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Doc#: 0705244034 Fee: \$42.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 02/21/2007 11:51 AM Pg: 1 of 10

JUNIOR MORTGAGE

ILLINOIS REAL ESTATE
(14960 West Avenue, Orland Park,
Illinois)

This Junior Mortgage ("**Mortgage**") is made and entered into by JEROME T. O'CONNOR and ILEANA O'CONNOR, husband and wife, of 14960 West Avenue, Orland Park, Illinois (collectively, "**Mortgagor**") in favor of the O'CONNOR FAMILY TRUST, as it may be amended or restated from time to time, with an address of 2106 W. Addison, Chicago, IL 60618 ("**Lender**") as of the date set forth on the last page of this Mortgage.

ARTICLE I. MORTGAGE/SECURITY INTEREST

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

1.2. "Mortgaged Property" means all of the following, whether now owned, existing or hereafter acquired by the Mortgagor, wherever located: all the real estate described in **Exhibit A** attached hereto and incorporated herein by reference as though set forth in full herein ("**Land**"), together with all buildings, structures, fixtures, equipment and furnishings used in connection with the operation of the Land and improvements, and all other improvements now or hereafter constructed, affixed or located thereon ("**Improvements**") (the Land and the Improvements are hereinafter referred to collectively as the "**Premises**") TOGETHER with any and all easements, rights-of-way,

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licenses, privileges, and appurtenances thereto, and any and all leases or other agreements for the use or occupancy of the Premises, all the rents, issues, profits or any proceeds therefrom and all security deposits and any guaranty of a tenant's obligations thereunder (collectively "Rents"); all awards as a result of condemnation, eminent domain or other decrease in value of the Premises and all insurance and other proceeds of the Premises.

1.3. "Obligations" means all loans by the Lender to Mortgagor including without limitation those loans evidenced by a Promissory Note of even date herewith in the original principal amount of One Hundred Three Thousand Eight Hundred Forty-Two Dollars and Sixteen Cents (\$103,842.16), and any extensions, renewals, restatements and modifications thereof and all principal, interest, fees and expenses relating thereto ("Note"); and also means all the Mortgagor's debts, liabilities, obligations, covenants, warranties, and duties to the Lender, whether now or hereafter existing or incurred, whether liquidated or unliquidated, whether absolute or contingent, whether arising out of the Loan Documents or otherwise, and regardless of whether such Obligations arise out of existing or future credit granted by the Lender to the Mortgagor, to others guaranteed, endorsed or otherwise secured by any Mortgagor or to any debtor-in-possession/successor-in-interest of any Mortgagor, and principal, interest, fees, expenses and charges relating to any of the foregoing, including, without limitation, costs and expenses of collection and enforcement of this Mortgage, attorneys' fees of both inside and outside counsel and environmental assessment remediation costs. The interest rate and maturity of such Obligations are as described in the documents creating the indebtedness secured hereby.

1.4. Homestead. The Premises are the homestead of the Mortgagor.

1.5. Security Agreement. This Mortgage is both a real property mortgage and a "security agreement" within the meaning of the Uniform Commercial Code of Illinois ("UCC"), and any other applicable law. To the extent any of the Mortgaged Property consists of personal property under the UCC, whether tangible or intangible in nature, Mortgagor by executing and delivering this Mortgage has granted and hereby grants to Lender, as security for the Indebtedness and Obligations, a security interest in the Mortgaged Property. Such portion of the Mortgaged Property subject to the UCC shall be referred to in this section as "Collateral." If any Event of Default shall occur, Lender, in addition to any other rights and remedies which it might have, shall have and may exercise immediately and without demand, any and all rights and remedies granted to a secured party upon default under the UCC including, without limiting the generality of the foregoing, the right to take possession of the Collateral of any part thereof, and to take such other measures as Lender may deem necessary for the care, protection and preservation of the Collateral. This Mortgage is intended to be a financing statement under the UCC with respect to all personal property of Mortgagor pledged herein and all fixtures. Mortgagor hereby grants Lender the right, in the name of Mortgagor, to execute and file appropriate documents, including without limitation UCC financing statements, with the all appropriate authorities in order to perfect or otherwise provide or secure Lender's interests in the Mortgaged Property. If requested by Lender, Mortgagor shall

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execute and deliver to Lender, in form reasonably satisfactory to Lender, additional security agreements, financing statements and/or other instruments covering all personal property or fixtures of Mortgagor pledged hereunder, whether now existing or hereafter acquired, placed on, or annexed or made appurtenant to the Real Estate, including delivery of any and all instruments (together with endorsements in blank) delivered to Lender, which instruments constitute or constituted proceeds of any personal property pledged herein.

