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Doc#: 0516027073

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Cook County Recorder of Deeds

Date: 06/09/2005 02:30 PM Pg: 1 of 23

Property of Cook County Clerk's Office

MORTGAGE

Prepared By and Send to After Recording:

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MORTGAGE

MORTGAGE, dated June 2, 2005, made by RHEMA WORD CHURCH, 5454 West North Avenue, Chicago, Cook County, Illinois 60639-4347, ("Mortgagor"), to CHURCH LOANS & INVESTMENTS TRUST, a Texas real estate investment trust, 5305 I-40 West, Amarillo, Potter County, Texas 79106, ("Mortgagee").

Recital

The "Note" secured hereby consists of a promissory note executed and delivered by Mortgagor and payable to the order of Church Loans and Investments Trust dated June 2, 2005. All references to the "Note" herein shall be to the indebtedness represented in the promissory note. In return for a loan that Mortgagor received as described above, Mortgagor promises to pay \$1,400,000.00 (called "principal"), plus interest in accordance with the terms of the Note. The Note shall mature on or before July 1, 2025. All terms of the Note are made a part of this Mortgage.

Definitions

Mortgagor and Mortgagee agree that, unless the context hereof otherwise specifies or requires, the following terms shall have the meanings herein specified. Said definitions shall be applicable equally to the singular and the plural forms of such terms.

"Chattels" shall mean all fixtures, fittings, appliances, apparatus, equipment, machinery and articles of personal property and replacements thereof, other than those owned by lessees, now or at any time hereafter affixed to, attached to, placed upon, or used in any way in connection with the complete and comfortable use, enjoyment, occupancy or operation of the Improvements on the Premises.

"Event of Default" shall mean any event and circumstance described as an Event of Default in Section 2.01 hereof.

"Improvements" shall mean all structures or buildings now or hereafter located upon the Premises or any part thereof, including all equipment, apparatus, machinery and fixtures of every kind and nature whatsoever forming part of said structures or buildings.

"Loan Agreement" shall mean that certain Loan Agreement dated June 7, 2005, entered into by and between Mortgagor and Mortgagee.

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"Property" shall mean the Premises, the Improvements, the Chattels and all other property, rights and interests described in the Granting Clause of this Mortgage.

"Premises" shall mean:

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in Chicago, the County of Cook, and the State of Illinois, being more particularly described in Exhibit A attached hereto and made a part hereof,

TOGETHER with all right, title and interest, if any, of Mortgagor in and to any streets and roads abutting the above described premises to the center lines thereof,

TOGETHER with the appurtenances and all the estate and rights of Mortgagor in and to said premises.

All terms in this Mortgage which are not defined above shall have the meanings set forth in this Mortgage.

Granting Clause

NOW, THEREFORE, in consideration of the premises, and in order to secure the payment of the principal, interest and any other sums payable under the Note and this Mortgage, and the observance and performance of the provisions hereof and of the Note, Mortgagor hereby mortgages and warrants to the Mortgagee all estate, right, title and interest of Mortgagor in, to and under any and all of the following described property (the "Property"), whether now owned or hereafter acquired:

(a) the Premises;

(b) the Improvements;

(c) the Chattels;

(d) all leases of the Premises, now or hereafter entered into and all right, title and interest of Mortgagor thereunder, including without limitation cash or securities deposited thereunder to secure the payment or performance by the lessees of their obligations thereunder, whether such cash or securities are to be held until the expiration of the terms of such leases or applied to

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one or more of the installments of rent coming due immediately prior to the expiration of such terms, and including the right, upon the happening of an Event of Default, to receive and collect the rents thereunder; and

(e) all proceeds of the conversion, voluntary or involuntary, of any of the foregoing into cash or liquidated claims, including without limitation insurance proceeds and condemnation awards.

ARTICLE I

Covenants of Mortgagor

Mortgagor covenants and agrees as follows:

1.01. Mortgagor shall punctually pay the principal, interest and all other sums to become due under the Note, at the time and place and in the manner specified in the Note, in the coin or currency of the United States of America which at the time of such payment shall be legal tender for the payment of public and private debts.

1.02. Mortgagor represents and warrants that it has good and marketable title to the Premises; that the Premises are subject to no lien, claim or encumbrance except as set forth herein; that Mortgagor now and hereafter will own the Chattels free and clear of all liens, claims and encumbrances; and that this Mortgage is and will remain a valid and enforceable first lien on the Property subject only to the exceptions referred to herein; and that Mortgagor has full power and lawful authority to mortgage the Property as herein provided. Mortgagor forever shall preserve, warrant and defend such title to Mortgagee, and forever shall preserve, warrant and defend the validity and priority of the lien hereof against the claims of all persons and parties whomsoever.

1.03. Mortgagor, at Mortgagor's sole cost and expense, shall do, execute, acknowledge and deliver all and every such further acts, deeds, mortgages, assignments, transfers and assurances as Mortgagee from time to time shall require, for the better assuring, mortgaging, assigning, transferring and confirming unto Mortgagee the property and rights hereby mortgaged, assigned, transferred or intended now or hereafter to be mortgaged, assigned or transferred, or for carrying out the intention or facilitating the performance of the terms of this Mortgage, or for filing, registering or recording this Mortgage. All right, title and interest of Mortgagor in and to all extensions, improvements, betterments, renewals, substitutions and replacements of, and all additions and appurtenances to, the Premises, now owned by, hereafter acquired by, or released to Mortgagor, or constructed, assembled or placed by Mortgagor on the Premises, and all conversions of the security of this Mortgage, immediately upon such acquisition, release, construction, assembling, placement or conversion, without any further mortgage,

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conveyance, assignment or other act by Mortgagor, shall become subject to the lien of this Mortgage as fully and completely, and with the same effect, as though now owned by Mortgagor and specifically described in the granting clause hereof. Mortgagor, on demand, shall execute and deliver to Mortgagee any and all such further assurances, mortgages, conveyances or assignments thereof as Mortgagee may require for the purpose of expressly and specifically subjecting the same to the lien of this Mortgage. Mortgagor, upon the execution and delivery of this Mortgage, and thereafter on demand, at Mortgagor's sole cost and expense shall cause this Mortgage and any security instrument creating or evidencing a lien upon the Chattels or any other property to be secured hereby, and any other instrument of further assurance or instrument supplemental hereto or given in connection herewith, to be filed, registered or recorded in such manner and in such place or places as may be required by any present or future law in order to publish notice of and fully to protect the lien hereof upon, and the interest of Mortgagee in, the Property. On demand, Mortgagor shall execute and deliver, and Mortgagor hereby authorizes Mortgagee, and irrevocably appoints Mortgagee as its attorney-in-fact, to execute and deliver in the name of and on behalf of Mortgagor, to the extent permitted by applicable law, one or more financial statements, chattel mortgages or comparable security instruments to evidence more effectively the lien hereof upon the Chattels.

