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Chicago, Illinois 60601

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Only

SECOND MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING

THIS SECOND MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF LEASES AND RENTS AND FIXTURE FILING ("Mortgage") is made as of the 13th day of March, 2007, by JOSEPH EVOLA, an individual and resident of the State of Illinois ("Mortgagor"), having an address at 5535 N. Linden Avenue, Park Ridge, Illinois 60068, to and for the benefit of ALG HOLDINGS, LLC, an Alaska limited liability company, its successors and assigns ("Mortgagee"), having an address at 2300 West St. Paul Avenue, #402, Chicago, Illinois 60647.

A. Recitals

(A) Mortgagee has agreed to loan to Mortgagor the principal amount of Two Hundred Fifty Four Thousand Two Hundred Thirty Four and 60/100 Dollars (\$254,234.60) ("Loan"). The Loan shall be evidenced by a certain Promissory Note of even date herewith (as amended, restated or replaced from time to time, "Note") made by Mortgagor payable to Mortgagee in the principal amount of the Loan and due on March 13, 2012 ("Maturity Date"), except as may be accelerated pursuant to the terms hereof or of the Note.

(B) A condition precedent to Mortgagee's extension of the Loan to Mortgagor is the execution and delivery by Mortgagor of this Mortgage.

B. Granting Clause

To secure the payment of the principal, interest, and premium, if any, on the Note and to secure the performance by Mortgagor of each and every term, covenant, agreement and condition contained in the Note, subject to a first mortgage, dated August 30, 2006 and recorded September 1, 2006 as document number 0624426142 (the "Prior Mortgage"), granted by Mortgagor in favor of MERS, as nominee for lender, Draper and Kramer Mortgage Corp., Mortgagor does hereby mortgage, bargain, sell, release, remise, alien, assign, pledge, transfer, set over, warrant, convey and grant to Mortgagee, upon the terms and conditions of this Mortgage, all of Mortgagor's right, title, interest, estate and claim now owned or hereafter acquired in, to or relating to the following described properties:

1. The real estate ("Land") described and set forth in **Exhibit A** which is

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attached to and hereby made a part of this Mortgage;

2. All right, title, and interest of Mortgagor, now or at any time hereafter existing, in and to all highways, roads, streets, alleys and other public and private thoroughfares, bordering on or adjacent to the Land, together with all right, title, and interest of Mortgagor to the Land lying within such highways, roads, streets, alleys, and other public and private thoroughfares and all heretofore or hereafter vacated highways, roads, streets, alleys and public and private thoroughfares and all strips and gores adjoining or within the Land or any part thereof;

3. All buildings, structures, improvements, plants, works, and fixtures now or at any time hereafter located on the Land and, without any further act, all articles of personal property now or hereafter owned by Mortgagor used in connection with the Land and such buildings, structures, improvements, plants, works and fixtures, all extensions, additions, betterments, substitutions, and replacements thereof;

4. All rights, privileges, permits, licenses, easements, consents, tenements, hereditaments, and appurtenances now or at any time hereafter belonging to or in any wise appertaining to the Land or to any property now or at any time hereafter comprising a part of the property subject to this Mortgage; and all right, title and interest of Mortgagor, whether now or at any time hereafter existing, in all reversions and remainder to the Land and such other property, and all rents, income, issues, profits, receipts, royalties, and revenues derived from or belonging to such Land and other property subject to this Mortgage or any part thereof;

5. All leasehold estates, all ground leases, leases or subleases covering the Land or any portion thereof or improvement thereon or any portion thereof now or hereafter existing or entered into, and all right, title and interest of Mortgagor thereunder, including all guaranties thereof, all cash or security deposits, prepaid rentals, and all deposits or payments of a similar nature;

6. Any and all proceeds of the conversion, whether voluntary or involuntary, of all or any part of the Land and other property and interests subject to this Mortgage into cash or liquidated claims, including without limitation by reason of specification, proceeds of insurance and condemnation awards; and

7. All causes of action and recoveries for any damage, loss or diminution in value of the Premises.

Any reference herein to the "Premises" shall be deemed to apply to the above-described Land and all other property, interests and items covered by this Granting Clause, unless the context shall require otherwise. Any reference herein to the "Collateral" shall be deemed to apply to personalty located in, upon or about or used in connection with the Premises, together with all present and future attachments, accessions, replacements, substitutions and additions thereto or therefore, as is more particularly described and set forth in **Exhibit B** which is attached to and made a part of this Mortgage.

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C. Warranties

Mortgagor hereby warrants to and covenants with Mortgagee, its successors and assigns, that:

1. Mortgagor has good and indefeasible title to the Premises in fee simple, free and clear of all liens, charges, and encumbrances whatever except for the lien of the Prior Mortgage and otherwise as may be consented to by the Mortgagee and which have been approved in writing by Mortgagee (the "Permitted Encumbrances");

2. At the time of execution, Mortgagor had the full right and authority to execute and deliver to Mortgagee the Note;

3. Mortgagor has taken all action required by law or otherwise necessary to make the Note the valid, binding, and legal obligations of Mortgagor; and

4. The lien and security interest created by this Mortgage are and will be kept a second lien and security interest upon the Premises, except for the Permitted Encumbrances, and Mortgagor will forever warrant and defend the same to Mortgagee, its successors and assigns, against any and all claims and demands whatever.

5. The proceeds of the indebtedness secured hereby shall be used solely for business purposes and in furtherance of the regular business affairs of Mortgagor, and the entire principal obligation secured by this Mortgage constitutes a "loan secured by a mortgage on real estate" within the purview and operation of 815 ILCS 205/4(1)(l).

6. Intentionally Deleted.

7. This Mortgage secures the payment of the entire indebtedness evidenced by the Note; provided, however that the total amount secured by this Mortgage shall not exceed an amount equal to three hundred percent (300%) of the face amount of the Note.

