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Eugene "Gene" Moore Fee: \$42.00
Cook County Recorder of Deeds
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MORTGAGE

This Document prepared by:
Gerald J. Sramek
6446 West 127th Street
Palos Heights, IL 60463

MAIL TO:

GERALD J. SRAMEK
6446 W 127th ST
PALOS HEIGHTS, IL 60463

THIS MORTGAGE (this "Mortgage") dated as of February 5, 2004 is made by Mieczyslaw Mrowca and Zofia Mrowca, his wife ("Mortgagor"), whose address is 7540 S. Mason, Burbank, Illinois, 60459 in favor of Diane Sramek, 16531 Catawba Rd., Homer Glen, Illinois 60491 (together with its successors and assigns, including each and every holder of the Notes, as defined below, the "Mortgagee").

RECITALS

WHEREAS, the beneficiary of Mortgagor and the Mortgagee have executed that certain Note in the original principal amount of Three Hundred Thousand and No/100 Dollars (\$300,000.00) hereinafter the "Note"

AGREEMENTS

NOW, THEREFORE, to secure payment of the indebtedness evidenced by the Notes, including the principal thereof and interest and premium thereon, if any, and any extensions, substitutions and renewals thereof, in whole or in part, and any and all other sums which may be at any time due and owing or required to be paid hereunder or as provided in the Note (collectively, the "Liabilities"), and in consideration of One Dollar (\$1.00) in hand paid, receipt whereof is hereby acknowledged, Mortgagor does hereby GRANT, BARGAIN, SELL, MORTGAGE, WARRANT AND CONVEY to Mortgagee, its successors and assigns, the real estate commonly known as 6039 S. Oak Park Avenue, Chicago, Illinois and legally described on Exhibit A attached hereto and made a part hereof (the "Real Estate"). The Real Estate, together with the property described in the next succeeding paragraph, is herein called the "Property";

TOGETHER WITH all right, title and interest, including the right of use or occupancy, which Mortgagor may now have or hereafter acquire in and to the following:

- (a) any lands occupied by streets, alleys, or public places adjoining said Property or in such streets, alleys or public places adjoining said Property or in such streets, alleys or public places;

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(b) all improvements, tenements, hereditaments, gas, oil, minerals, easements, fixtures and appurtenances, and all other rights and privileges thereunto belonging or appertaining;

(c) all apparatus, machinery, equipment, and appliances, whether single units or centrally controlled, of Mortgagor now or hereafter used to supply heat, gas, air conditioning, water, light, power, ventilation or refrigeration or to treat or dispose of refuse or waste;

It is mutually agreed, intended, and declared, that all of the aforesaid Property owned by Mortgagor shall, so far as permitted by law, be deemed to form a part and parcel of the Real Estate and for the purpose of this Mortgage be deemed to be real estate and covered by this Mortgage, sometimes collectively referred to herein as "Collateral".

TO HAVE AND TO HOLD the Property, properties, rights and privileges hereby conveyed or assigned, unto Mortgagee, its successors and assigns, forever for the uses and purposes herein set forth. Mortgagor hereby releases and waives all right under and by virtue of any Homestead Exemption Laws, and Mortgagor hereby covenants that as of the date of this Mortgage, Mortgagor is well seized of said real estate and Property in fee simple, and with full legal and equitable title to the Property, with good right, full power and lawful authority to sell, assign, convey and mortgage the same, and that it is free and clear of encumbrances, except for any encumbrances of record consented to by Mortgagee, and that Mortgagor will forever defend the same against all lawful claims.

IT IS FURTHER UNDERSTOOD AND AGREED THAT:

Payment of Indebtedness and Performance of Covenants.

Mortgagor agrees to pay, when due or declared due, all of the liabilities due pursuant to the Note and to duly and punctually observe all of the terms, provisions, conditions, covenants and agreements on Mortgagor's part to be performed or observed as provided in this Mortgage, the Loan Agreement, the Notes and all other documents which evidence, secure or guarantee the Liabilities.

Representations.