1.04. Mortgagor, if a corporation, shall, so long as it is the owner of the Property, do all things necessary to preserve and keep in full force and effect its existence, franchises, rights and privileges as a business or stock corporation under the laws of the state of incorporation, and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental authority or court applicable to Mortgagor or to the Property or any part hereof.

1.05. Mortgagor shall keep the Property free from statutory liens of every kind or nature, and shall pay and discharge when due all taxes of every kind or nature, general and special assessments, levies, permits, inspection and license fees, water and sewer rents and charges, and other governmental or public charges, fines and impositions, whether of a like or different nature, which are or may be levied or imposed upon, or assessed against, the Property or any part thereof, or upon the revenues, income, rents, issues and profits of the Property or arising in respect of the occupancy, use or possession thereof. Mortgagor, upon the request of Mortgagee, shall deliver to Mortgagee receipts evidencing the payment of all such taxes, assessments, levies, fees, rents, charges, fines and impositions. For purposes of this Mortgage, assessments which have been made payable in installments at the application of Mortgagor nevertheless shall be deemed due and payable in their entirety on the earlier of the day the first installment becomes due or payable or a lien.

1.06. Mortgagor shall pay all filing, registration or recording fees; all Federal, State, county and municipal taxes, duties, imposts, assessments and charges; and all expenses incident to the execution, acknowledgment, delivery and recording of this Mortgage, the Note, any security instrument with respect to the Chattels, any instrument of further assurance and any other instrument supplemental hereto or to be given in

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connection herewith. Mortgagor shall pay any and all taxes, charges, excises and levies imposed on Mortgagee by reason of the ownership or holding of this Mortgage or the Note, and shall pay all corporate stamp taxes and other taxes required to be paid on this Mortgage or the Note. If Mortgagor fails to make any such payment within five days after demand, Mortgagee in addition to its other rights and remedies, may pay the amount due, and Mortgagor on demand shall reimburse Mortgagee for said amount. The amount so advanced by Mortgagee shall be a part of the indebtedness secured by this Mortgage. In the event of the passage of any law deducting from the value of the Premises, for purposes of taxation, the amount of any lien thereon or changing in any way the laws for the taxation of Mortgages or debts secured by Mortgages or the manner of the collection of any such taxes, so as to effect this Mortgage; then the indebtedness secured hereby, at the option of Mortgagee and upon thirty days notice to Mortgagor, immediately shall become due and payable, provided, however, that said option shall be unavailing and the Note and this Mortgage shall remain in effect if, without violating such law or any applicable usury or other law, Mortgagor lawfully pays when due such taxes, including any interest or penalties thereon, to or for Mortgagee.

1.07. Mortgagor shall pay, from time to time when due, all lawful claims and demands of mechanics, materialmen, laborers and others which, if unpaid, might result in, or permit the creation of, a lien on the Property or any part thereof, or on the revenues, income, rents, issues and profits arising therefrom. Mortgagor shall do or cause to be done everything necessary so that the lien hereof shall be fully preserved, at the cost of Mortgagor, without expense to Mortgagee.

1.08. Mortgagor shall not be required to pay the obligations imposed upon Mortgagor by Sections 1.05, 1.06 or 1.07 hereof so long as Mortgagor, in good faith and at its own expense, shall contest the validity or amount of such obligation by appropriate legal proceedings, provided such proceedings shall prevent the collection thereof or other realization thereon and shall not result in the sale or forfeiture of the Property or any part thereof to satisfy the same. During any such contest, Mortgagor, at the option of Mortgagee, shall provide security satisfactory to Mortgagee assuring the discharge of Mortgagor's obligations hereunder and of any additional charge, penalty or expense arising from or incurred as a result of such contest. If, at any time, the payment of any obligation imposed upon Mortgagor under Section 1.05 shall become necessary to prevent the delivery of a tax deed conveying the Premises or any portion thereof because of nonpayment, then Mortgagor shall pay such obligation in sufficient time to prevent the delivery of such tax deed.

1.09. Mortgagor shall keep the Improvements and Chattels insured for the benefit of Mortgagee against loss by fire, casualty and such other hazards as may be specified by Mortgagee. Mortgagor shall further maintain in full force and effect at all times while any sums are outstanding under the Note, general liability insurance. All insurance to be maintained by Mortgagor hereunder shall be written in forms, amounts and by companies satisfactory to Mortgagee, naming Mortgagee as insured. Mortgagor shall pay when due all premiums for such insurance. The policy or policies of such insurance, and

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renewals thereof, shall be delivered to Mortgagee, and shall have attached thereto a standard noncontributing mortgagee endorsement in favor of and entitling Mortgagee to collect any and all proceeds payable under all such insurance, as well as a standard waiver of subrogation endorsement, and shall contain provisions for ten days notice to Mortgagee prior to any cancellation thereof, all in form and substance satisfactory to Mortgagee. Mortgagor shall reimburse Mortgagee on demand for any premiums for insurance paid by Mortgagee on Mortgagor's default in maintaining any insurance required hereunder or in delivering the insurance policies to Mortgagee as provided herein.

Mortgagor shall give Mortgagee prompt notice of any loss covered by such insurance. In the event of any losses, the proceeds of insurance paid to Mortgagee shall be applied:

- (a) For the replacement and/or repair of the improvement damaged; or
- (b) Toward the purchase of additional property, which shall be secured to the same extent by this Mortgage as if originally acquired with Note proceeds; or
- (c) For the construction of additional improvements on the property; or
- (d) To prepay the Note without prepayment penalty; or for a combination of these purposes. Mortgagor, subject to the approval of Mortgagee, has the right to select which of these alternatives it desires to exercise and shall notify Mortgagee in writing in advance which alternative is selected by Mortgagor.

