



Doc#: 0723910005 Fee: \$30.00  
Eugene "Gene" Moore RHSP Fee:\$10.00  
Cook County Recorder of Deeds  
Date: 08/27/2007 11:23 AM Pg: 1 of 4

**MORTGAGE**

ILLINOIS

June 21, 2007

Armitage Square, LLC, (Hereinafter called "Mortgagor" or "Debtor"), for valuable consideration, receipt whereof is hereby acknowledged, hereby grants to Advance Holdings of America, LLC, (hereinafter called "Mortgagee") a Mortgage in and to the following described commercial real estate, buildings thereon, improvements thereon, described as follows:

SEE ATTACHED EXHIBIT A

to secure payment of the following obligations of Mortgagor/Debtor to Mortgagee (all hereinafter called the "Obligations"):

(i) Indebtedness of Debtor to Mortgagee in the sum of \$500,000.00 evidenced by Debtor's promissory note of June 21, 2007, herewith in said amount payable to the order of Mortgagee as therein specified, together with interest thereon as provided in said promissory notes and any renewals or extensions thereof, plus all costs of collection, legal expenses and attorneys' fees incurred by Mortgagee upon the occurrence of a default under this agreement, in collecting or enforcing payment of such indebtedness, or in preserving, protecting or realizing on the Collateral herein;

(ii) Any note or notes executed and delivered to Mortgagee by Debtor at any time before the entire indebtedness and all liabilities secured hereby shall paid in full, evidencing a refinancing of an unpaid balance of any of the notes above described:

(iii) Any and all liabilities of Debtor to Mortgagee arising under this agreement.

Debtor hereby warrants and covenants that the name of a record owner is Mortgagor. Title to the above-described real estate will be recorded in the Recorder's Office upon request by Mortgagee. Debtor will on demand of Mortgagee furnish the latter with a writing signed by all owners and encumbrances of the real estate consenting to the security interest under this agreement or disclaiming any interest in the collateral as fixtures and Debtor will promptly notify Mortgagee in writing of any such persons. The Collateral will be affixed only to real estate described herein and will not be affixed to any other real estate so as to become fixtures on such other real estate without the prior written consent of the Mortgagee.

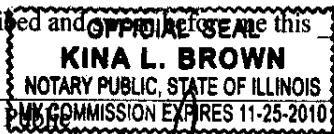
The Additional Provisions as set forth in pages 2 and 3 of this agreement are incorporated herein by reference and made a part of this agreement.

Signed in duplicate and delivered on the day and year first above written.  
(Mortgagee's Signature not required)

Armitage Square, LLC

By: [Signature]  
Paul Saunders, Managing Member

Subscribed and sworn to before me this 21 day of June, 2007.



Notary [Signature]

My commission expires 11-25, 2010

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## ADDITIONAL PROVISIONS

**Further Warranties and Covenants of Debtor.** Debtor hereby warrants and covenants that -

(a) Except for the security interest granted hereby Debtor is the owner of the Collateral free from any adverse lien, security interest or encumbrance except those encumbrances disclosed to Mortgagee; and Debtor will defend the Collateral against all claims and demands of all persons at any time claiming the same or any interest therein.

(b) No Financing Statement covering any of the Collateral or any proceeds thereof is on file in any public office. The Debtor shall immediately notify the Mortgagee in writing of any change in name, address, identity or corporate structure from that shown in this Agreement and shall also upon demand furnish to the Mortgagee such further information and shall execute and deliver to Mortgagee such financing statements and other documents in form satisfactory to the Mortgagee and shall do all such acts and things as Mortgagee may at any time or from time to time reasonably request or as may be necessary or appropriate to establish and maintain a perfected security interest in the Collateral as security for the Obligations, subject to no adverse liens or encumbrances; and Debtor will pay the cost of filing the same or filing or recording this agreement in all public offices wherever filing or recording is deemed by Mortgagee to be necessary or desirable. A carbon, photographic or other reproduction of this agreement is sufficient as a financing statement.

(c) Debtor will not sell or offer to sell, assign, pledge, lease or otherwise transfer or encumber the Collateral or any interest therein, without the prior written consent of Mortgagee.

(d) Debtor shall keep the Collateral at all times insured against risks of loss or damage by fire (including so-called extended coverage), theft and such other casualties as Mortgagee may reasonably require, including collision in the case of any motor vehicle, all in such amounts, under such forms of policies, upon such terms, for such periods and written by such companies or underwriters as Mortgagee may approve, losses in all cases to be payable to Mortgagee and Debtor as their interests may appear. All policies of insurance shall provide for at least ten days' prior written notice of cancellation to Mortgagee. Debtor shall furnish Mortgagee with certificates of such insurance or other evidence satisfactory to Mortgagee as to compliance with the provisions of this paragraph. Mortgagee may act as attorney for Debtor in making, adjusting and settling claims under and canceling such insurance and endorsing Debtor's name on any drafts drawn by insurers of the Collateral.

(e) Debtor will keep the Collateral free from any adverse lien, security interest or encumbrance and in good order and repair, shall not waste or destroy the Collateral or any part thereof, and shall not use the Collateral in violation of any statute, ordinance or policy of insurance thereon. Mortgagee may examine and inspect the Collateral at any reasonable time or times, wherever located.

(f) Debtor will pay promptly when due all taxes and assessments upon the Collateral or for its use or operation or upon this Agreement or upon any note or notes evidencing the Obligations.