Mortgagor hereby covenants and represents that:

(a) Mortgagor is duly authorized to make and enter into this Mortgage and to carry out the transactions contemplated herein.

(b) This Mortgage has been duly executed and delivered pursuant to authority legally adequate therefor; Mortgagor has been and is authorized and empowered by all necessary persons having the power of direction over it to execute and deliver this Mortgage; this Mortgage is a legal, valid and binding obligation of Mortgagor, enforceable

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in accordance with its terms, subject to bankruptcy and other law, decisional or statutory of general application affecting the enforcement of creditors' rights, and to the fact that the availability of the remedy of specific performance or of injunctive relief in equity is subject to the discretion of the court before which any proceeding therefor may be brought.

(c) Mortgagor is not now in default under any instruments or obligations relating to the Property and no party has asserted any claim of default against Mortgagor relating to the Property.

(d) The execution and performance of this Mortgage and the consummation of the transactions hereby contemplated will not result in any breach of, or constitute a default under, any articles of incorporation, bylaws, articles of organization, partnership agreement, mortgage, lease, bank loan, credit agreement, trust indenture or other instrument to which Mortgagor is a party or by which it may be bound or affected; nor do any such instruments impose or contemplate any obligations which are or may be inconsistent with any other obligations imposed on Mortgagor under any other instruments heretofore or hereafter delivered by Mortgagor.

(e) There are no actions, suits, or proceedings, including, without limitation, any condemnation or bankruptcy proceedings, pending or threatened against or affecting Mortgagor or the Property, or which may adversely affect the validity or enforceability of this Mortgage, at law or in equity, or before or by any governmental authority; Mortgagor is not in default with respect to any writ, injunction, decree or demand of any court or any governmental authority affecting the Property.

(f) Mortgagor has made a physical investigation of the Property, and, to the best of Mortgagor's knowledge, no Environmental Conditions, as defined in Section 3(c) hereof, are present on or affect the Property.

(g) All statements, financial or otherwise, submitted to Mortgagee in connection with this transaction are true and correct in all respects and fairly present the financial condition of the parties or entities covered by such statements as of the date hereof.

(h) The execution of this Mortgage does not subject to the Property to the reporting requirements under the Illinois Responsible Property Transfer Act ("IRPTA") or Mortgagor will prepare and record all necessary documents required under IRPTA and do all things necessary to comply with the provisions of IRPTA.

3. Maintenance, Repair, and Compliance with Law, etc.

(a) Mortgagor agrees: (i) not to abandon the Property; (ii) to keep the Property in good, safe and insurable condition and repair and not to commit or suffer waste; (iii) to refrain from impairing or diminishing the value of the Property or this Mortgage; and (iv) to cause the Property to be managed in a competent and professional manner.

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(b) Without the prior written consent of Mortgagee, Mortgagor shall not cause, suffer or permit any (i) material alterations of the Property except as required by law or ordinance; (ii) change in the intended use or occupancy of the Property for which the improvements were constructed, including without limitation any change which would increase any fire or other hazard; (iii) change in the identity of the person or firm responsible for managing the Property; (iv) zoning reclassifications with respect to the Property; (v) unlawful use of, or nuisance to exist upon, the Property; (vi) granting of any easements, licenses, covenants, conditions or declarations of use against the Property; or (vii) execution by Mortgagor of any leases in breach of the terms and provisions of the Assignment.

4. Insurance.

(a) Mortgagor agrees to maintain in force at all times: (i) fire and extended coverage insurance, including, without limitation, windstorm, earthquake, explosion, flood and such other risks usually insured against by owners of like properties, on the Property in an amount not less than one hundred percent (100%) of the full insurable value of the Property; (ii) comprehensive public liability insurance against death, bodily injury and property damage not less than \$1,000,000 single limit coverage; (iii) steam boiler, machinery and pressurized vessel insurance; (iv) rental or business interruption insurance in amounts sufficient to pay, for a period of up to four (4) months, all amounts required to be paid by Mortgagor pursuant to this Mortgage; and (v) the types and amounts of insurance that are customarily maintained by owners or operators of like properties.