Mortgagor shall not take out separate insurance concurrent in form or contributing in the event of loss with that required to be maintained hereunder, unless such insurance names Mortgagee as insured, with any and all proceeds payable to Mortgagee under a standard mortgage endorsement of the character above described. Mortgagor promptly shall deliver to Mortgagee the policy or policies of such insurance.

1.10 Mortgagor shall keep adequate records and books of account in accordance with generally accepted accounting principles and shall permit Mortgagee, and the agents, accountants and attorneys of Mortgagee, to visit and inspect the Premises and examine the records, books of account and papers of Mortgagor which reflect upon its financial condition, the income and expenses of the Property or the business conducted thereat, and to discuss the affairs, finances and accounts of Mortgagor with the officers, agents, accountants and attorneys of Mortgagor, at such reasonable times as Mortgagee may request. Mortgagor promptly shall deliver to Mortgagee such other information with respect to Mortgagor and the Property as Mortgagee from time to time reasonably may request.

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1.11. Mortgagor shall not commit, suffer or permit any waste on or to the Property. Mortgagor at all times shall maintain the Improvements in good operating order and condition, and promptly shall make all repairs, renewals, replacements, additions and improvements in connection therewith which are necessary or desirable to such end. The Improvements shall not be removed, demolished or altered without the prior written consent of Mortgagee in each instance. None of the Chattels shall be removed without the prior written consent of Mortgagee in each instance, except where appropriate replacements free of superior title, liens, claims and encumbrances are immediately made having a value at least equal to the value of the Chattels removed. Mortgagor shall not make any change in the use of the Property which will in any way increase the risk of damage to the Property by fire or other hazard.

1.12. Mortgagor represents and warrants that no hazardous substance has been released, stored, spilled or otherwise deposited on the Premises, or used in the construction of the Premises, nor has any part of the Premises been used for a landfill, the result of which could impose any liability on Mortgagee under applicable Federal or state laws or regulations. Mortgagor shall not permit the release, storage, spilling or deposit on the Premises of any hazardous substance, and shall not permit the use of the Premises in violation of any applicable environmental law. As used herein, a hazardous substance shall mean any substance listed as hazardous or toxic in the regulations implementing the Comprehensive Environmental Response Compensation and Liability Act, 42 U.S.C. Section 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq., or other applicable environmental law. Mortgagor shall indemnify and hold Mortgagee harmless from and against all liability, claim, loss, damage or expense, including reasonable attorneys' fees, arising in connection with the representations, warranties and covenants herein.

1.13. Mortgagor shall not sell, transfer, assign or convey the Property or any part thereof or any interest, or enter into a lease of all or any portion of the Property, without the prior written consent of Mortgagee in each instance. Mortgagor shall not further mortgage, pledge or otherwise encumber the Property or any part thereof or any interest therein without the prior written consent of Mortgagee in each instance.

1.14. All awards and compensation payable to Mortgagor as a result of any condemnation or other taking, or of any purchase in lieu thereof, of all or any portion of the Premises, are hereby assigned to and shall be paid to Mortgagee. Mortgagor hereby authorizes Mortgagee to collect and receive such awards and compensation, to give proper receipts and acquittances therefor, and to apply the same to the indebtedness evidenced by the Note, notwithstanding that such indebtedness may not then be due and payable. If any portion of such awards or compensation shall be applied to reduce the indebtedness evidenced by the Note, the same shall be applied to the then unpaid installments of principal under the Note in the inverse order of their maturity, so that the regular payments under the Note shall not be reduced or altered in any manner. Mortgagee shall be under no obligation to question the amount of any such award or compensation, and may accept the same in the amount in which the same shall be paid. Mortgagor, immediately upon

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obtaining knowledge of the institution of any proceedings for the condemnation or taking of the Premises or any portion thereof, shall notify Mortgagee of the pendency of such proceedings. Mortgagee may participate in any such proceedings and Mortgagor from time to time shall deliver to Mortgagee all instruments requested by Mortgagee to permit such participation. Mortgagor, upon request by Mortgagee, shall execute and deliver any and all assignments and other instruments sufficient for the purpose of assigning the aforesaid awards and compensation to Mortgagee free and clear of all liens, claims or encumbrances. Mortgagee shall not be limited to the interest paid on any award or compensation, but shall be entitled to the payment of interest by Mortgagor at the applicable rate provided in the Note and herein.

1.15. Mortgagor, without the prior written consent of Mortgagee in each instance, shall not (a) execute an assignment of the rents or any part thereof from the Premises unless such assignment shall provide that it is subordinate to the assignment contained in this Mortgage, and all modifications, extensions and other amendments hereof, and any assignment of rents executed pursuant thereto, or (b) terminate or consent to the cancellation or surrender of any lease of the Premises or any part thereof, now existing or hereafter to be made, except where the lessee is in default thereunder, or (c) modify any such lease so as to shorten the unexpired term thereof or decrease the amount of the rents payable thereunder, or (d) accept prepayments of any installments of rents to become due under such leases, except prepayments in the nature of security for the performance of the lessees thereunder, or (e) commingle any lease security deposits of lessees with any other funds of Mortgagor, or (f) in any other manner impair the value of the Property or the security of this Mortgage. Mortgagor shall at all times promptly and faithfully pay and perform, or cause to be paid and performed, all of the terms, covenants and conditions contained in all leases of the Premises now or hereafter existing, on the part of the lessor thereunder to be paid or performed, and shall at all times do all things necessary to compel the payment and performance by the lessee under each lease of all of the terms, covenants and conditions by such lessee to be paid or performed thereunder. If any of such leases provide for the giving by the lessee of certificates with respect to the status of such leases, Mortgagor shall exercise its right to request such certificates within ten days after any request therefor by Mortgagee. Mortgagor shall furnish to Mortgagee, within ten days after any request therefor by Mortgagee, a statement certified by Mortgagor containing the names of all lessees of the Premises, the terms of their respective leases, the space occupied and the rentals payable thereunder, and shall deliver to Mortgagee copies of all leases not theretofore delivered to Mortgagee. To the extent not so provided by applicable law, each lease of the Premises, or any part thereof, shall provide that, in the event of the enforcement by Mortgagee of the remedies provided by law or by this Mortgage, the lessee thereunder, upon request of Mortgagee or any person succeeding to the interest of Mortgagee as a result of such endorsement, automatically will become the lessee of said successor in interest, without change in the provisions of such lease; provided, however, that Mortgagee and said successor in interest shall not be bound by (a) any payment of rent or additional rent for more than one month in advanced, except prepayments in the nature of security for the performance by said lessee of its obligations under said lease, or (b) any amendment or modification of the lease made without the prior

