

UNOFFICIAL COPY

INSTRUMENT PREPARED BY:
LANCE JOHNSON
MARTIN & KARCAZES, LTD.
161 N. Clark Street - Suite 550
Chicago, Illinois 60601

MAIL TO:
ALLEGIANCE COMMUNITY
BANK
8001 W. 183rd Street
Tinley Park, Illinois 60477



Doc#: 0715033245 Fee: \$38.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 05/30/2007 01:56 PM Pg: 1 of 8

JUNIOR MORTGAGE

CT Home
5.85
335807
8

THIS MORTGAGE made and entered into this 14th day of MAY, 2007, by and between STEPHEN P. KAY (the "Mortgagor"), and ALLEGIANCE COMMUNITY BANK (the "Mortgagee"), which maintains an office and place of business at 8001 W. 183rd St., Tinley Park, IL 60477.

WITNESSETH, that for the consideration hereinafter stated, receipt of which is hereby acknowledged, the Mortgagor does hereby mortgage, sell, grant, assign and convey unto the Mortgagee, its successors and assigns, all of the following described property situated and being in the County of COOK, State of ILLINOIS, commonly known as 17916 PARK AVE., HOMEWOOD, IL 60430, and legally described as follows:

SEE ATTACHED EXHIBIT "A".

Together with and including all buildings, all fixtures, including but not limited to, all plumbing, heating, lighting, ventilating, refrigerating, incinerating, air conditioning apparatus, and elevators (the Mortgagor hereby declaring that it is intended that the items herein enumerated shall be deemed to have been permanently installed as part of the realty), and all improvements now or hereafter existing thereon; the hereditaments and appurtenances and all other improvements now or hereafter existing thereon; the hereditaments and appurtenances and all other rights thereunto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, all rights of redemption, and the rents, issues and profits of the above described property (provided, however, that the Mortgagor shall be entitled to the possession of said property and to collect and retain the rents, issues, and profits until default hereunder). To have and to hold the same unto the Mortgagee and the successors in interest of the Mortgagee forever in fee simple or such other estate, if any, as is stated herein.

THE MORTGAGOR HEREBY RELEASES AND WAIVES ALL RIGHTS UNDER AND BY VIRTUE OF THE HOMESTEAD EXEMPTION LAWS OF THE STATE OF ILLINOIS. P.I.Q. IS NOT HOMESTEAD PROPERTY.

BOX 334 CTI

UNOFFICIAL COPY

The Mortgagor covenants that it is lawfully seized and possessed of and has the right to sell and convey said property, that the same is free from all encumbrances except as hereinabove recited; and that the Mortgagor hereby binds itself and its successors in interest to warrant and defend the title aforesaid thereto and every part thereof against the claims of all persons whomsoever.

This instrument is given to secure (i) the payment of a promissory note dated MAY 14, 2007, in the principal sum of \$1,300,000.00, signed by the Mortgagor, including the principal thereof and interest and premium, if any, thereon and all extensions and renewals thereof in whole or in part and any and all other sums which may at any time be due and owing or required to be paid as provided for in the note or herein or in accordance with the terms of any other agreement entered into between the Mortgagor and the Mortgagee in relation to the note; and (ii) any other indebtedness of the Mortgagor, either jointly or singly, payable to the Mortgagee, howsoever created, evidenced or arising, whether direct or indirect, absolute or contingent, now due or to become due, or now existing or hereafter arising, are herein called the "Indebtedness Hereby Secured." At no time shall the principal amount of the Indebtedness Hereby Secured, not including the sums advanced in accordance herewith to protect the security of this mortgage, exceed the original amount of the note, plus One Million (\$1,000,000.00) Dollars.