8. Provided, that this Mortgage also secures the payment of all future or further advances as may be made by Mortgagee from time to time or made by its successors or assigns, to the same extent as if such future advances were made on the date of the execution of this Mortgage, as provided in 735 ILCS 5/15-1302(b)(1); provided, however, that the unpaid principal balance of the loan so secured by this Mortgage shall not exceed 300% of the face amount of the Note plus interest thereon and plus any disbursements made by Mortgagee for the payment of taxes, levies, and insurance premiums, together with interest thereon. The lien of this Mortgage shall be valid as to all indebtedness under the Note, including future advances, from the time of its filing of record in the office of the Recorder of Deeds of the County in which the Premises is located.

Provided always, and upon the express condition that if all of the principal, interest and premium, if any, on the Note shall be paid and discharged in accordance with

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the terms and conditions therein contained, and if all other agreements and obligations of Mortgagor under the Note and all other agreements between Mortgagor and Mortgagee whether now or at any time hereafter existing, shall be discharged in accordance with the terms and conditions therein and herein expressed, then these presents to be void, otherwise this Mortgage to remain in full force and effect.

ARTICLE I COVENANTS OF MORTGAGOR

Mortgagor does hereby covenant and agree with Mortgagee, its successors and assigns, as follows:

1.1 Payment. Mortgagor shall duly and punctually pay the principal, interest, and premium, if any, on the Note hereby secured, when and as the same shall become due and payable in accordance with the terms thereof, and shall duly and punctually perform and observe all of the terms, covenants, and conditions to be performed or observed by Mortgagor in the Note.

1.2 Security. All of the Premises shall stand as security for the Note and for the performance or observance by Mortgagor of the terms, covenants, and agreements to be performed or observed by Mortgagor in the Note and all other agreements between Mortgagor and Mortgagee whether now or at any time hereafter existing, and the lien and security interest hereof, subject only to the exceptions herein noted, is and shall be a valid and continuing second lien and security interest upon all of the Premises, subject to the Permitted Encumbrances. From time to time upon the request by Mortgagee, Mortgagor shall, at its expense, execute and deliver such supplemental mortgages, security agreements, additional assignments of leases and any further conveyances and instruments as may, in the reasonable opinion of Mortgagee, be necessary or desirable in order to effectuate, continue and preserve the lien and security interest created by this Mortgage and the priority thereof upon all the Premises and to make subject to the lien hereof any property hereafter to be subjected to the lien of this Mortgage.

1.3 Negative Covenants. So long as any indebtedness secured hereby remains unpaid, Mortgagor covenants and agrees with Mortgagee that it will not, directly or indirectly, without the prior written consent of Mortgagee:

Liens. Create, permit to exist, or assume any mortgage, pledge, or other lien or encumbrance upon the Premises or any part thereof or any interest therein other than (1) the Prior Mortgage; (2) the Mortgage lien and security interest of Mortgagee created by the Mortgage and Note; and (3) the Permitted Encumbrances, or

Dispositions. Sell, transfer, assign, convey, or otherwise dispose of in any manner, whether voluntarily or involuntarily, by operation of law or otherwise, the Premises or any part thereof or any interest therein without Mortgagee's prior consent.

1.4 Affirmative Covenants. So long as all or any part of the principal, interest, premium, or any other amount due Mortgagee under the Note or any other agreement between Mortgagor and Mortgagee whether now or at any time hereafter

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existing, remains outstanding and unpaid, Mortgagor hereby further covenants and agrees that it shall:

Property Taxes. Pay and discharge all taxes, assessments and governmental charges of every character lawfully imposed upon the Premises, and Mortgagor shall not suffer any of the Premises to be sold or forfeited for any tax, special assessment, governmental charge or claim whatsoever.

Liens. Pay and discharge all claims for labor, materials, or supplies, which if unpaid, might by law become a lien or charge against the Premises.

Mortgage Taxes. Pay and discharge all taxes, assessments, and governmental charges of every character whatever that may be levied upon or on account of this Mortgage or the indebtedness secured hereby whether levied against Mortgagor or otherwise. In the event payment by Mortgagor of any tax, assessment or charge referred to in the foregoing sentence would result in the payment of interest in excess of the rate permitted by law then Mortgagee may, at its option, (i) declare the entire principal balance of the indebtedness secured hereby, together with interest thereon, to be due and payable immediately, without notice, or (ii) pay that amount or portion of such tax, assessment or governmental charge as renders payment of the balance thereof by Mortgagor not in excess of the interest rate permitted by law, in which event Mortgagor shall pay the balance of such tax, assessment or governmental charge.

Maintenance, Waste, Use. Maintain, preserve, and keep the Premises and all parts thereof, in good repair, working order and condition, and from time to time make all needful and proper repairs, renewals and replacements thereto so as at all times to maintain the efficiency thereof. Mortgagor shall abstain from and will not suffer the commission of waste on the Premises and will promptly notify Mortgagee in writing of the occurrence of any loss or damage to the Premises. Mortgagor shall not materially alter the buildings, improvements, fixtures, equipment, machinery or other property now or hereafter upon the Land comprising the Premises, or remove the same therefrom. Mortgagor will, at its sole cost and expense, promptly remove, or cause the removal of, any and all hazardous or toxic substances or wastes or solid wastes or the effects thereof at any time identified as being on, in, under, or affecting the Premises which in the sole and good faith judgment of Mortgagee lessen the value of the Premises. Mortgagor will not permit any portion of the Premises to be used for any unlawful purpose or for any purpose other than that for which the same is now being used or intended to be used, as represented in writing by Mortgagor to Mortgagee. Mortgagor will comply promptly with all laws, statutes, ordinances, regulations, rules and orders of all public authorities having jurisdiction thereof and with all covenants, agreements and restrictions relating to the Premises or the use, occupancy and maintenance thereof. Mortgagee shall have the right at any time, and from time to time, to enter the Premises for the purpose of inspecting the same. Nonpayment of any taxes, assessments or other governmental charges levied or assessed upon the Premises, or any part thereof, shall constitute waste.