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written consent of Mortgagee or such successor in interest. Each lease also shall provide that, upon request by Mortgagor or said successor in interest, such lessee shall execute and deliver an instrument or instruments confirming such attornment.

1.16. Mortgagor shall pay all costs and expenses, including reasonable attorneys' fees, incurred by Mortgagee in connection with the enforcement of this Mortgage or the Note, the curing of any default by Mortgagor thereunder, or the defense or asserting of any rights, remedies or claims of Mortgagee in respect thereof, by litigation or otherwise. If any action or proceeding is commenced to which Mortgagee is made a party or in which, in the judgment of Mortgagee, it is necessary to defend the lien of this Mortgage or to protect the Property, Mortgagee may appear in such action or proceeding, in the name of Mortgagor or otherwise. Mortgagor shall pay to Mortgagee on demand all costs and expenses, including reasonable attorneys' fees, incurred by Mortgagee in connection with any such action or proceeding, and such costs and expenses shall be a part of the indebtedness secured by this Mortgage.

1.17. If Mortgagor shall fail to pay or perform any term, covenant or condition of this Mortgage, including without limitation the provisions of Sections 1.05, 1.06 and 1.07 hereof, Mortgagee may make advances to pay or perform the same on behalf of Mortgagor. All sums so advanced shall be paid by Mortgagor to Mortgagee on demand and shall be a lien upon the Property secured by this Mortgage. The provisions of this Section 1.17 shall not prevent any default in the payment, observance or performance of any term, covenant or condition of this Mortgage from constituting an Event of Default, and shall not be deemed to extend or otherwise modify or amend the date when any payments are due hereunder.

1.18. Mortgagor, within five days after request therefor by Mortgagee, shall furnish a written statement, certified and duly acknowledged by Mortgagor, setting forth the amount due on this Mortgage, the terms of payment and the maturity date of the Note, the date to which interest has been paid, and whether any offsets or defenses exist against any of the indebtedness secured hereby. If any offset or defense is alleged to exist, the nature thereof shall be set forth in detail in said statement.

1.19. It is understood and agreed that the Loan Agreement is incorporated herein as if set forth herein and that any default by Mortgagor in any of the terms of such Loan Agreement shall be deemed a default in the terms and conditions of this Mortgage.

ARTICLE II

Events of Default and Remedies

2.01. The whole of the principal indebtedness evidenced by the Note and all accrued interest immediately shall become due and payable, at the option of Mortgagee

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or the heirs, executors, administrators, successors or assigns of Mortgagee, upon the happening of any one or more of the following Events of Default:

(a) If default shall be made in the payment of any principal or interest to be paid under the Note, when and as the same shall become due and payable, or if default shall be made, and shall have continued for a period of ten (10) days, in the payment of any other amount due under the Note or this Mortgage, when and as the same shall become due and payable as in the Note or this Mortgage provided; or

(b) If default shall be made in the due observance or performance of any term, covenant or condition on the part of Mortgagor contained in Sections 1.02, 1.03, 1.04, 1.05, 1.06, 1.07, or 1.09 of this Mortgage, and such default shall have continued for a period of ten (10) days after written notice thereof shall have been given by Mortgagee to Mortgagor; or

(c) If Mortgagor sells, transfers, assigns or conveys the Property or any part thereof or any interest therein, or enters into a lease of all or any portion of the Property, without prior written consent of Mortgagee, or Mortgagor further mortgages, pledges or otherwise encumbers the Property, or any part thereof without the prior written consent of Mortgagee; or

(d) If default shall be made in the due payment, observance or performance of any other term, covenant or condition on the part of Mortgagor in the Note or in this Mortgage contained, and such default shall have continued for a period of thirty (30) days after written notice thereof shall have been given by Mortgagee to Mortgagor, or if any representation made by Mortgagor in this Mortgage shall be incorrect; or

(e) If final judgment for the payment of money shall be rendered against Mortgagor and Mortgagor shall not cause the same to be discharged within sixty days from the entry thereof, or shall not appeal therefrom or from the order, decree or process upon which or pursuant to which said judgment was granted and secure a stay of execution thereof pending such appeal; or

(f) If Mortgagor shall file or consents to the filing of a petition in bankruptcy, or commences or consents to the commencement of any proceeding pursuant to the Federal Bankruptcy Act or any similar Federal or State law, now or hereafter in effect, relating to the reorganization of Mortgagor or the arrangement or readjustment of the debts of Mortgagor; or if a petition in bankruptcy, insolvency proceeding or petition for reorganization shall be filed against Mortgagor and is not withdrawn or dismissed within sixty days; or if, by decree of a court of competent jurisdiction, Mortgagor shall be adjudicated a bankrupt or be declared insolvent, or a petition for the reorganization of Mortgagor is granted; or if Mortgagor shall make an assignment for the

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benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due; or if Mortgagor shall consent to the appointment of a receiver, liquidator or Mortgagor or of all or any part of Mortgagor's property; or if, by the order of a court of competent jurisdiction, a receiver, liquidator or trustee of the Property or any part thereof, or of Mortgagor or any of Mortgagor's property, shall be appointed and such order shall not be discharged or dismissed within sixty days after such appointment; or if there is an attachment or sequestration of any of the property of Mortgagor and the same is not discharged or bonded in full within ten days.

