or omits to exercise any right will not mean that Lender has given up that right. If Lender does agree in writing to give up one of Lender's rights, that does not mean Grantor will not have to comply with the other provisions of this Mortgage. Grantor also understands that if Lender does consent to a request, that does not mean that Grantor will not have to get Lender's consent again if the situation happens again. Grantor further understands that just because Lender consents to one or more of Grantor's requests, that does not mean Lender will be required to consent to any of Grantor's future requests. Grantor waives presentment, demand for payment, protest, and notice of dishonor.

Severability. If a court finds that any provision of this Mortgage is not valid or should not be enforced, that fact by itself will not mean that the rest of this Mortgage will not be valid or enforced. Therefore, a court will enforce the rest of the provisions of this Mortgage even if a provision of this Mortgage may be found to be invalid or unenforceable.

Merger. There shall be no merger of the interest or estate created by this Mortgage with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Successors and Assigns. Subject to any limitations stated in this Mortgage on transfer of Grantor's interest, this Mortgage shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Mortgage and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Mortgage or liability under the Indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Mortgage.

Waive Jury. All parties to this Mortgage hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party. (Initial Here **AP MP**)

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Illinois as to all Indebtedness secured by this Mortgage.

DEFINITIONS. The following words shall have the following meanings when used in this Mortgage:

Borrower. The word "Borrower" means Andrew Piraro and Marianne Piraro and includes all co-signers and co-makers signing the Credit Agreement.

Credit Agreement. The words "Credit Agreement" mean the credit agreement dated October 22, 2003, with credit limit of \$200,000.00 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. The interest rate on the Credit Agreement is a variable interest rate based upon an index. The index currently is 4.000% per annum. If the index increases, the payments tied to the index, and therefore the total amount secured hereunder, will increase. Any variable interest rate tied to the index shall be calculated as of, and shall begin on, the commencement date indicated for the applicable payment stream. Notwithstanding the foregoing, the variable interest rate or rates provided for in this Mortgage shall be subject to the following maximum rate. NOTICE: Under no circumstances shall the interest rate on this Mortgage be more than (except for any higher default rate shown below) the lesser of 21.000% per annum or the maximum rate allowed by applicable law. The maturity date of this Mortgage is October 22, 2010. **NOTICE TO GRANTOR: THE CREDIT AGREEMENT CONTAINS A VARIABLE INTEREST RATE.**

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or

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other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Mortgage in the events of default section of this Mortgage.

Existing Indebtedness. The words "Existing Indebtedness" mean the indebtedness described in the Existing Liens provision of this Mortgage.

Grantor. The word "Grantor" means Andrew Piraro and Marianne Piraro.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Improvements. The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Credit Agreement or Related Documents, together with all renewals of, extensions of, modifications of and substitutions for the Credit Agreement or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Lender to enforce Grantor's obligations under this Mortgage, together with interest on such amounts as provided in this Mortgage.

Lender. The word "Lender" means Devon Bank, its successors and assigns. The words "successors or assigns" mean any person or company that acquires any interest in the Credit Agreement.

Mortgage. The word "Mortgage" means this Mortgage between Grantor and Lender.

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Mortgage.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guarantees, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

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(Continued)

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EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE, AND EACH GRANTOR AGREES TO ITS TERMS.

GRANTOR:

X Andrew Piraro
Andrew Piraro, Individually

X Marianne Piraro
Marianne Piraro, Individually

INDIVIDUAL ACKNOWLEDGMENT

STATE OF ILLINOIS)
) SS
COUNTY OF LAKE)

On this day before me, the undersigned Notary Public, personally appeared **Andrew Piraro and Marianne Piraro**, to me known to be the individuals described in and who executed the Mortgage, and acknowledged that they signed the Mortgage as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 22nd day of OCTOBER, 2003.

By Mary R Lacy Residing at 70 S. WALKER RD, DEERFIELD, IL 60015

Notary Public in and for the State of ILLINOIS

My commission expires 2/4/04