**Additional Rights of Parties.** At its option, Mortgagee may discharge taxes, liens, or security interests or other encumbrances at any time levied or placed on the Collateral, may place and pay insurance on the Collateral upon failure by the Debtor, after having been requested to do so, to provide insurance satisfactory to the Mortgagee, and may pay for the maintenance, repair, and preservation of the Collateral. To the extent permitted by applicable law. Debtor agrees to reimburse Mortgagee on demand for any payment made, or any expense incurred by Mortgagee pursuant to the foregoing authorization. Until default Debtor may have possession of the Collateral and use it in any lawful manner inconsistent with this agreement and not inconsistent with any policy of insurance thereon.

**Events of Default.** Debtor shall be in default under this agreement upon the occurrence of any the following events or conditions, namely: (a) default in the payment or performance of any of the Obligations or of any covenants or liabilities contained or referred to herein or in any of the Obligation; (b) any warranty, representation or statement made or furnished to Mortgagee or on behalf of Debtor proving to have been false in any material respect when made or furnished; (c) loss, theft, substantial damage,

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destruction, sale or encumbrance to or of any of the Collateral, or the making of any levy, seizure or attachment thereof or thereon; or (d) death, dissolution, termination of existence, insolvency, business failure, appointment of a receiver of any part of the property of, or assignment for the benefit of creditors by, Debtor.

**Remedies.** Upon such default (regardless of whether the Code has been enacted in the jurisdiction where rights or remedies are asserted) and at any time thereafter (such default not having previously been cured), Mortgagee at its option may declare all Obligation secured hereby immediately due and payable and shall have remedies of a Mortgagee under the Uniform Commercial Code of Illinois, including without limitation the right to take immediate and exclusive possession of the Collateral, or any part thereof, and for that purpose may, so far as Debtor can give authority therefor, with or without judicial process, enter (if this can be done without breach of the peace), upon any premises on which the Collateral or any part thereof may be situated and remove the same therefrom (provided that if the Collateral is affixed to real estate, such removal shall be subject to the conditions stated in the Uniform Commercial Code of Illinois); and the Mortgagee shall be entitled to hold, maintain, preserve, and prepare the Collateral for sale, until disposed of, or may propose to retain the Collateral subject to Debtor's right of redemption in satisfaction of the Debtor's Obligations as provided in the Uniform Commercial Code of Illinois. Mortgagee without removal may render Collateral unusable and dispose of the Collateral on the Debtor's premises. Mortgagee may require Debtor to assemble the Collateral and make it available to Mortgagee for possession at a place to be designated by Mortgagee which is reasonably convenient to both parties. Unless the Collateral is perishable and threatens to decline speedily in value or is of a type customarily sold on a recognized market, Mortgagee will give Debtor at least 5 days notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is to be made. The requirements of reasonable notice shall be met if such notice is mailed, postage prepaid, to the address of Debtor shown at the beginning of this agreement at least five days before the time of the sale or disposition. Secure Party may buy at any public sale and if the Collateral is of a type customarily sold in a recognized market or is of a type which is the subject of widely distributed standard practice quotations, he may buy at a private sale. The net proceeds realized upon any such disposition, after deductions for the cost of retaking, holding, preparing for sale or lease, selling, leasing and the like and the reasonable attorney's fees and legal expenses incurred by Mortgagee, shall be applied in satisfaction of the Obligations secured hereby. The Mortgagee will account to the Debtor for any surplus realized on such disposition and the Debtor shall remain liable for any deficiency. All rights and remedies under this agreement are subject to applicable bankruptcy law.

The remedies of the Mortgagee hereunder are cumulative and the exercise of any more of the remedies provided for herein or under the Uniform Commercial Code of Illinois shall not be construed as a waiver of any of the other remedies of the Mortgagee so long as any part of the Debtor's Obligation remains unsatisfied.

**General.** No waiver by Mortgagee of any default shall operate as a waiver of any other default or of the same default on a future occasion. All rights of Mortgagee hereunder shall inure to the benefit of its successors and assigns; and all obligations of Debtor shall bind his heirs, executors or administrators or his or its successors or assigns. If there be more than one Debtor, their obligations hereunder shall be joint and several. This agreement shall become effective when it is signed by Debtor.

All rights of the Mortgagee in, to and under this agreement and in and to the Collateral shall pass to and may be exercised by any assignee thereof. The Debtor agrees that if the Mortgagee gives notice to the Debtor of an assignment of said rights, upon such notice the liability of the Debtor to the assignee shall be immediate and absolute. The Debtor will not set up any claim against the Mortgagee as a defense, counterclaim or set-off to any action brought by any such assignee for the unpaid balance owed hereunder or for possession of the Collateral, provided that Debtor shall not waive hereby right of action to the extent that waiver thereof is expressly made unenforceable under applicable law.

If any provision of this agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidation the remainder of such provision or the remaining provisions of this agreement.

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## EXHIBIT A

PARCEL 1: COMMERCIAL UNITS IN THE ARMITAGE SQUARE CONDOMINIUM AS DELINEATED BY EXCLUSION ON THE SURVEY OF THE FOLLOWING DESCRIBED REAL ESTATE: LOTS 4 AND 5 IN BLOCK 1 IN S. DELAMATER'S SUBDIVISION OF THE EAST 128 FEET OF THE WEST 19 ACRES OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 36, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

WHICH SURVEY IS ATTACHED AS AN EXHIBIT TO THE DECLARATION OF CONDOMINIUM RECORDED AS DOCUMENT NUMBER ~, TOGETHER WITH ITS UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS, ALL IN COOK COUNTY, ILLINOIS.

PARCEL 2: THE EXCLUSIVE RIGHT TO THE USE OF THE LIMITED COMMON ELEMENTS, AS DELINEATED ON THE SURVEY ATTACHED TO THE DECLARATION AFORESAID RECORDED AS DOCUMENT NUMBER ~.

Cook County Clerk's Office