2.02. Upon the occurrence of any such Event of Default, Mortgagee, personally or by its agents, employees, nominees or attorneys, at the expense of Mortgagor may: (a) enter into and upon the Property, and each and every part thereof, and may dispossess and exclude Mortgagor and its agents and servants therefrom; (b) use, operate, manage, control, insure, maintain, restore and otherwise deal with the Property and conduct the business thereat; (c) make all necessary or proper repairs, renewals and replacements and such useful alterations, additions, betterments and improvements thereto and thereon as Mortgagee may deem advisable; and (d) exercise all rights and powers of Mortgagor with respect to the Property, including without limitation the right to enter into, cancel, enforce or modify leases, obtain and evict tenants, and demand, sue for, collect and receive all earnings, revenues, rents, issues, profits and other income of the Premises, in the name of Mortgagor or otherwise.

2.03. Upon the occurrence of any such Event of Default, Mortgagee shall be entitled to collect and receive all earnings, revenues, income, rents, issues and profits of the Property and every part thereof. After deducting the costs and expenses of conducting the operations and business at the Property, and of all maintenance, repairs, renewals, replacements, alterations, additions, betterments and improvements, and amounts necessary to pay for taxes, assessments, insurance and any other proper charges upon the Property or any part thereof, and just and reasonable compensation for the services of Mortgagee and for all agents, nominees, attorneys and other employees by it properly engaged and employed; then Mortgagee shall apply the moneys arising as aforesaid, first, to the payment of the principal of the Note and the interest thereon, when and as the same shall become payable and, second, to the payment of any other sums required to be paid by Mortgagor under this Mortgage or the Note.

2.04. Upon the occurrence of any such Event of Default, Mortgagee, with or without entry, personally or by the agents, employees, nominees or attorneys of Mortgagee, may:

- (a) declare the unpaid principal balance and accrued interest on the Note immediately due; and/or

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(b) sell the Property or any part thereof pursuant to any procedures provided by applicable law, and all estate, right, title, interest, claim and demand therein, and right of redemption thereof, as one parcel or in parcels, pursuant to the procedures provided by law, at one or more sale or sales, at such time and place upon such terms and after such notice thereof as may be required or permitted by law; and/or

(c) institute proceedings for the complete or partial foreclosure of this Mortgage; and/or

(d) take such steps to protect and enforce its rights whether by suit, action or proceeding in equity or at law for the specific performance of any term, covenant or condition in the Note or in this Mortgage, or in aid of the execution of any power herein granted, or for any foreclosure hereunder, or for the enforcement of any other appropriate legal or equitable remedy or otherwise as Mortgagee shall elect.

2.05. Upon the occurrence of any such Event of Default, Mortgagee or the agents, successors or assigns of Mortgagee are hereby authorized and empowered to grant, bargain, sell, release and convey said premises, at public venue, and to execute and deliver to the purchaser or purchasers at the sale good and sufficient deeds of conveyance in law, pursuant to the statute in such case made and provided.

2.06. Mortgagor, for itself and all who may claim under it, hereby waives, to the extent that it lawfully may, all right to have the Property marshaled upon any foreclosure hereof, and waives trial by jury and the right to impose any defense, setoff or counterclaim to any action brought by the holder of this Mortgage to enforce its rights hereunder. Mortgagor releases and relinquishes all rights of homestead in and to the premises. After the happening of any Event of Default, and immediately upon the commencement of any suit, action or proceeding by Mortgagee to obtain judgment for the principal of, or interest on, the Note and other sums required to be paid by Mortgagor pursuant to any provisions of the Note or this Mortgage, or of any other nature in aid of the enforcement of the Note or this Mortgage, Mortgagor (a) shall waive the issuance and service of process and enter its voluntary appearance in such suit, action or proceeding, and (b) if required by Mortgagee, shall consent to the appointment of a receiver or receivers of the Property and of all the earnings, revenues, income, rents, issues and profits thereof. After the happening of any Event of Default, or upon the commencement of any proceedings to foreclose this Mortgage or to enforce the specific performance hereof or in aid thereof, or upon the commencement of any other judicial proceeding to enforce any right of Mortgagee; Mortgagee shall be entitled, as matter of right, without the giving of notice to any other party and without regard to the adequacy or inadequacy of any security for the Mortgage indebtedness or the solvency or insolvency of Mortgagor, forthwith either before or after declaring the unpaid principal of the Note to be due and payable, to the appointment of a receiver or receivers of the Property and of all the earnings, revenues, income rents, issues and profits thereof. Mortgagee may be appointed as such

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receiver. Notwithstanding the appointment of any receiver, liquidator or Mortgagor, or of any of its property, or of the Property or any part thereof, Mortgagee shall be entitled to retain possession and control of all property now or hereafter held under this Mortgage. During the continuance of any Event of Default and pending the exercise by Mortgagee of the right to exclude Mortgagor from any and all part of the Property, Mortgagor agrees to pay the fair and reasonable rental value for the use and occupancy of the Property or any portion thereof which are in its possession for such period and, upon default of any such payment, shall vacate and surrender possession of the Property to Mortgagee or to a receiver, if any, and in default thereof may be evicted by any summary action or proceeding for the recovery or possession of premises for nonpayment of rent, however designated. Mortgagee may adjourn from time to time any sale by it to be made under or by virtue of this Mortgage by announcement, at the time and place appointed for such sale or any adjournment thereof, of the new time and place of the adjourned sale or sales. Except as otherwise provided by any applicable provision of law, Mortgagee, without further notice or publication, may make such sale at the time and place to which the same shall be so adjourned.