Insurance. Mortgagor shall keep the Premises insured against loss or damage by fire, tornado, windstorm and extended coverage perils and such other hazards as may reasonably be required by Mortgagee, for the full replacement value. Mortgagor shall

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also provide liability insurance with such limits for personal injury and death and property damage as Mortgagee may require. All policies of insurance to be furnished hereunder shall be in forms, amounts, and with insurance companies satisfactory to Mortgagee, including a provision requiring that the coverage evidenced thereby shall not be terminated or materially modified without thirty (30) days' prior written notice to Mortgagee. Mortgagor shall deliver all policies, including additional and renewal policies, together with evidence of payment of premiums thereon, to Mortgagee, and in the case of insurance about to expire, shall deliver renewal policies not less than thirty (30) days prior to their respective dates of expiration. In the event that Mortgagor fails to provide Mortgagee with copies of such insurance policies, Mortgagor acknowledges and agrees that pursuant to 815 ILCS 180/1 et seq., Mortgagee may, but shall not be obligated to, immediately purchase any and all insurance policies required by this paragraph, at Mortgagor's sole cost and expense. This insurance may, but need not, protect Mortgagor's interests. The coverage that Mortgagee purchases may not pay any claim that Mortgagor may make or any claim that is made against Mortgagor in connection with the Premises. Mortgagor may later cancel any insurance purchased by Mortgagee, but only after providing Mortgagee with evidence that Mortgagor has obtained insurance as required by this Mortgage. If Mortgagee purchases insurance for the Premises, Mortgagor will be responsible for the costs of that insurance, including interest and any other charges that Mortgagee imposes in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to Mortgagor's total outstanding balance or obligation secured hereby. The costs of the insurance may be more than the costs of insurance that Mortgagor may be able to obtain through Mortgagor's own efforts.

Adjustment of Losses with Insurer and Application of Proceeds of Insurance.

Give immediate notice to Mortgagee in the event of any loss or damage covered by insurance required to be carried hereunder. Mortgagee may thereupon make proof of such loss or damage, if the same is not promptly made by Mortgagor. Subject to the Prior Mortgage, all proceeds of insurance, in the event of such loss or damage, shall be payable to Mortgagee and any affected insurance company is authorized and directed to make payment thereof directly to Mortgagee. Subject to the Prior Mortgage, Mortgagee is authorized and empowered to settle, adjust, or compromise any claims for loss, damage, or destruction, under any such policy or policies of insurance. Mortgagee shall give written notice within a reasonable time to Mortgagor of any such adjustment or compromise. The power granted hereby shall be deemed to be coupled with an interest and to be irrevocable.

Payment of Obligations. Pay all sums, the failure to pay which may result in the imposition of a lien, charge or encumbrance on all or any portion of the Premises or which may result in conferring upon a tenant of any part of the Premises a right to recover such sums as prepaid rent or to deduct such sums from future rental payments.

Further Instruments. Execute, acknowledge, deliver, and cause to be recorded or filed in the manner and place required by any present or future law any instrument that may be requested by Mortgagee, to publish notice, protect or continue the lien of this Mortgage or the interest of Mortgagee in the Premises, and Mortgagor will pay or cause to be paid (i) all filing and recording taxes and fees incident to each filing and recording,

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(ii) all expenses incurred by Mortgagee in connection with the preparation, execution, and acknowledgment of all such instruments, other taxes, duties, imposts, assessments, and charges arising out of or in connection with the execution and delivery of such instruments.

Compliance with Agreements. Perform and comply with all of the terms, covenants, and conditions to be performed and complied with by Mortgagor under the Note and all other agreements now or at any time hereafter existing between Mortgagor and Mortgagee.

Restoration. If any of the Premises shall be damaged or destroyed, in whole or in part, by fire or other casualty or by taking in condemnation proceedings or the exercise of any right of eminent domain, then promptly restore, replace, or rebuild the same to as nearly as possible the value, quality, and condition, they were in immediately prior to such fire or other casualty or taking, with such alterations or changes as may be approved in writing by Mortgagee.

1.5 Anti-forfeiture. Mortgagor hereby represents and warrants to Mortgagee that there has not been committed by Mortgagor or any other person involved with the Premises any act or omission affording the federal government or any state or local government the right of forfeiture as against the Premises or any part thereof or any monies paid in performance of Mortgagor's obligations under the Note. Mortgagor hereby covenants and agrees not to commit, permit or suffer to exist any act or omission affording such right of forfeiture. In furtherance thereof, Mortgagor hereby indemnifies Mortgagee and agrees to defend and hold Mortgagee harmless from and against any loss, damage or injury by reason of the breach of the covenants and agreements or the warranties and representations set forth in this Section 1.5.

1.6 Cure of Mortgagor's Default. If Mortgagor shall fail to comply with any of the terms, covenants, and agreements contained herein or in the Note, then Mortgagee may (but shall not be obligated to do so) without further demand upon Mortgagor and without waiving or releasing Mortgagor from any such obligation, remedy such default for the account of Mortgagor. Mortgagor agrees to repay, upon demand by Mortgagee, all sums advanced by Mortgagee to remedy such default, together with interest at the rate at which interest accrues on amounts due under the Note after the same become due. All such sums, together with interest as aforesaid, shall become additional indebtedness secured by this Mortgage. No such payment by Mortgagee shall be deemed to relieve Mortgagor from any default hereunder.