ARTICLE II. WARRANTIES AND COVENANTS

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

2.1. Warranty of Title/Possession. The Mortgagor warrants that it has sole and exclusive title to and possession of the Premises. The lien of this Mortgage, subject only to a senior mortgage in the original principal amount of \$292,000 to the Joan M. O'Connor Revocable Living Trust Dated June 7, 1996 ("**Senior Lender**") and to such other encumbrances as may be permitted by Lender, is and will continue to be a valid lien and upon all of the Premises.

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

2.3. Transfer and Liens. The Mortgagor will not, without the prior consent of the Lender, which will not be unreasonably withheld, either voluntarily or involuntarily (a) sell, assign, lease or transfer, or permit to be sold, assigned, leased or transferred, any part of the Mortgaged Property, or any interest therein; or (b) pledge or otherwise encumber, create or permit to exist any mortgage, pledge, lien or claim for lien or encumbrance upon any part of the Mortgaged Property or interest therein.

2.4. Taxes, Assessments and Charges. The Mortgagor will pay before they become delinquent all taxes, assessments and other charges now or hereafter levied or assessed against the Premises, against the Lender based upon this Mortgage or the Obligations secured by this Mortgage, or upon the Lender's interest in the Premises, and at Lender's request, deliver to the Lender receipts showing timely payments. Should Mortgagor fail to pay any taxes, assessments or other charges levied or assessed on or against the

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Premises which may have priority over this Mortgage, then at the discretion of the Lender, before such taxes, assessments or other charges become delinquent, the Lender may pay the full amount of any such taxes, assessments or other charges, including any applicable interest or penalties, and all such monies so advanced shall be additional Obligations of Mortgagor to Lender secured by the lien of this Mortgage and shall bear interest at the rate set forth in the Note and be payable on demand.

2.5. Insurance. The Mortgagor will continually insure the Premises against such perils or hazards as the Lender may require, in amounts, with acceptable co-insurance provisions, not less than the unpaid balance of the Obligations or the full replacement value of the Improvements, whichever is less. The policies will contain an agreement by each insurer that the policy will not be terminated or modified without at least thirty (30) days' prior written notice to the Lender and will contain a mortgage clause acceptable to the Lender, and the Mortgagor will take such other action as the Lender may reasonably request to ensure that the Lender will receive (subject to no other interests) the insurance proceeds from the Improvements. The Mortgagor hereby assigns all insurance proceeds to and irrevocably directs, while any Obligations remain unpaid, any insurer to pay to the Lender the proceeds of all such insurance and any premium refund; and authorizes the Lender to endorse the Mortgagors name to effect the same, to make, adjust or settle, in the Mortgagor's name, any claim on any insurance policy relating to the Premises. The proceeds and refunds will be applied in such manner as the Lender, in its sole and absolute discretion, determines necessary to rebuild the Premises or to pay the Obligations, whether or not then due and payable.

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

2.7. Assignment. The Mortgagor will not assign, in whole or in part, without the Lender's prior written consent, the rents, issues or profits arising from the Premises.