(b) Mortgagor will also maintain flood insurance, if required by the Mortgagee, pursuant to a designation of the area in which the Property is located as flood prone or a flood risk area, as defined by the Flood Disaster Protection Act of 1973, as amended, in an amount to be determined by the Mortgagee from time to time, when appropriate, as well as comply with any additional requirements of the National Flood Insurance Program as set forth in said Act.

(c) All such insurance shall be written by companies and on forms with endorsements satisfactory to Mortgagee, all with suitable lender's loss-payable and standard non-contribution mortgagee clauses in favor of Mortgagee attached and naming Mortgagee as an additional insured and loss payee. Certified copies of the policies evidencing the same shall be deposited with Mortgagee. All said policies shall provide for thirty (30) days prior written notice to Mortgagee of the expiration of any such policy, and a certified copy of an appropriate renewal policy shall be deposited with Mortgagee. Mortgagee is authorized to collect all insurance proceeds and apply them, at its option, to the reduction of the Liabilities hereby secured, whether due or not then due. Mortgagee may, at its option, allow Mortgagor to use such money, or any part thereof, in repairing the damage or restoring the improvements.

5. Default

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Any of the following occurrences or acts shall constitute an event of default under this Mortgage ("Event of Default") if such act occurs and is not cured within any applicable cure period:

- (a) the occurrence of an Event of Default under the Notes, whether in payment or otherwise, or in the payment or performance of the Liabilities;
- (b) the occurrence of a default or under any guaranty related to the Notes or the Liabilities or any other agreement, security agreement, assignment, instrument or other agreement made by any guarantor in favor of Mortgagee with respect to the Notes or the Liabilities,
- (c) Mortgagor shall fail to observe or perform any of Mortgagor's covenants, agreements, or obligations under this Mortgage and Mortgagor shall fail to cure such default within ten (10) days after being served with written notice from Mortgagee;

6. Rights Upon Default.

If any Event of Default shall have occurred, then, to the extent permitted by applicable law, the following provisions shall apply:

- (a) All sums secured hereby shall, at the option of Mortgagee, become immediately due and payable without presentment, demand or further notice.
- (b) It shall be lawful for Mortgagee to take all actions authorized under applicable law or under any other agreement or instrument delivered by Mortgagor to Mortgagee including, without limitation, the Notes.
- (c) It shall be lawful for Mortgagee to (i) immediately foreclose this Mortgage; or (ii) if allowed under Illinois law at the time of such Event of Default, immediately sell the Property either in whole or in separate parcels, as prescribed by Illinois law, under power of sale, which power is hereby granted to Mortgagee to the full extent permitted by Illinois law, and thereupon, to make and execute to any purchaser(s) thereof deeds of conveyance pursuant to applicable law.
- (d) If a suit is brought to foreclose this Mortgage, the court in which any proceeding is pending for the purpose of foreclosure of this Mortgage may, at once or at any time thereafter, either before or after sale, without notice and without requiring bond, and without regard to the solvency or insolvency of any person liable for payment of the Liabilities secured hereby, and without regard to the value of the Property or the occupancy thereof as a homestead, appoint Mortgagee as a mortgagee-in-possession or appoint a receiver (the provisions for the appointment of a receiver or mortgagee-in-possession being an express condition upon which the loan hereby secured is made) for the benefit of Mortgagee with power to collect the rents, issues and profits of the Property, due and to become due, during such foreclosure suit and to do all other things allowed under applicable law.

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(e) Mortgagee shall, at its option, have the right, acting through its agents or attorneys, either with or without process of law, forcibly or otherwise, to enter upon and take possession of the Property, expel and remove any persons, goods, or chattels occupying or upon the same, to collect or receive all the rents, issues and profits thereof and to manage and control the same, and to lease the same or any part hereof, from time to time, and after deducting all reasonable attorneys' fees and expenses, and all reasonable expenses incurred in the protection, care, maintenance, management and operation of the Property, apply the remaining net income upon the Liabilities or other sums secured hereby or upon any deficiency decree entered in an S' foreclosure proceedings.