1. The Mortgagor covenants and agrees as follows:
 - (a) It will promptly pay the Indebtedness Hereby Secured.
 - (b) It will pay all taxes, assessments, water rates, and other governmental or municipal charges, fines, or impositions, for which provision has not been made hereinbefore, and will promptly deliver the official receipts therefore to the Mortgagee.
 - (c) It will pay such expenses and fees as may be incurred in the protection and maintenance of said property, including the reasonable fees of any attorney employed by the Mortgagee for the collection of any or all of the Indebtedness Hereby Secured, or foreclosure by the Mortgagee's sale, or court proceedings, or in any other litigation or proceeding affecting said property. Attorneys' fees reasonably incurred in any other way shall be paid by the Mortgagor.
 - (d) For better security of the Indebtedness Hereby Secured, upon the request of the Mortgagee, its successors or assigns, the Mortgagor shall execute and deliver a supplemental mortgage or mortgages covering any additions, improvements, or betterments made to the property hereinabove described and all property acquired by it after the date hereof (all in form satisfactory to the Mortgagee). Furthermore, should the Mortgagor fail to cure any default in the payment of a prior or inferior encumbrance on the property described by this instrument, the Mortgagor hereby agrees to permit the Mortgagee to cure such default, but the Mortgagee is not obligated to do so; and such advances shall become part of the indebtedness secured by this instrument, subject to the same terms and conditions.

UNOFFICIAL COPY

(e) The rights created by this conveyance shall remain in full force and effect during any postponement or extension of the time of the payment of the Indebtedness Hereby Secured.

(f) It will continuously maintain hazard insurance, of such type or types and in such amounts as the Mortgagee may from time to time require on the improvements now or hereafter on said property, and will pay promptly when due any premiums thereof. All insurance shall be carried in companies acceptable to the Mortgagee and the policies and renewals thereof shall be held by the Mortgagee and have attached thereto loss payable clauses in favor of and in form acceptable to the Mortgagee. In event of loss, the Mortgagor will give immediate notice in writing to the Mortgagee, and the Mortgagee may make proof of loss if not made promptly by the Mortgagor, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to the Mortgagee instead of to the Mortgagor and the Mortgagee jointly, and the insurance proceeds, or any part thereof, may be applied by the Mortgagee at its option either to the reduction of the Indebtedness Hereby Secured or to the restoration or repair of the property damaged or destroyed. In the event of foreclosure of this mortgage, or other transfer of title to said property in extinguishment of the Indebtedness Hereby Secured, all right, title, and interest of the Mortgagor in and to any insurance policies then in force shall pass to the purchaser or the Mortgagee or, at the option of the Mortgagee, may be surrendered for a refund. **Unless the Mortgagor provides the Mortgagee with evidence of the insurance coverage required herein, the Mortgagee may purchase insurance at the Mortgagor's expense to protect the Mortgagee's interest in the property. This insurance may, but need not, protect the Mortgagor's interest. The coverage that the Mortgagee purchases may not pay any claim that the Mortgagor makes or any claim that is made against the Mortgagor in connection with the property. The Mortgagor may later cancel any insurance purchased by the Mortgagee, but only after the Mortgagee with written evidence of the Mortgagor has obtained insurance as required herein. If the Mortgagee purchases insurance for the property, the Mortgagor will be responsible for the costs of that insurance, including interest and any other charges the Mortgagee may impose 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 the Indebtedness Hereby Secured. The costs of the insurance may be more than the cost of insurance the Mortgagor may be able to obtain on the Mortgagor's own.**

(g) It will keep all buildings and other improvements on said property in good repair and condition; will permit, commit, or suffer no waste, impairment, deterioration of said property or any part thereof; in the event of failure of the Mortgagor to keep the buildings on said premises and those erected on said premises, or improvements thereon, in good repair, the Mortgagee may make such repairs as in its discretion it may deem necessary for the proper preservation thereof; and the full amount of each and every such payment shall be immediately due and payable; and shall be secured by the lien of this mortgage.

(h) It will not voluntarily create or permit to be created against the property subject to this mortgage any lien or liens inferior or superior to the lien of this mortgage without the written consent of the Mortgagee; and further, that the Mortgagor will keep and maintain the

UNOFFICIAL COPY

same free from the claim of all persons supplying labor or materials for construction of any and all buildings or improvements now being erected or to be erected on said premises. Notwithstanding the foregoing, this mortgage is subject to: (1) the first mortgage dated May 13, 2005, and recorded May 24, 2005, as Document No. 0514435285, granted by the Mortgagor to JPMorgan Chase Bank, N.A. to secure an indebtedness of \$154,300.00, and (2) the second mortgage dated May 13, 2005, and recorded May 24, 2005, as Document No. 0514435286, granted by the Mortgagor to JPMorgan Chase Bank, N.A. to secure an indebtedness of \$21,200.00.