Mortgagee is hereby authorized, in the place and stead of Mortgagor, relating to taxes, assessments, water rents and charges, sewer rents and charges and other governmental or municipal charges, fines, impositions or liens asserted against the Premises to make such payments according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of the bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof. Relating to any apparent or threatened adverse title, lien, statement of lien, encumbrance, claim or charge, Mortgagee, acting reasonably, shall be the sole judge of the legality or validity of same. Mortgagee may do so whenever, in its judgment and

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discretion, such advance or advances shall seem necessary or desirable to protect the full security intended to be created by this instrument.

ARTICLE II **EVENTS OF DEFAULT: REMEDIES**

2.1 Event of Default. The term "Event of Default" wherever used in this Mortgage means any one or more of the following events:

1. If any installment of principal and/or interest under the Note is not received by Mortgagee within ten (10) days after the due date thereof.
2. Failure to pay any other sums required to be paid under this Mortgage (whether to Mortgagee or any other party) within thirty (30) days after the same become due, without notice or demand.
3. Failure to perform or observe any other covenant, condition or agreement of Mortgagor under the Note or this Mortgage.
4. Should any tax lien, construction lien or other claim of lien for labor, services or materials be filed against Mortgagor or the Premises and not be released or transferred to bond or other security within sixty (60) days after such filing.
5. Except with respect to the Prior Mortgage, should any claim of priority over this Mortgage arising from any acts of Mortgagor, by title, lien or otherwise, be asserted in any legal or equitable proceeding.
6. Should Mortgagor make an assignment for the benefit of creditors, consent to the appointment of a receiver, liquidator or trustee for the Premises or for any of Mortgagor's property or assets, or should Mortgagor file any voluntary petition under the U.S. Bankruptcy Code, as amended from time to time, or any similar state insolvency statute, or should Mortgagor consent to be adjudicated insolvent or a debtor under any provision of the foregoing statutes.
7. Should any involuntary petition be filed against Mortgagor, the Premises, or any of Mortgagor's assets, under the U.S. Bankruptcy Code, as amended from time to time, or under any similar state insolvency statute.
8. Should any sale, conveyance, lease, further encumbrance or other transfer of the Premises be made in violation of Section 1.3 hereof.

2.2 Events of Default; Acceleration.

If any Event of Default shall occur, then Mortgagee may, by written notice to Mortgagor, declare the then outstanding principal of the Note to be forthwith due and payable, and upon such declaration, the principal, together with interest accrued thereon shall become due and payable forthwith at the place of payment specified in the Note, anything in this Mortgage or in the Note to the contrary notwithstanding. In addition, Mortgagee may proceed to protect and enforce its rights under the Note by foreclosure

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proceedings as against all or any part of the Premises, without regard to the situs of such property, by either suit in equity, action at law, or other appropriate proceedings, including actions for the specific performance of any covenant or agreement contained in this Mortgage or in the Note or in aid of the exercise of any power granted in this Mortgage or in the Note, or may proceed in any other manner to enforce the payment of the Note and any other legal or equitable right of Mortgagee and of the legal holder of the Note. In addition to all other rights and remedies provided hereunder, Mortgagee shall have all rights and remedies available under the Illinois Mortgage Foreclosure Law.

2.2 Receiver.

It is expressly understood and agreed by Mortgagor that, at any time after an Event of Default, Mortgagee shall be entitled to as a matter of right, without notice and without giving bond to Mortgagor, or anyone claiming under it, without regard to the solvency or insolvency of Mortgagor or any person liable for any indebtedness hereby secured or to the value of the Premises or occupancy hereof as a homestead, to have itself appointed as a "Mortgagee in Possession" or have a receiver appointed of all or any part of the Premises and of the earnings, income, rents, issues, and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer, and Mortgagor does hereby irrevocably consent to such appointment.

2.3 Possession by Mortgagee. Upon the happening of an Event of Default, then and in every such case Mortgagee, either itself or by its agents or attorneys, may, in its discretion, enter upon and take possession of the Premises, or any part or parts thereof, and may exclude Mortgagor and its agents and employees wholly therefrom, and having and holding the same, Mortgagee may use, operate, manage, and control the Premises or any part thereof, and conduct the business thereof, either personally or by superintendents, managers, agents, employees and attorneys, and from time to time, by purchase, repair or construction, may maintain and restore and may insure and keep insured, the buildings, structures, improvements, fixtures, and other property, real and personal, comprising the Premises. After paying the expense of operating the Premises, including a reasonable commission, Mortgagee shall apply the moneys arising therefrom to the amount then due on the Note.

2.4 Sale by Mortgagee. Any real estate or any interest or estate therein sold pursuant to any court order or decree obtained pursuant to the Mortgage shall be sold in one parcel, as an entirety, or in such parcels and in such manner or order as Mortgagee, in its sole discretion, may elect, to the maximum extent permitted by the laws of the state in which the Premises are situated.

2.5 Purchase by Mortgagee. In the case of any sale of the Premises pursuant to any judgment or decree of any court or at public auction or otherwise in connection with the enforcement of any of the terms of this Mortgage, Mortgagee, its successors or assigns, may become the purchaser, and for the purpose of making settlement for or payment of the purchase price, shall be entitled to deliver over and use the Note and any claims for interest accrued and unpaid thereon, together with all other sums, with interest, advanced and unpaid hereunder, in order that there may be credited as paid on the purchase price the sum then due under the Note including principal and

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interest thereon and all other sums with interest, advanced and unpaid hereunder. Specifically, but not as a limitation, on foreclosure of this Mortgage there shall be included in the computation of the amount due the amount of a reasonable fee for legal services (including, without limitation, the allocated costs for services of Mortgagee's counsel) rendered to Mortgagee in connection with the foreclosure proceedings and other collection efforts, including the reasonable costs of an environmental audit of the Premises, an engineering report, as well as costs of title evidence, appraisals and all disbursements, allowances, and costs provided by law.