2.07. Upon the completion of any sale or sales made by Mortgagee under or by virtue of this Article II, Mortgagee, or an officer of any court empowered to do so, shall execute and deliver to the accepted purchaser or purchasers a good and sufficient instrument, or good and sufficient instruments, conveying, assigning and transferring all estate, right, title and interest in and to the property and rights sold. Mortgagor hereby irrevocably appoints Mortgagee the true and lawful attorney of Mortgagor, in its name and stead, to make all necessary conveyances, assignments, transfers and deliveries of the Property and rights so sold. Mortgagee may execute all necessary instruments of conveyance, assignment and transfer, and may substitute one or more persons with like power. Mortgagor hereby ratifies and confirms all that its said attorney or such substitute or substitutes shall lawfully do by virtue hereof. Nevertheless, Mortgagor, if so requested by Mortgagee, shall ratify and confirm any such sale or sales by executing and delivering to Mortgagee or to such purchaser or purchasers all such instruments as may be advisable, in the judgment of Mortgagee, for the purpose as may be designated in such request. Any such sale or sales made under or by virtue of this Article II, whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, shall operate to divest all the estate, right, title, interest, claim and demand whatsoever, whether at law or in equity, of Mortgagor in and to the properties and rights so sold, and shall be a perpetual bar both at law and in equity against Mortgagor and against any and all persons claiming through or under Mortgagor.

2.08. The purchase money, proceeds or avails of any sale made under or by virtue of this Article II, together with any other sums which then may be held by Mortgagee under this Mortgage, whether under the provisions of this Article II or otherwise, shall be applied as follows:

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First, to the payment of the costs and expenses of such sale, including reasonable compensation to Mortgagee, and the agents and counsel of Mortgagee, and of any judicial proceedings wherein the same may be made, and of all expenses, liabilities and advances made or incurred by Mortgagee under this Mortgage, and all taxes or assessments, other than those subject to which the Property shall have been sold.

Second, to the payment of the whole amount then due, owing or unpaid upon the Note for principal or interest.

Third, to the payment of any other sums required to be paid by Mortgagor pursuant to any provisions of this Mortgage or of the Note, including all expenses, liabilities and advances made or incurred by Mortgagee under this Mortgage or in connection with the enforcement thereof.

Fourth, to the payment of the surplus, if any, to whosoever may be lawfully entitled to receive the same.

2.09. Upon any sale made under or by virtue of this Article II, whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, Mortgagee may bid for and acquire the Property or any part thereof. In lieu of paying cash for the Property may make settlement for the purchase price for the Property by crediting the indebtedness secured by this Mortgage against the net purchase price, after deducting therefrom the expenses of the sale and the costs of the action and any other sums which Mortgagee is authorized to deduct under this Mortgage. In the event of any such sale, the entire principal of, and interest on, the Note, if not previously due and payable, and all other sums required to be paid by Mortgagor pursuant to this Mortgage, immediately shall become due and payable. In the event Mortgagor shall fail forthwith to pay such amounts on demand, Mortgagee shall be entitled and empowered to institute such action or proceeding at law or in equity for the collection of the sums so due and unpaid, and may prosecute any such action or proceeding to judgment or final decree, and may enforce any such judgment or final decree against Mortgagor and collect out of the property of Mortgagor wherever situated, as well as out of the Property, in any manner provided by law, moneys adjudged or decreed to be payable. Mortgagee shall be entitled to recover judgment as aforesaid either before or after or during the pendency of any proceedings for the enforcement of the provisions of this Mortgage; and the right of Mortgagee to recover such judgment shall not be affected by any entry or sale hereunder, or by the exercise of any other right, power or remedy for the enforcement of the provisions of this Mortgage, or the foreclosure of the lien hereof. In the event of a sale of the Property, and of the application of the proceeds of sale, as in this Mortgage provided, to the payment of the debt hereby secured, Mortgagee shall be entitled to enforce payment of, and to receive all amounts then remaining due and unpaid upon, the Note, and to enforce payment of all other charges, payments and costs due under this Mortgage, and shall be entitled to recover judgment for any portion of the debt remaining unpaid. No recovery of any judgment by Mortgagee and no levy of any

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execution under any judgment upon the Property or upon any other property of Mortgagor shall affect in any manner or to any extent, the lien of this Mortgage upon the Property or any part thereof, of any liens, rights, powers or remedies of Mortgagee hereunder, and such liens, rights, powers or remedies shall continue unimpaired as before.

2.10. No right or remedy herein conferred upon or reserved to Mortgagee is intended to be exclusive of any other rights or remedies. All rights and remedies of Mortgagee shall be cumulative, may be exercised singly or concurrently, and shall be in addition to every other right or remedy given hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission of Mortgagee to exercise any right or remedy under this Mortgage shall impair any such right or remedy or shall be construed to be a waiver of any Event of Default or any acquiescence therein. Every right, remedy and power given by this Mortgage to Mortgagee may be exercised from time to time as often as may be deemed expedient by Mortgagee. No waiver by Mortgagee shall be effective unless in writing and then only to the extent specifically stated. Without limiting the generality of the foregoing, any payment by Mortgagee for insurance premiums, real estate taxes, assessments, water charges or sewer rents or other charges affecting the Premises, or payments made in connection with any lien superior to the lien of this Mortgage, shall not constitute a waiver of any default by Mortgagor in making such payments and shall not obligate Mortgagee to make any such payments thereafter. No waiver of any right or remedy hereunder shall be deemed to be a waiver of such right or remedy as to any subsequent default hereunder.

2.11. Mortgagor shall not at any time insist upon, or plead, or in any manner whatever claim or take any benefit or advantage of any stay or extension or moratorium law, or any exemption from execution or sale of the Property or any part thereof, any law now or hereafter in force providing for the valuation or appraisal of the Property, or any part thereof, prior to any sale or sales thereof, wherever enacted and whether now or at any time hereafter in force, which may affect the covenants and terms of performance of this Mortgage. Mortgagor, after any such sale or sales, shall not claim or exercise any right under any statute heretofore or hereafter enacted to redeem the property so sold or any part thereof. Mortgagor hereby expressly waives, to the extent permitted by law, all benefit or advantage of any and all such law or laws. Mortgagor covenants not to hinder, delay or impede the execution of any power herein granted or delegated to Mortgagee, and agrees to suffer and permit the execution of every power and right herein or by law provided to Mortgagee as though no such law or laws had been made or enacted.

ARTICLE III

Miscellaneous

3.01. Mortgagor shall have the right to prepay the indebtedness evidenced by the Note, in whole or in part, without penalty, upon ten days prior written notice to

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Mortgagee. The installment payments provided for in the Note shall continue without change after any such prepayment.