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

2.9. Assignment of Rents and Leases. The Mortgagor hereby assigns and transfers to the Lender, as additional security for the Obligations, and subject to the lien of the Senior Lender, all right, title and interest of the Mortgagor in and to all leases which now exist or hereafter may be executed by or on behalf of the Mortgagor covering the Premises and any extensions or renewals thereof, together with all Rents, it being intended that this is an absolute and present Assignment of the Rents and Leases. Notwithstanding that this assignment constitutes a present assignment of leases and rents, the Mortgagor may collect the Rents and manage the Premises, but only if and so long as

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a default has not occurred. If a default occurs, the right of the Mortgagor to collect the Rents and to manage the Premises shall thereupon automatically terminate and such right, together with other rights, powers and authorizations contained herein, shall, subject to the rights of the Senior Lender, belong to the Lender. This assignment confers upon the Lender a power coupled with an interest and cannot be revoked by the Mortgagor. Upon the occurrence of a default, the Lender, at its option without notice and without seeking or obtaining the appointment of a receiver or taking actual possession of the Premises may (a) give notice to any tenant(s) that the tenant(s) should begin making payments under their lease agreement(s) directly to the Lender or its designee; (b) commence a foreclosure action and file a motion for appointment of a receiver; or (c) give notice to the Mortgagor that the Mortgagor should collect all Rents arising from the Premises and remit them to the Lender upon collection and that the Mortgagor should enforce the terms of the lease(s) to ensure prompt payment by tenant(s) under the lease(s). All Rents received by the Mortgagor shall be held in trust by the Mortgagor for the Lender. All such payments received by the Lender may be applied in any manner as the Lender determines to payments required under this Mortgage, the Loan Documents and the Obligations. The Mortgagor agrees to hold each tenant harmless from actions relating to tenant's payment of Rents to the Lender.

2.10. Payment and Performance. Mortgagor shall pay the Obligations or cause the Obligations to be paid, as and when all or any payment thereunder is due and shall perform or cause to be performed all of the Obligations in full on or before the dates the Obligations or any part thereof are required to be performed, and shall commit or suffer no act or event which (upon notice or the passage of time, or both) would constitute an event of default under the Loan Documents.

2.11. Compliance with Laws. Mortgagor will promptly and faithfully comply in all material respects with all present and future laws, ordinances, rules, regulations and requirements, and all other legal requirements, including, without limitation, applicable zoning, building, land use, occupational health and safety, hazardous waste and substances, and environmental requirements, of every applicable governmental authority having jurisdiction, or similar body exercising similar functions, which may be applicable to it or to the Mortgaged Property, or any part thereof, or to the use, occupancy, possession, operation, maintenance, alteration or repair of the Mortgaged Property, or any part thereof or interest therein. Mortgagor shall immediately notify Lender, orally and in writing, of its receipt of any notice of a violation in any material respect of any legal requirements. Mortgagor shall pay to Lender, upon demand, all losses, costs, damages, claims and expenses incurred by Lender on account of Mortgagor's failure to perform the obligations of this section.

2.12. Hold Harmless. In addition to the agreements of Mortgagor under the Note or other Loan Documents, Mortgagor hereby indemnifies and will defend and hold Lender harmless from and against any and all proceedings, claims, actions, causes of action, suits, proceedings, investigations, losses, costs, liabilities, damages, punitive damages, penalties and expenses, including reasonable attorneys' and paralegals' fees and

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disbursements arising out of, affecting or relating to the Mortgaged Property or the Loan Documents.

ARTICLE III. RIGHTS AND DUTIES OF THE LENDER

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

ARTICLE IV. DEFAULTS AND REMEDIES

4.1. Default. Subject to the rights of the Senior Lender, the Lender may enforce its rights and remedies under this Mortgage upon default. A default will occur if the Mortgagor fails to comply with the terms of the Note, Mortgage, or any Loan Document or the Mortgagor defaults on any other mortgage affecting the Land. Upon the occurrence of a default, the Lender may declare the Obligations to be immediately due and payable.

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

ARTICLE V. MISCELLANEOUS

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

5.1. Term of Mortgage. The lien of this Mortgage shall continue in full force and effect until the Obligations of the Mortgagor have been satisfied and this Mortgage has been released.

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

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5.3. Subrogation. The Lender will be subrogated to the lien of any mortgage or other lien discharged, in whole or in part, by the proceeds of the Note or other advances by the Lender which is an obligation of Mortgagor, in which event any sums otherwise advanced by the Lender shall be immediately due and payable, with interest at the default rate set forth in the Loan Documents from the date of advance by the Lender to the date of payment by the Mortgagor, and will be one of the Obligations secured by this Mortgage.

