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**PREPARED BY, AND
WHEN RECORDED MAIL TO:**

John R. O'Brien, P.C.
33 North Dearborn
Suite 1415
Chicago, IL 60602

Doc#: 0806040313 Fee: \$48.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 02/29/2008 02:42 PM Pg: 1 of 13

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FIRST AMERICAN TITLE
ORDER # 1736579

Above Space for Recorder's Use Only

MORTGAGE

THIS MORTGAGE dated January 31, 2008, is made and executed between 9600 MILWAUKEE AVENUE, L.L.C., of 9606 North Milwaukee, Niles, Illinois 60714 (referred to below as "Grantor") and PAUL PILLAR and JUDITH PILLAR, whose address is 115 Chestnut Road, Northbrook, Illinois 60062 (referred to below as "Lender").

GRANT OF MORTGAGE. For valuable consideration, Grantor mortgages, warrants, and conveys to Lender all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters,

(the "Property") located in Cook County, State of Illinois: [See Exhibit A hereto]

Commonly known as: 9600-9606 North Milwaukee, Niles, Illinois 60714.

Tax Identification numbers: 09-11-303-012-0000
09-11-303-013-0000

Grantor presently assigns to Lender all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property.

THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS EVIDENCED BY A NOTE OF EVEN DATE, IN THE AMOUNT OF \$1,204,650.00 AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTE, THE RELATED DOCUMENTS, AND THIS MORTGAGE. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

I. **GRANTOR'S WAIVERS.** Grantor waives all rights or defenses arising by reason of any "one action" or "anti-deficiency" law, or any other law which may prevent Lender from bringing any action against Grantor, including all claims for the recovery of any deficiency to the extent Lender is otherwise entitled to thereto, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale.

II. **GRANTOR'S REPRESENTATIONS AND WARRANTIES.** Grantor warrants that: (a) this Mortgage is executed at Borrower's request and not at the request of Lender; (b) Grantor and the persons signing on behalf of Grantor, have full power, right, and authority to enter into this Mortgage and to encumber the Property; (c) the

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provisions of this Mortgage do not conflict with, or result in a default under any agreement or other instrument binding upon Grantor and do not result in a violation of any law, regulation, court decree or order applicable to Grantor; (d) Lender has made no representation to Grantor that is not contained herein, to induce Grantor to execute this Mortgage.

III. PAYMENT AND PERFORMANCE. Except as otherwise provided in this Mortgage, Borrower shall pay to Lender all Indebtedness secured by this Mortgage as it becomes due, and Borrower and Grantor shall strictly perform all Borrower's and Grantor's obligations under this Mortgage.

IV. POSSESSION, USE, AND MAINTENANCE OF THE PROPERTY.

A. Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property.

B. Duty to Maintain. Grantor shall maintain the Property in good and tenantable condition, in compliance with all applicable laws and ordinances, and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

C. Compliance with Environmental Laws. Grantor represents and warrants to Lender that: (1) During the period of Grantor's occupancy of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any pollutant or hazardous substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, as hereinafter defined; (b) any use, operation, manufacture, storage, treatment, disposal, release or threatened release of any pollutant or hazardous substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; (3) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any pollutant or hazardous substance on, under, about or from the Property; and (4) any such activity shall be conducted in compliance with all applicable Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Mortgage. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any environmental Laws and (2) agrees to indemnify and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from (a) any actual or threatened proceedings or enforcement efforts of any kind arising out of the actual or alleged failure of the property, or any owner or occupant thereof, to comply with any Environmental Laws; (b) any actual or alleged breach of this section of the Mortgage; or (c) as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release of any pollutant or hazardous substance occurring prior or subsequent to the date hereof, whether or not the same was or should have been known to Lender or Grantor. The provisions hereof, including the Grantor's indemnity obligations, shall survive the payment of the Indebtedness and the satisfaction and re-conveyance of the lien of this Mortgage and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

D. Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, soil, gravel or rock products without Lender's prior written consent.

E. Removal of Improvements. Grantor shall not demolish or remove any Improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any Improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such Improvements with Improvements of equal or greater value.

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F. Lender's Right to Enter. Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of determining Grantor's compliance with the terms and conditions of this Mortgage.

G. Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities, regarding the maintenance, use and/or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as (1) Grantor has notified Lender in writing prior to doing so, and (2) in Lender's sole opinion, Lender's interest in the Property is not thereby jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

H. Duty to Protect. Grantor agrees neither to abandon the Property, nor leave it unattended. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

V. TAXES AND LIENS

A. Payment of Taxes. Grantor shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges and sewer service charges levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of any liens having priority over or equal to the interest of Lender under this Mortgage, except for those liens specifically agreed to in writing by Lender, and except for the lien of taxes and assessments not due as further specified in the Right to Contest paragraph.