(f) Mortgagee or its duly authorized agent shall have the right to enter upon the Property to inspect, appraise and/or conduct any environmental assessments of the Property which Mortgagee, in its sole discretion, deems necessary. All expenses incurred by Mortgagee in connection with any inspections, appraisals or environmental assessments done pursuant hereto shall be additional Liabilities secured hereby and shall become immediately due and payable without notice and shall bear interest at the Interest Rate until paid to Mortgagee in full. Nothing contained in this Section 18(f) shall create an affirmative duty on the part of Mortgagee, or otherwise bind Mortgagee in any respect, to conduct any such inspection, appraisal or environmental assessment.

(g) all court costs, attorneys' and paralegals' fees and expenses, appraiser's fees, advertising costs, notice expenses, expenditures for document and expert evidence, stenographer's charges, publication costs, and costs, which may be estimated as to items to be expended after entry of the decree, of procuring all abstracts of title, title searches and examinations, title guarantees, title insurance policies, Torrens certificates and similar data with respect to title which Mortgagee may deem necessary. All such expense shall become additional Liabilities secured hereby and immediately due and payable, with interest thereon at the Interest Rate, when paid or incurred by Mortgagee in connection with any proceedings, including but not limited to probate and bankruptcy proceedings, to which Mortgagee shall be a party, either as plaintiff, claimant, or defendant, by reason of this Mortgage or any indebtedness hereby secured or in connection with the preparations for the commencement of any suit for the foreclosures, whether or not actually commenced, or sale by advertisement. The proceeds of any sale, whether through a foreclosure proceeding or Mortgagee's exercise of the power of sale, shall be distributed and applied to the items described in (a), (b) and (c) of this paragraph as Mortgagee may in its sole discretion determine, and any surplus of the proceeds of such sale shall be paid to Mortgagor.

7. Rights Cumulative.

Each remedy or right of Mortgagee shall not be exclusive of, but shall be in addition to, every other remedy or right now or hereafter existing at law or in equity. No delay in the exercise or omission to exercise any remedy or right accruing on any default shall constitute a waiver of default or constitute acquiescence therein, nor shall it affect any subsequent default of the same or different nature.

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Execution of additional Documents.

Mortgagor agrees that, upon request of Mortgagee from time to time, it will execute, acknowledge and deliver all such additional instruments and further assurances of title and will do or cause to be done all such further acts and things as may reasonably be necessary to fully effectuate the intent of this Mortgage.

WAIVER OF RIGHT OF REDEMPTION.

MORTGAGOR REPRESENTS THAT IT HAS BEEN AUTHORIZED TO, AND MORTGAGOR DOES HEREBY, WAIVE, TO THE FULL EXTENT PERMITTED UNDER LAW, ANY AND ALL STATUTORY OR EQUITABLE RIGHTS OF REDEMPTION, FOR REINSTATEMENT OR ANY OTHER RIGHT UNDER ANY "MORATORIUM LAW" ON BEHALF OF MORTGAGOR AND EACH AND EVERY PERSON, EXCEPT DECREE OR JUDGMENT CREDITORS OF MORTGAGOR, ACQUIRING ANY INTEREST IN OR TITLE TO THE PROPERTY SUBSEQUENT TO THE DATE HEREOF.

8. Representation of Title.

At the time of the delivery of this Mortgage, the Mortgagor is well seized of an indefeasible estate in fee simple in the portion of the Property which constitutes real property and owns good title to the portion of the Property which constitutes personal property and has good right, full power and lawful authority to convey and mortgage and grant a security interest in the same, in the manner and form aforesaid; that the same is free and clear of all liens, charges, easements, covenants, conditions, restrictions and encumbrances whatsoever (except as may be agreed to in advance by Mortgagee), and that Mortgagor shall and will forever defend the title to the Property against the claims of all persons whatsoever.

9. Miscellaneous.

(a) Mortgagor agrees that, without affecting the liability of any person for payment of the Liabilities or affecting the lien of this Mortgage upon the Property or any part thereof (other than persons or property explicitly released as a result of the exercise by Mortgagee of its rights and privileges hereunder), Mortgagee may at any time and from time to time, on request of the Mortgagor, without notice to any person liable for payment of any Liabilities secured hereby, extend the time, or agree to alter the terms of payment of such Liabilities.