(i) It will not rent or assign any part of the rent of said mortgaged property or demolish, or remove, or substantially alter any building without the written consent of the Mortgagee.

(j) All awards of damages in connection with any condemnation for public use of or injury to any of the property subject this mortgage are hereby assigned and shall be prepaid to the Mortgagee, who may apply the same to payment of the installments last due under said note, and the Mortgagee is hereby authorized, in the name of the Mortgagor, to execute and deliver valid acquittances thereof and to appeal from any such award.

(k) The Mortgagee shall have the right to inspect the mortgaged premises at any reasonable time.

(l) It has never received any written notice of any violations of federal, state or local laws, ordinances, rules, regulations or policies governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of hazardous materials and, to its actual knowledge, there have been no actions commenced or threatened by any party for noncompliance.

(m) It shall keep or cause the premises to be kept free of Hazardous Materials in accordance with applicable environmental laws, and, without limiting the foregoing, the Mortgagor shall not cause or permit the premises to be used to generate, manufacture, refine, transport, treat, store, handle, dispose of, transfer, produce, or process Hazardous Materials, except in compliance with all applicable federal, state and local laws and regulations, nor shall the Mortgagor cause or permit, as a result of any intentional or unintentional act or omission on the Mortgagor's part, or on the part of any tenant, subtenant or occupant, a release of Hazardous Materials onto the premises or onto any other property.

(n) It shall:

(i) conduct and complete all investigations, studies, sampling and testing, and all remedial, removal and other actions necessary to clean up and remove all Hazardous Materials on, under, from or affecting the premises in accordance with all applicable federal, state and local laws, ordinances, rules, regulations and policies, to the reasonable satisfaction of the Mortgagee, and in accordance with the orders and directives of all federal, state and local governmental authorities; and

UNOFFICIAL COPY

(ii) defend, indemnify and hold harmless the Mortgagee, its employees, agents, officers and directors, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs or expenses of whatever kind or nature, known or unknown, contingent or otherwise (excluding consequential and punitive damages except to the extent Mortgagee may be subject to the same by reason of any third party claim) arising out of or in any way related to: (A) the presence, disposal, release or threatened release of any Hazardous Materials on, over, under, from, or affecting the Premises or the soil, water, vegetation, buildings, personal property, persons or animals thereon; (B) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials; (C) any lawsuit brought or threatened, settlement reached or government order relating to such Hazardous Materials; and/or (D) any violation of laws, orders, regulations, requirements or demands of government authorities, or any policies or requirements of the Mortgagee, which are based upon or in any way related to such Hazardous Materials including, without limitation, reasonable attorneys' and consultants' fees, investigation and laboratory fees, court costs, and litigation expenses; provided that this indemnity shall not apply where the claim is attributable to acts of the Mortgagee or its agents. The Mortgagee shall tender defense of any claim to the Mortgagor for handling with counsel of the Mortgagor's selection, and the Mortgagor shall control any remediation, provided the Mortgagor has not defaulted under the note, mortgage or any other agreement. This indemnity shall survive the release of the lien of the mortgage, foreclosure or deed in lieu thereof or by any other action, and this covenant shall survive such reconveyance or extinguishment; provided, however, this indemnity shall not apply to any fact, event or circumstance occurring after the Property has been transferred by the Mortgagor, by foreclosure, deed in lieu of foreclosure or otherwise.

2. Default in any of the covenants or conditions of this instrument or of the note or loan agreement secured hereby, which, in the case of a monetary default, shall remain uncured for ten (10) days, or, in the case of non-monetary default, shall remain uncured for thirty (30) days, shall terminate the Mortgagor's right to possession, use and enjoyment of the Property, at the option of the Mortgagee or its assigns (it being agreed that the Mortgagor shall have such right until default). Upon any such default, the Mortgagee shall become the owner of all of the rents and profits accruing after default as security for the Indebtedness Hereby Secured, with the right to enter upon said Property for the purpose of collecting such rents and profits.