3.02. This Mortgage shall be construed in accordance with the laws of the State of Illinois. Whenever possible, each provision of this Mortgage shall be interpreted in such manner as to be effective and valid under applicable law. In the event any one or more of the provisions of this Mortgage or in the Note shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability, at the option of Mortgagee, shall not affect any other provision of this Mortgage, and this Mortgage shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein to the extent of such invalidity, illegality or unenforceability. No provision of this Mortgage or the Note shall require or be construed as requiring the payment of, or permit the collection of, interest in excess of the maximum amount permitted by applicable law. Mortgagor shall not be obligated to pay any interest in excess of such maximum amount. Mortgagor acknowledges that it has received a true copy of the Note and this Mortgage.

3.03. Usury. This Mortgage and all other agreements are expressly limited so that in no event whatsoever, whether by acceleration or maturity of the Note or otherwise, shall the amount paid or agreed to be paid for the use, forbearance, or detention of the money advanced or to be advanced or secured hereby exceed the highest lawful rate permissible. In determining whether or not the rate of interest exceeds the highest lawful rate, the parties intend that all sums paid hereunder which are deemed interest of the purpose of determining usury be prorated, allocated, or spread in equal parts over the longest lawful period of time permitted. If, from any circumstances whatsoever, fulfillment of any provision hereof or any other agreement securing or related to the Note at any time performance of such provision shall be due shall involve the payment of interest in excess of that authorized by law, the Note to be fulfilled shall be reduced to a limit so authorized. If, from any circumstance whatsoever, the Noteholder shall ever receive as interest an amount which would exceed the highest lawful rate, the amount which would be excessive shall, at Noteholder's option, be either applied to the reduction of the unpaid principal balance of the Note (and not to the payment of interest) or refunded to the person entitled thereto, and, to the extent permitted by law, the Noteholder shall not be subject to any penalty provided for the contracting for, charging or receiving interest in excess of the maximum lawful rate, regardless of when or the circumstances under which such refund or application was made.

3.04. All notices hereunder shall be in writing and shall be deemed to have been sufficiently given or served for all purposes when presented personally or sent by Federal Express courier or registered or certified mail, return receipt requested, with postage prepaid, to any party hereto at its address above stated. Any party hereto may change the address to which notices are to be mailed by notice given in accordance with this Section 3.04.

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3.05. This Mortgage cannot be modified or discharged orally and no agreement shall be effective to modify or discharge this Mortgage in whole or in part unless it is in writing and signed by the party against which enforcement of the modification or discharge is sought.

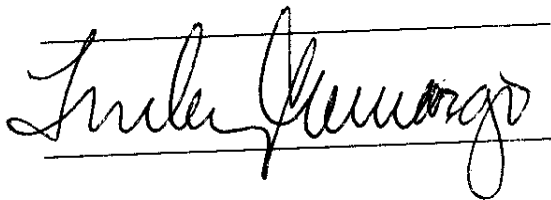
3.06. All of the terms, covenants and conditions of this Mortgage shall run with the land and shall apply to, bind and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns.

3.07. This Mortgage and all other agreements are expressly limited so that in no event whatsoever, whether by acceleration or maturity of the Note or otherwise, shall the amount paid or agreed to be paid for the use, forbearance, or detention of the money advanced or to be advanced or secured hereby exceed the highest lawful rate permissible. In determining whether or not the rate of interest exceeds the highest lawful rate, the parties intend that all sums paid hereunder which are deemed interest of the purpose of determining usury be prorated, allocated, or spread in equal parts over the longest lawful period of time permitted. If from any circumstances whatsoever, fulfillment of any provision hereof or any other agreement securing or related to the Note at any time performance of such provision shall be due shall involve the payment of interest in excess of that authorized by law the obligation to be fulfilled shall reduced to a limit so authorized. If, from any circumstances whatsoever the Noteholder shall ever receive as interest an amount which would exceed the highest lawful rate, the amount which would be excessive shall, at Noteholder's option, be either applied to the reduction of the unpaid principal balance of the Note (and not to the payment of interest) or refunded to the person entitled thereto, and, to the extent permitted by law, the Noteholder shall not be subject to any penalty provided for the contracting for, charging or receiving interest in excess of the maximum lawful rate, regardless of when or the circumstances under which such refund or application was made.

3.08. By signing hereinbelow, the parties affirm that the execution of this instrument was duly authorized pursuant to the terms and provisions of the Articles of Incorporation and By-Laws of Grantor.

IN WITNESS WHEREOF, this Mortgage has been duly executed by Mortgagor on the date first above written.

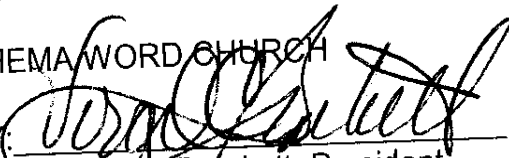
Signed, Sealed and Delivered
in Presence of:



Signed and Sealed:

RHEMA WORD CHURCH

BY:


Virginia Brackett, President

BY:


Theresa White, Secretary

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STATE OF ILLINOIS

COUNTY OF COOK ss.

On this 3rd day of June, A.D. 2005 before me, the subscriber, a Notary Public in and for said county, personally appeared and did say that they are Virgil C. Brackett, President and Theresa White, Secretary of RHEMA WORD CHURCH, to me personally known, who being by me duly sworn, and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation, by authority of its board of directors, and Virgil C. Brackett, President and Theresa White, Secretary acknowledged said instrument to be the free act and deed of said corporation.



Lucky Camargo
Notary Public, Cook County, Illinois

My commission expires

Instrument
Drafted by:
Burdett, Morgan, Williamson & Boykin, L.L.P.