Mortgagor agrees that to the extent Mortgagor is entitled to present competent evidence of the fair market value of the Premises as of the date of foreclosure or in connection with a bankruptcy proceeding affecting Mortgagor and/or the Premises, the following shall be considered competent evidence for the fact finder's determination of the fair market value of the Premises as of the date of the foreclosure sale:

- (i) the Premises shall be valued in an "as is" condition as of the date of the foreclosure sale, without any assumption or expectation that the Premises will be repaired or improved in any manner before a resale of the Premises after foreclosure;
- (ii) the valuation shall be based upon an assumption that the foreclosure purchaser desires a prompt resale of the Premises for cash promptly (but no later than twelve (12) months) following the foreclosure sale;
- (iii) all expenses to be incurred when the purchaser at the foreclosure sale resells the Premises, including reasonable closing costs customarily borne by the seller in a commercial real estate transaction, should be taken into account in such valuation, including, without limitation, brokerage commissions, title insurance, a survey of the Premises, tax prorations, attorneys' fees, and marketing costs;
- (iv) the gross fair market value of the Premises shall be further discounted to account for any estimated holding costs associated with maintaining the Premises pending sale, including, without limitation, utilities expenses, property management fees, taxes and assessments (to the extent not accounted for in (iii) above), and other maintenance expenses; and
- (v) any expert opinion testimony given or considered in connection with a determination of the fair market value of the Premises must be given by persons having at least five (5) years experience in appraising similarly improved property in the vicinity where the Premises is located and being actively engaged therein at the time of such testimony.

2.6 Payment of Indebtedness and Other Expenses. In any case in which Mortgagee has the right to sell the Premises or to institute foreclosure proceedings, Mortgagor agrees to pay to Mortgagee the whole amount of principal and interest then due and payable with interest on overdue principal and interest at the rate specified in the Note from the date the same become payable whether by lapse of time, acceleration or

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otherwise. In the event Mortgagee commences any proceeding to foreclose this Mortgage or any other suit in equity, action at law or other appropriate proceeding to enforce its rights under the Note, Mortgagor covenants and agrees to pay to Mortgagee all costs and expenses (including actual attorneys' fees) paid or incurred by Mortgagee in connection therewith, which costs and expenses may be included in any judgment in Mortgagee's favor in any such suit, action or proceeding.

2.7 Intentionally Deleted.

2.8 Remedies Cumulative. No remedy herein conferred upon or otherwise available to Mortgagee is intended to be or shall be construed to be exclusive of any other remedy or remedies; but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder and under this Mortgage or the Note and now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power, or shall be construed to be a waiver of any such default, or an acquiescence therein; nor shall the giving, taking or enforcement of any other or additional security, collateral or guaranty for the payment of the indebtedness secured under this Mortgage operate to prejudice, waive or affect the security of this Mortgage or any rights, powers or remedies hereunder; nor shall Mortgagee be required to first look to, enforce, or exhaust any such other or additional security collateral, or guaranty.

2.9 Waiver of Rights. To the extent that such rights may then be lawfully waived, Mortgagor hereby covenants that it will not at any time insist upon or plead, or in any manner whatever claim or take any benefit or advantage of, (i) any exemptions, stay or extension or moratorium law now or at any time hereafter in force; (ii) any law now or hereafter in force providing for the valuation or appraisal of the Premises or any part thereof prior to any sale or sales thereof to be made pursuant to any provisions herein contained, or pursuant to the decree, judgment or order of any court of competent jurisdiction; (iii) any law now or at any time hereafter made or enacted granting a right to redeem the property so sold or any part thereof; (iv) all rights of marshaling; and (v) any right to trial by jury of any claim or issue arising hereunder or in connection herewith. To the extent permitted by law, Mortgagor expressly waives for itself and on behalf of each and every person acquiring any interest in or title to the Premises or any part thereof, subsequent to the date of this Mortgage, all benefit and advantage of any such law or laws; and covenants that it will not invoke or utilize any such law or laws or otherwise hinder, delay or impede the execution of any power herein granted and delegated to Mortgagee, but will suffer and permit the execution of every such power as though no such law or laws had been made or enacted. Notwithstanding anything to the contrary herein, Mortgagor hereby expressly waives any and all rights of redemption from sale, if any, under any order or decree of foreclosure of this Mortgage, on its own behalf and on behalf of each and every person, it being the intent hereof that any and all such rights of redemption of Mortgagor and of all other persons are and shall be deemed to be hereby waived to the full extent permitted by the provisions of 735 ILCS 5/15-1601(b) or other applicable law or replacement statutes. If the Mortgagor is a trustee, Mortgagor represents that the provisions of this paragraph (including the waiver of reinstatement and redemption rights) were made at the express direction of Mortgagor's beneficiaries and

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the persons having the power of direction over Mortgagor, and are made on behalf of the trust estate of Mortgagor and all beneficiaries of Mortgagor, as well as all other persons mentioned above.

2.10 Application of Proceeds. Subject to the Prior Mortgage, the proceeds of any sale or sales of the Premises or any part thereof pursuant to this Article II shall be applied in the following order:

- (a) To the payment of all costs of the sale and the foreclosure proceedings, including actual attorneys' fees and the cost of title searches, abstracts, surveys, engineering reports, appraisals and environmental investigations;
- (b) To the payment of all other expenses of Mortgagee, including all moneys expended by Mortgagee and all other amounts payable by Mortgagor to Mortgagee hereunder or under the Note, with interest thereon; and all taxes, assessments or liens superior to the lien thereof;
- (c) To the payment of the principal, interest and premium, if any, on the Note;
- (d) To the payment of any other sums owed by Mortgagor to Mortgagee; and
- (e) To the payment of the surplus, if any, to Mortgagor or to whomsoever shall be entitled thereto.