3. The Mortgagor covenants and agrees that if it shall fail to pay the Indebtedness Hereby Secured or any part thereof when due, or shall fail to perform any covenant or agreement of this instrument or any note or guaranty secured hereby, the entire Indebtedness Hereby Secured shall immediately become due, payable and collectible without notice, at the option of the Mortgagee or assigns, regardless of the maturity; and the Mortgagee or its assigns may, before or after entry, sell said property without appraisal (the Mortgagor having waived and assigned to the Mortgagee all rights of appraisal) pursuant to the laws of the State of ILLINOIS governing the disposition of said Property.

4. The proceeds of any sale of said property in accordance with the preceding paragraph shall be applied first to pay the costs and expenses of said sale, the expenses incurred by the Mortgagee for the purpose of protecting and maintaining said Property, and reasonable

UNOFFICIAL COPY

attorneys' fees; secondly, to pay the Indebtedness Hereby Secured; and thirdly, to pay any surplus or excess to the person or persons legally entitled thereto.

5. In the event said property is sold at a judicial foreclosure sale, and the proceeds are not sufficient to pay the Indebtedness Hereby Secured, the Mortgagee will be entitled to a deficiency judgment for the amount of the deficiency without regard to appraisalment.

6. In the event the Mortgagor fails to pay any federal, state or local tax assessment, income tax or other tax lien, charge, fee, or other expense charged against the Property, the Mortgagee is hereby authorized, at its option, to pay the same. Any sums so paid by the Mortgagee shall be added to and become a part of the principal amount of the Indebtedness Hereby Secured, subject to the same terms and conditions applicable under this mortgage and any note or guaranty secured hereby. If the Mortgagor shall pay and discharge the Indebtedness Hereby Secured, and shall pay such sums and shall discharge all taxes and liens and the costs, fees, and expenses of making, enforcing and executing this mortgage, then this mortgage shall be canceled and surrendered.

7. The covenants herein contained shall bind and the benefits and advantages shall inure to the respective successors and assigns of the parties hereto. Whenever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

8. No waiver of any covenant herein or of the obligation secured hereby shall at any time thereafter be held to be a waiver of the terms hereof or of the note secured hereby.

9. A judicial decree, order or judgment holding any provision of this instrument invalid or unenforceable shall not in any way impair or preclude the enforcement of the remaining provisions or portions of this instrument

10. Any written notice to be issued to Mortgagor pursuant to the provisions of this instrument shall be addressed to the Mortgagor at 18007-09 S. Parnell, Homewood, IL 60430, and any written notice to be issued to the Mortgagee shall be addressed to the Mortgagee at 8001 W. 183rd St., Tinley Park, IL 60477.

11. **The Mortgagor, on behalf of it, and each and every person claiming by, through, or under it, HEREBY WAIVES ANY AND ALL RIGHTS OF REDEMPTION, statutory or otherwise, without prejudice to the Mortgagee's right to any remedy, legal or equitable, which the Mortgagee may pursue to enforce payment or to affect collection of all or any part of the Indebtedness Hereby Secured, and without prejudice to the Mortgagee's right to a deficiency judgment or any other appropriate relief in the event of foreclosure of this mortgage.**

[SIGNATURE ON NEXT PAGE]

UNOFFICIAL COPY

IN WITNESS WHEREOF, the Mortgagor has executed this instrument and the Mortgagee has accepted delivery of this instrument as of the day and year aforesaid.

MORTGAGOR:

Stephen R. Kay
STEPHEN R. KAY

State of Illinois)
) ss.
County of Cook)

The undersigned, a Notary Public in and for said county, in the aforesaid State, does hereby certify that STEPHEN R. KAY, known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act, and for the uses and purposes therein set forth.

Dated: May 7, 2007

Thomas E. Brabec
Notary Public



* DIVORCED AND NOT SINCE REMARRIED.

Property of Cook County Clerk's Office

UNOFFICIAL COPY

EXHIBIT "A"

LEGAL DESCRIPTION

THE SOUTH 1/2 OF LOT 3 AND ALL OF LOT 4 IN BLOCK J IN VILLAGE OF HARTFORD IN THE NORTHEAST 1/4 THE SOUTHWEST 1/4 OF SECTION 31, TOWNSHIP 36 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 29 31-302-010-0000

COMMON ADDRESS: 17916 PARK AVE., HOMEWOOD, IL 60430.

Property of Cook County Clerk's Office