Business Address:
3423 South Soncy Road, Ste 300
Amarillo, Texas 79119

Cook County Clerk's Office


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TRACT 1:

LOTS 13 AND 14 IN BLOCK 4 IN MERRICKS SUBDIVISION OF BLOCK 5 IN MERRICKS SUBDIVISION OF THE WEST 1/2 OF THE NORTH WEST 1/4 OF SECTION 9, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

TRACT 2:

LOTS 15 TO 24, INCLUSIVE IN BLOCK 3 IN MILLS & SONS NORTH AVENUE AND CENTRAL AVENUE SUBDIVISION OF THE SOUTHWEST 1/4 OF SECTION 33, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

13 TH 

13-33-321-040-0000

16-09-108-012-0000

Property of Cook County Clerk's Office

EXHIBIT "A"

UNOFFICIAL COPY**NOTE**

(Annual Adjustable)

June 2, 2005

\$1,400,000.00

FOR VALUE RECEIVED, RHEMA WORD CHURCH, 5454 West North Avenue, Chicago, Cook County, Illinois 60639-4347, the undersigned (herein called "Borrower"), promises to pay to the order of CHURCH LOANS & INVESTMENTS TRUST (herein called "Noteholder") at its offices at 5305 I-40 West, Amarillo, Potter County, Texas 79114-8203, the principal sum of One Million Four Hundred Thousand and No/100 (\$1,400,000.00) in legal and lawful money of the United States of America, or so much thereof as may from time to time have been advanced hereunder, as shown on the schedule of advancements and payments maintained by Noteholder, together with interest on the unpaid principal balance from the date of this Note until maturity at an Initial Rate of interest of seven and one-quarter percent (7.25%) per annum or such adjusted rate as may be applicable under the terms of the Interest Rate Adjustment paragraph below, together with interest from maturity at the maximum legal rate on the date of maturity on any unpaid balance until the Note has been fully paid.

Principal and interest upon the unpaid principal are payable in 240 monthly payments of Eleven Thousand Sixty-Six and No/100 Dollars (\$11,066.00) or such amounts as may be required from time to time to amortize the Note over said period because of interest rate adjustments provided below. The first monthly payment being due and payable on August 1, 2005, and one payment being due and payable on the first day of each succeeding month thereafter through July 1, 2025. Each payment shall be credited first to the accrued interest and then to the reduction of principal on the Note.

Subject to the provisions set forth below, on any of the dates shown below (herein called "Adjustment Dates"), the rate of interest in effect on each Adjustment Date shall be adjusted upward or downward by the Noteholder on such date until the rate of interest on the Note equals the rate of interest published as the Wall Street Journal prime rate (herein called "Index") plus one and one-quarter percent (1 1/4%) per annum, as of the date forty-five (45) days prior to the Adjustment Date, provided however, that the rate of interest payable on this Note shall in no event be less than 7.25% per annum nor shall the rate of interest as adjusted exceed the maximum rate allowed by law. If this index ceases to be available, the Noteholder will adjust the interest rate by a comparable Index. Notwithstanding any provisions herein to the contrary, the rate of interest shall not increase or decrease more than two percent (2%) per annum during any adjustment period. Past due interest upon the unpaid principal of this Note shall be at the highest legal rate.

The Adjustment Dates are as follows: The first Adjustment Date is July 1, 2006 with subsequent Adjustment Dates on the same day of each year thereafter until this Note is paid in full. Interest rate adjustments shall be effective from and after each Adjustment Date for a period of one year until the following Adjustment Date. The adjusted interest

EXHIBIT "B"

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rate shall be effective as of the Adjustment Date and the first new monthly payment shall be due on the 1st day of the month following the Adjustment Date.

If there is an adjustment in the interest rate in effect on an Adjustment Date, there shall be an adjustment in the amount of the subsequent monthly payments payable hereunder so that the monthly payments will be in an amount sufficient to amortize, in equal monthly payments, the remaining principal balance and interest thereon at the adjusted rate of interest on the original maturity date of this Note.

Borrower agrees to pay to the Noteholder a late charge of three percent (3%) of any monthly payment not received by the Noteholder within ten (10) days after the payment is due.

Default in the payment of any monthly payments when due under this Note shall be a default entitling the Noteholder to assert any and all of the remedies provided at law, including acceleration of maturity of any and all sums owing hereunder at the time of such default. Failure to exercise any option or to declare default hereof because of a default in any of the terms and conditions of any other instrument evidencing or securing indebtedness by the Borrower to the Noteholder shall not operate as a waiver of such option to declare a default of this Note even if the option is not immediately exercised after the right to exercise the same accrues, the default giving rise to the same continuing.

If this Note is placed in the hands of an attorney for collection or if collection is attempted by suit or through probate or insolvency proceedings, after default, the Borrower agrees to pay to the Noteholder a reasonable attorney's fee as well as all other reasonable costs and expenses of suit. The Borrower, and each surety, guarantor and endorser of this Note waives notice of nonpayment, protest, notice of protest, demand, presentment for payment, notice of intent to accelerate maturity, and notice of acceleration of maturity.

It is the intention of the Noteholder and the Borrower hereof that this Note and all provisions hereof and all documents securing this Note conform in all respects to applicable law so that no payment of interest or other sum construed to be interest shall exceed the highest lawful rate permissible. In determining the annual or monthly rate of interest paid or payable under this Note or any documents securing the same, all funds paid or to be paid as interest or construed to be interest shall be prorated, allocated or spread as permitted under applicable law. If, through any circumstances, the contract of Borrower and Noteholder would result in exceeding the highest lawful interest rate applicable for this transaction, or if the Borrower pays any sum as interest or construed to be interest in excess of such rate then, ipso facto, (1) the amount contracted for shall be automatically reduced to the highest lawful rate authorized for this transaction, and (2) the amount of excess interest paid shall be applied to the reduction of the principal balance of this Note, if any. And if the principal balance has been fully paid, the excess interest shall be refunded to the Borrower and, to the extent permitted by law, thereupon the holder shall not be subject to any penalty provided for, the contracting for, charging or receiving interest in excess of such highest lawful rate, regardless of when or the circumstances under which such refund or application was made.

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This Note is also subject to and governed by all of the terms and conditions of that certain Loan Agreement entered into by and between Borrower and Noteholder dated June 7, 2005, which is incorporated herein and made a part hereof and any event of default in such Loan Agreement is a default in this Note. Should the terms of the Loan Agreement conflict with the terms of this Note, the terms of this Note shall control.

RHEMA WORD CHURCH

BY:


Virgil C. Brackett, President

BY:


Theresa White, Secretary

Property of Cook County Clerk's Office