5.4. Choice of Law. This Mortgage was negotiated in the State of Illinois and made by Mortgagor in the State of Illinois, the proceeds of the loan secured hereby were disbursed in the State of Illinois and the Mortgaged Property is located in the State of Illinois. In all respects, including, without limitation, matters of construction and performance of this Mortgage and the obligations arising hereunder, this Mortgage shall be governed by, and construed in accordance with, the internal laws of the State of Illinois applicable to contracts made and to be performed in such State (without regard to principles of conflicts of laws) and any applicable laws of the United States of America.

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

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

5.7. Notice. Any notices, requests or consents required or permitted by this Mortgage shall be (i) in writing, and (ii) delivered in person, facsimile or sent by certified mail, postage prepaid, return receipt requested, or (iii) by overnight mail or express delivery service to the last known addresses of the parties hereto. Each such notice, request, consent or other communication shall be effective (i) if given by facsimile, when such facsimile is transmitted to the number specified by a party and a confirmation of such facsimile has been received by the sender, (ii) if given by mail, three (3) days after such communication is deposited in the mail, certified with return receipt requested, addressed as aforesaid or (iii) if given by overnight mail or express delivery service, the next business day or date of delivery, whichever is first.

5.8. No Waiver. All options, discretions and rights of election herein provided for the benefit of Lender are continuing, and the failure to exercise any such option or right of election upon a particular default or breach or upon any subsequent default or breach shall not be construed as waiving the right to exercise such option or election at any later date. No exercise of the rights and powers herein granted and no delay or omissions in the exercise of such rights and powers shall be held to exhaust the same or be construed as a waiver thereof, and every such right and power may be exercised at any time and from time to time.

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5.9. Successors and Assigns; Covenants Running with the Land. The terms, provisions, covenants and conditions hereof and of the Loan Documents shall be binding upon Mortgagor, there successors and assigns, and shall inure to the benefit of Lender and its respective successors, substitutes and assigns, and shall constitute covenants running with the land.

5.10. No Joint Venture; No Third Party Beneficiary. Mortgagor acknowledges and agrees that in no event shall Lender be deemed to be a partner or joint venturer with mortgagor. Without limitation of the foregoing, Lender shall not be deemed to be such a partner or joint venturer on account of its becoming a Lender in possession or exercising any rights pursuant to this Mortgage or pursuant to any other instrument or document securing any portion of the obligations or otherwise. No other person shall be deemed to have any right or priority under this Mortgage to any extent or for any purpose whatsoever, nor shall any other person have any claim or right of action with respect to the Mortgaged Property or proceeds of the Obligations or be deemed a third-party beneficiary under this Mortgage or under the Loan Documents.

[Handwritten signatures and initials]
6th

IN WITNESS WHEREOF, the undersigned have executed this MORTGAGE as of this 6th day of February, 2007

MORTGAGOR:

[Signature of Jerome T. O'Connor]

Jerome T. O'Connor
[Signature of Ileana O'Connor]

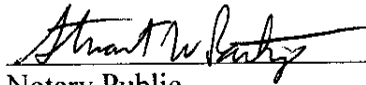
Ileana O'Connor

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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Stuart W. Rathje, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that JEROME T. O'CONNOR and ILEANA O'CONNOR, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this ^{7th}_{6th} day of February, 2007.



Notary Public

Notarial Seal

My commission expires: _____



This document was prepared by, and after recording should be mailed to:
Valerie J. Freireich
Chuhak & Tecson, P.C.
30 S. Wacker Drive
Suite 2600
Chicago, Illinois 60606

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**EXHIBIT A
LEGAL DESCRIPTION OF
PROPERTY COMMONLY KNOWN AS
14960 WEST AVENUE, ORLAND PARK, ILLINOIS**

The North 127.04 feet of the South 965.00 feet of the East 253.00 feet of that part of the Southwest 1/4 of Section 9, Township 36 North, Range 12, East of the Third Principal Meridian, lying East of the Wabash, St. Louis and Pacific Railroad right of way, in Cook County, Illinois.

Property Identification Number: 27-09-303-064-0000

Property of Cook County Clerk's Office