2.11 Abandonment of Proceedings. In case Mortgagee shall have proceeded to enforce any right under this Mortgage by foreclosure, sale, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely, then, and in every such case, Mortgagor and Mortgagee shall be restored to their former positions and rights hereunder with respect to the Premises subject to the lien hereof.

2.12 Partial Payments. Acceptance by Mortgagee of any payment which is less than payment in full of all amounts due and payable at the time of such payment shall not constitute a waiver of Mortgagee's right to demand payment of the balance due, or any other rights of Mortgagee at that time or any subsequent time.

2.13 Tender of Payment After Acceleration. In case, after legal proceedings are instituted to foreclose the lien of this Mortgage, tender is made of the entire indebtedness due hereunder, Mortgagee shall be entitled to reimbursement for expenses incurred in connection with legal proceedings, including such expenditures as are enumerated above, and such expenses shall be so much additional indebtedness secured by this Mortgage, and no such suit or proceedings shall be dismissed or otherwise disposed of until such fees, expenses, and charges shall have been paid in full.

ARTICLE III **POSSESSION AND RELEASE OF THE PREMISES**

3.1 Release and Replacement of Equipment. Mortgagor may, without

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obtaining any release from Mortgagee, sell or otherwise dispose of, free from the lien of this Mortgage, any of the Premises described in Paragraph (3) of the Granting Clause hereof which may have become obsolete, inadequate, worn out, or otherwise unsuitable or unnecessary for use in connection with the Premises, provided, however, that Mortgagor shall have theretofore and since the date hereof acquired replacements therefor (in such manner as shall extend to Mortgagee a first lien or security interest therein) which, while not being necessarily of the same character, will be of comparable value and efficiency.

3.2 Condemnation. Subject to the Prior Mortgage, if all or any part of the Premises is damaged, taken, or acquired, either temporarily or permanently, in any condemnation proceeding, by exercise of the right of eminent domain, by sale in lieu of condemnation or eminent domain, or by the alteration of the grade of any street affecting the said Premises, the amount of any award or other payment for such taking or damages made in consideration thereof, to the extent of the full amount of the then remaining unpaid indebtedness secured hereby, is hereby assigned to Mortgagee, who is empowered to collect and receive the same and to give proper receipts therefor in the name of Mortgagor, and the same shall be paid forthwith to Mortgagee. Any award or payment so received by Mortgagee may at the option of Mortgagee, be retained and applied, in whole or in part, to the indebtedness secured hereby (whether or not then due and payable), in such manner as Mortgagee may determine except as specifically limited hereinafter, or released, in whole or in part, to Mortgagor for the purpose of altering, restoring, or rebuilding any remaining part of the Premises which may have been altered, damaged, or destroyed as the result of such taking, alteration, or proceeding, but Mortgagee shall not be obligated to see to the application of any amounts so released.

3.3 Satisfaction of Mortgage. Whenever Mortgagor shall pay or cause to be paid the entire principal, interest and premium, if any, due and to become due upon the Note, and shall have performed and observed all of the terms, covenants, and conditions by it to be performed or observed under the Note, this Mortgage, and all other agreements now or at any time hereafter existing between Mortgagor and Mortgagee, then and in such event the Premises shall revert to Mortgagor; and Mortgagee shall forthwith execute and deliver to Mortgagor an appropriate instrument of release, satisfaction, and discharge.

ARTICLE IV **SECURITY AGREEMENT**

This Mortgage is hereby deemed to be as well a Security Agreement within the meaning of the Uniform Commercial Code for the purpose of creating hereby a security interest securing the indebtedness. This Mortgage shall also constitute a "fixture filing" for the purpose of the Uniform Commercial Code and shall cover all items of the Collateral that are or are to become fixtures. Without derogating any of the provisions of this Mortgage, Mortgagor by this Mortgage:

(a) grants to Mortgagee a security interest in all of Mortgagor's right, title and interest in and to all Collateral and fixtures, together with all additions, accessions and substitutions and all similar property hereafter acquired and used or obtained for use on, or in connection with the Premises. The proceeds of said Collateral and fixtures are

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intended to be secured hereby; however, such intent shall never constitute an express or implied consent on the part of Mortgagee to the sale of any or all Collateral or fixtures;

(b) agrees that the security interest hereby granted by this Mortgage shall secure the payment of the indebtedness specifically described and shall also secure payment of any future debt or advancement owing by Mortgagor to Mortgagee with respect to the Premises;

(c) agrees not to sell, convey, mortgage or grant a security interest in, or otherwise dispose of or encumber, any of the Collateral or fixtures or any of Mortgagor's right, title or interest therein without first securing Mortgagee's written consent unless such Collateral or fixture is replaced with Collateral or fixtures of comparable value and efficiency (in such manner as shall extend to Mortgagee a first lien or security interest therein); and Mortgagee may, at its sole option, require Mortgagor to apply the proceeds from the disposition of Collateral or fixtures in reduction of the indebtedness secured hereby;

(d) agrees that if Mortgagor's rights in the Collateral are voluntarily or involuntarily transferred, whether by sale, creation of a security interest, attachment, levy, garnishment or other judicial process, without the written consent of Mortgagee, such transfer constitutes an Event of Default by Mortgagor under the terms of this Mortgage;

(e) agrees that upon or after the occurrence of any Event of Default hereunder, Mortgagee may, with or without notice to Mortgagor, exercise its rights to declare all indebtedness secured by the security interest created hereby immediately due and payable, in which case Mortgagee shall have all rights and remedies granted by law and more particularly the Uniform Commercial Code as enacted in Illinois;

(f) agrees, to the extent permitted by law and without limiting any rights and privileges herein granted to Mortgagee, that Mortgagee may dispose of any or all of the Collateral at the same time and place upon giving the same notice provided for in this Mortgage, and in the same manner as provided under the terms and conditions of this Mortgage; and

(g) authorizes Mortgagee to file, in the jurisdiction where this Mortgage will be given effect, or in such other jurisdiction as filing may be required to perfect the security interest granted hereunder, financing statements including renewal or confirmation thereof, covering the Collateral; and at the request of Mortgagee, Mortgagor will join Mortgagee in executing one or more such financing statements including amendment, renewal or confirmation thereof, pursuant to the Uniform Commercial Code as enacted in Illinois in a form satisfactory to Mortgagee, and will pay the cost of filing the same in all public offices at any time and from time to time wherever Mortgagee deems filing or recording of any financing statements including renewal or confirmation thereof or of this instrument to be desirable or necessary.