(b) Mortgagor certifies and agrees that the proceeds of the Notes will be used for proper business purposes, and consistently with all applicable laws and statutes.

(c) Mortgagor agrees that this Mortgage is to be construed and governed by the laws of the State of Illinois. Wherever possible, each provision of this Mortgage shall be

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interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Mortgage shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Mortgage.

(d) Upon full payment of all sums secured hereby or upon application on the Liabilities of the proceeds of any sale of the Property in accordance with the provisions of this Mortgage, at the time and in the manner provided, this conveyance shall be null and void and, upon demand therefore following such payment, a satisfaction of mortgage shall be provided by Mortgagee to Mortgagor.

(e) This Mortgage shall be binding upon the Mortgagor and upon the successors, assigns and vendees of the Mortgagor and shall inure to the benefit of the Mortgagee's successors and assigns. All references herein to the Mortgagor and to the Mortgagee shall be deemed to include their successors and assigns. Mortgagor's successors and assigns shall include, without limitation, a receiver, trustee or debtor in possession of or for Mortgagor. Further, the term "Notes" as used herein shall also be read to refer to any note executed in renewal, substitution, amendment or replacement thereto.

Time is of the essence of this Mortgage, and any other document or instrument evidencing or securing the Liabilities.

(g) Any notice, demand, request or other communication which any party may desire or may be required to give to any other party hereunder shall be given in writing (at the addresses set forth below) by any of the following means: (a) personal service; (b) overnight courier; or (c) registered or certified United States mail, postage prepaid, return receipt requested.

Mortgagee: Diane Sramek, 16531 Catawba Rd, Homer Glen, Illinois 60491

Mortgagor: Mieczyslaw Mrowca and Zofia Mrowca, 7540 S. Mason, Burbank, Illinois 60459.

Such addresses may be changed by notice to the other party given in the same manner as herein provided. Any notice, demand, request or other communication sent pursuant to either subparagraph (a) or (b) hereof shall be served and effective upon such personal service or upon confirmation of transmission by electronic means. Any notice, demand, request or other communication sent pursuant to subparagraph (c) shall be served and effective one (1) business day after deposit with the overnight courier. Any notice, demand, request or other communication sent pursuant to subparagraph (d) shall be served and effective three (3) business days after proper deposit with the United States Postal Service.

(h) No modification, waiver, estoppel, amendment, discharge or change of this Mortgage or any related instrument shall be valid unless the same is in writing and signed

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by the party against which the enforcement of such modification, waiver, estoppel, amendment, discharge or change is sought.

IN WITNESS WHEREOF, this instrument is executed by Mortgagor as of the date first above written.

Mieczyslaw Mrowca
Mieczyslaw Mrowca:

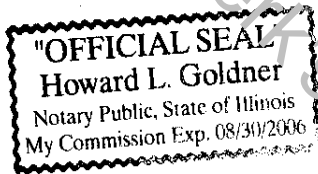
Zofia Mrowca
Zofia Mrowca

STATE OF COUNTY OF

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that Mieczyslaw Mrowca and Zofia Mrowca, his wife, personally known to me, are the same persons whose names are subscribed to the foregoing instrument as such, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their free and voluntary act and deed, for the uses and purposes therein set forth.

Given under my hand and official seal this 5th day of February, 2004 .

[Signature]
Notary Public



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EXHIBIT A LEGAL DESCRIPTION

LOTS 30 TO 33 INCLUSIVE IN BLOCK 12 IN F.H. BARLETT'S 63RD
STREET INDUSTRIAL DISTRICT IN THE WEST ½ OF THE SOUTHEAST ¼ OF
SECTION 18, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD
PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

P.I.N: 19-18-406-016-0000

19-18-406-017-0000

19-18-406-018-0000

19-18-406-019-0000

PROPERTY ADDRESS: 6039 S. OAK PARK AVE., CHICAGO, ILLINOIS 60459

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