ARTICLE V **MISCELLANEOUS**

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5.1 Severability. If any term, covenant, or condition of the Note, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of the Note, and the application of such term, covenant, or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant, or condition of the Note shall be valid and be enforced to the fullest extent permitted by law.

5.2 Counterparts. This Mortgage may be simultaneously executed in any number of counterparts, and all said counterparts executed and delivered, each as an original, shall constitute but one and the same instrument.

5.3 Subrogation. Mortgagee shall be subrogated to all liens, although released of record, which are paid out of the proceeds of the Note or other indebtedness secured by this Mortgage.

5.4 Notices. Whenever in this Mortgage it shall be required or permitted that notice be given by any party to the other, such notice shall be in writing, and any notice so sent shall be deemed to have been given on the date that the same is deposited in the United States mail, postage prepaid. Notices shall be addressed to Mortgagee and to Mortgagor at the addresses set forth in the recitals above; or at such other address as either party may from time to time designate in writing in lieu thereof. Mortgagor acknowledges and agrees that Mortgagor shall immediately deliver to Mortgagee a copy of (i) any notices delivered by Mortgagor to the mortgagee under the Prior Mortgage; and/or (ii) any notices received by Mortgagor from the mortgagee under the Prior Mortgage.

5.5 Change in Taxation of Mortgages. In the event of the passage, after the date of this Mortgage, of any law deducting from the value of the real property comprising the Premises, for the purpose of taxation, any lien thereon, or changing in any way the laws now in force for the taxation of mortgages, deeds of trust, or debts secured thereby, for state or local purposes, or the manner of the operation of any such taxes so as to affect the interest of Mortgagee, then in such event, Mortgagor shall bear and pay the full amount of such taxes, provided, however, that if for any reason payment by Mortgagor of any such taxes would be unlawful, or if the payment thereof would constitute usury or render the loan or indebtedness secured hereby wholly or partially usurious under any of the terms or provisions of the Note, the Mortgage or otherwise, Mortgagee may, at its option, declare the whole sum secured by this Mortgage with interest thereon to be immediately due and payable, without a prepayment fee, or Mortgagee may, at its option, pay that amount or portion of such taxes as renders the loan or indebtedness secured hereby unlawful or usurious, in which event Mortgagor shall concurrently therewith pay the remaining lawful and non-usurious portion or balance of said taxes.

5.6 Waivers by Mortgagor. To the fullest extent permitted by applicable law, Mortgagor, for itself, its successors and assigns, and each and every person with any interest in the Premises, or any part thereof, whether now owned or hereafter acquired, hereby waives notice of maturity, demand, presentment for payment, diligence in collection, and notice of non-payment and protest; hereby consents and agrees to any

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extension of time, whether one or more, for the payment thereof and/or to any and all renewals thereof; and hereby consents and agrees that Mortgagee may amend the terms thereof, may release all or any part of the security for the payment thereof, and may release any party liable for the payment thereof, without, in any event, affecting the terms or effect of this Mortgage or the obligations or liabilities hereunder of Mortgagor, its successors or assigns, or any person with any interest in the Premises, or any part thereof, whether now owned or hereafter acquired.

5.7 Additional Instruments. Mortgagor, from time to time, within fifteen (15) days after request by Mortgagee, shall execute, acknowledge, and deliver to Mortgagee such mortgages, chattel mortgages, security agreements, or other similar security instruments, in form and substance satisfactory to Mortgagee, covering all property of any kind, whatsoever, owned by Mortgagor or in which Mortgagor may have any interest which, in the sole opinion of Mortgagee, is essential to the operation of the property covered by this Mortgage. Neither a request so made by Mortgagee, nor the failure of Mortgagee to make such a request, shall be construed as a release of such property, or any part thereof, from the lien of this Mortgage, it being understood and agreed that this covenant and any such chattel mortgage, security agreement, or other similar security instrument, delivered to Mortgagee, are cumulative and given as additional security.

5.8 Applicable Law. This Mortgage shall be interpreted in accordance with and, in all respects, governed by the internal laws of the State of Illinois.

5.9 Expenses of Mortgagee.

(a) If Mortgagee is made a party to any suit or proceeding by reason of the interest of Mortgagee in the Premises, or if the Note is placed in the hands of an attorney or attorneys to defend or enforce any rights of Mortgagee, then Mortgagor shall reimburse Mortgagee for all costs and expenses, including by way of representation only, actual attorneys' fees, travel and lodging expenses, recording fees, incurred by Mortgagee in connection therewith. All amounts incurred by Mortgagee hereunder shall be secured hereby and shall be due and payable by Mortgagor to Mortgagee forthwith on demand, with interest thereon at the rate at which interest accrues on amounts due under the Note after the same became due.

(b) In the event Mortgagor initiates any request to Mortgagee for (a) changes to this Mortgage or any collateral documents thereto, (b) releases of any part of the Premises or other property upon which a security interest has been given to secure the indebtedness, or (c) any other waivers, opinions or other documentary changes (other than a satisfaction or assignment of the Mortgage at maturity or in connection with a permitted prepayment), then Mortgagor shall reimburse Mortgagee for any actual legal fees and expenses incurred by Mortgagee in connection with the preparation and review of such documentation. The need for legal review and preparation of documentation shall be in the unrestricted discretion of Mortgagee.

5.10 Successors of Mortgagor. In the event of the sale or transfer of all or any part of the Premises, by operation of law or otherwise and regardless of whether or not

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such sale or transfer constitutes an Event of Default, Mortgagee is authorized and empowered to deal with the transferee with reference to this Mortgage, the Premises, or the debt secured hereby, or with reference to any of the terms or conditions contained herein, as fully and to the same extent as it might deal with Mortgagor and without in any way releasing or discharging any liabilities of Mortgagor hereunder or under the Note.

5.11 Amendment. Neither this Mortgage nor any term, covenant, or condition contained herein may be amended, modified, or terminated, except by an agreement in writing, signed by the party against whom enforcement of the amendment, modification, or termination is sought.

5.12 Construction. By execution of this Mortgage, Mortgagor acknowledges that both parties participated in the drafting of the documents, and agrees that the Note and this Mortgage shall be construed without regard to any presumption or rule requiring construction against the party causing such instruments to be drafted. The headings and captions contained in this Mortgage are solely for convenience of reference and shall not affect its interpretation. All terms and words used in this Mortgage, whether singular or plural and regardless of the gender thereof, shall be deemed to include any other number and any other gender as the context may require.

5.13 Receipt by Mortgagor. Mortgagor hereby acknowledges that a full, true, and complete copy of this Mortgage (including Exhibits A and B hereto) was delivered to and received by it on the date of actual execution hereof by Mortgagor, as set forth below.

5.14 No Partnership - Third Parties. Nothing contained in the Note or this Mortgage shall be construed in a manner to create any relationship between Mortgagor and Mortgagee other than the relationship of borrower and lender and Mortgagor and Mortgagee shall not be considered partners or co-venturers for any purpose. The terms and provisions of the Note and this Mortgage are for the benefit of Mortgagor, Mortgagee and their respective successors, assigns, endorsees and transferees and all persons claiming under or through them, and no other person shall have any right or cause of action on account thereof.

5.15 Time. Time is of the essence hereof and of the Note and all other instruments delivered in connection with indebtedness secured hereby.

5.16 Existence of Prior Mortgage.

(a) Mortgagor covenants and agrees that any default or breach of any covenants contained in the Prior Mortgage shall constitute an Event of Default under this Mortgage, and thereafter, Mortgagee, at its option, may declare all the indebtedness secured hereby, without notice, to be immediately due and payable, and Mortgagee may foreclose this Mortgage as in the case of any Event of Default hereunder, without regard as to whether the Prior Mortgage is then being foreclosed on.


(b) Mortgagor hereby authorizes Mortgagee, at its option, to perform any covenants, do any acts, or make any payments that are required by the terms of the Prior Mortgage or the note(s) secured thereby, as have not been performed by, done by, or paid

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by Mortgagor, at the times required by said Prior Mortgage and the note(s) secured thereby. All expenses incurred and all sums paid by Mortgagee relative to the foregoing authority shall constitute additional indebtedness hereunder and shall be secured by the lien hereof. The exercise of the option by Mortgagee to perform any of said covenants, do any of said acts, or make any of said payments as aforesaid may be made by Mortgagee prior to, simultaneously with, or subsequent to the exercise by Mortgagee of the option contained in Paragraph 5.16(a) to declare all indebtedness secured hereby, without notice, to be immediately due and payable.

IN WITNESS WHEREOF, Mortgagor has caused these presents, to be duly executed, sealed, and delivered in Chicago, Illinois, as of the day and year first above written.

MORTGAGOR:



Joseph Evola

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

On this 19 day of March, 2007, before me, the undersigned, a Notary Public in and for said State, personally appeared Joseph Evola personally known to me (or proved to me on the basis of satisfactory evidence) to be the person that executed the within instrument, and acknowledged to me that he/she executed the same.

WITNESS my hand and official seal.

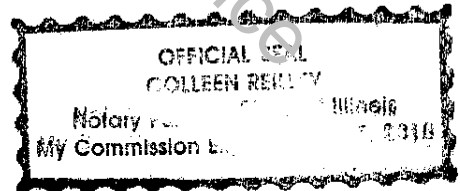


Notary Public

My commission expires: 9/25/10.

Exhibit A

Legal Description



Lot 14 in Witwicki's Second Addition to Glen Eden Estates, being a subdivision of part of the Northeast ¼ of Section 11 and part of the northwest ¼ of Section 12, Township 40 North, Range 12, East of the Third Principal Meridian, according to plat thereof recorded April 26, 1956 as Document No. 16562104, in Cook County, Illinois.

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Permanent Index Number: 12-12-100-028

Common Address: 5535 N. Linden Avenue, Park Ridge, Illinois 60068

Exhibit B

Collateral

All of Mortgagor's right, title and interest in and to: (i) all building materials, fixtures, equipment and other personal property to be incorporated into any improvements constructed on the Premises; (ii) all goods, materials, supplies, fixtures, equipment, machinery, furniture and furnishings and other personal property that are now or may hereafter be appropriated for use on (whether such items are stored on the Premises or elsewhere), located on, or used in connection with, the Premises; (iii) all rents, issues and profits, and all inventory, accounts, accounts receivable, contract rights, general intangibles, chattel paper, instruments, documents, notes, drafts, letters of credit, insurance policies, premium refunds, insurance and condemnation awards and proceeds, refunds and deposits returned by utility companies and government agencies, tradenames, trademarks and service marks (subject, however, to any franchise or license agreements relating thereto), arising from or related to the Premises and any business conducted on the Premises; and (iv) all replacements and substitutions for, or additions to, all products and proceeds of, and all books, records, files and electronic data relating to, any of the foregoing.

FATIC has made an accommodation
recording of the instrument.
First American Title Insurance Company