B. Real Estate Tax Information. Grantor agrees to provide Lender with proof of payment of each installment of the annual real estate taxes and any special assessments, levied upon the property, as often as reasonably requested by Lender.

C. Right to Contest. Grantor may withhold payment of the disputed portion of any tax, assessment, or claim in connection with a good faith dispute over the Grantor's obligation to pay, so long as Lender's interest in the Property, or the priority thereof, is not thereby jeopardized. If a lien arises or is filed as a result of nonpayment of any tax or other claim Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing thereof, secure the discharge of such lien, or if requested by Lender deposit with Lender cash, or an acceptable corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs, interest, penalties, attorneys' fees, and other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

D. Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of each installment of real estate taxes or assessments levied on the Property, and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the outstanding taxes and assessments against the Property.

E. Construction. No construction or alterations of any improvements on the Property shall be commenced, or contracted for, if same could result in the placement of a mechanic's or other lien against the Property, without Lender's prior consent in each instance, same not to be unreasonably withheld. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of such work, services, or materials. Grantor will, upon request of Lender, furnish to Lender, in advance, assurances satisfactory to Lender that Grantor can and will pay, or has paid, the cost of such improvements, including, at Lender's discretion, a surety bond or proof of the creation of a construction escrow.

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VI. INSURANCE.

A. Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all Improvements on the Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee or other clause designating Lender as an additional insured. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Lender being named as an additional insured in such policy or policies. Additionally, Grantor shall maintain such other insurance, including but not limited to hazard, business interruption and boiler insurance as Lender may require. Policies shall be written by such insurance companies and in such form as may be reasonably acceptable to Lender. Grantor shall deliver to Lender certificates of coverage from each insurer containing a stipulation that coverage will not be cancelled or diminished without a minimum of ten (10) days' prior written notice to Lender and not containing any disclaimer of the insurer's liability for failure to give such notice. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. If the Property is located in an area now or hereafter designated by the Director of the Federal Emergency Management Agency or other governmental agency as a special flood hazard area, Grantor agrees to obtain Federal Flood Insurance, if available, within 45 days after notice is given by Lender that the Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance in force for the term of the loan.

B. Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss on its own behalf, if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired by such loss, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to permit Grantor to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed Improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default of its obligations to Lender under the Note and/or this Mortgage. Any proceeds which have not been disbursed within 180 days after their receipt and which had not been committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under any provisions of this Mortgage, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. If Lender holds or acquires any insurance proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear.

C. Grantor's Report on Insurance. Grantor shall furnish to Lender proof of renewal or replacement of each existing policy of insurance showing: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured; (5) the then current replacement value of such property, and the manner of determining that value; and (6) the expiration date of the policy. Grantor shall, upon request of Lender, have an independent appraiser, satisfactory to Lender determine the cash value replacement cost of the Property.

VII. LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property, or if Grantor fails to comply with any provision of this Mortgage the Note, or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Mortgage or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action and pay any amount(s) that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property, and retaining attorneys, accountants, or other professionals to assist Lender in connection with any such matters. All such expenses will become a part of the Indebtedness secured by this Mortgage and, at Lender's option, will (A) be payable on demand; or (B) be added to the balance of the Indebtedness due under the Note and be apportioned among and be payable with any installment payments to become due during the remaining term of the Note with monthly payments to be increased, if necessary, to include additional interest due thereon. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate then being charged under the Note (including, if applicable, the Default Rate provided therein) from the date incurred or paid by Lender to the date of repayment by Grantor. Lender's rights hereunder shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

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VIII. WARRANTY; DEFENSE OF TITLE.

A. Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than this Mortgage, and matters contained in a title insurance policy to be issued in favor of, and accepted by, Lender in connection with this Mortgage, and (b) Grantor, has the full right, power, and authority to execute and deliver this Mortgage to Lender.

B. Defense of Title. Subject to the exceptions permitted by the preceding paragraph, Grantor warrants, and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Lender under this Mortgage, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceedings by counsel of Lender's own choice, at Grantor's sole cost and expense, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

C. Compliance with Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities, and will continue to do so until all indebtedness secured hereby has been paid in full.

D. Grantor's Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Mortgage shall survive the execution and delivery of this Mortgage, shall be continuing in nature, and shall remain in full force and effect until such time as Borrower's indebtedness has been paid in full. Grantor further acknowledges that, in making the loan and accepting the Note secured hereby, Lender has reasonably relied upon each and every representation, warranty, and undertaking of Grantor contained herein.

IX. CONDEMNATION.

If any proceeding to take all or any part of the Property by the exercise of eminent domain or other governmental action is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, at Grantor's sole cost and expense, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation. Lender may at its election require that all or any portion of the net proceeds of any condemnation award be applied to the indebtedness or (if applicable) to the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Lender in connection with the condemnation.

X. IMPOSITION OF OTHER TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES.

A. Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Mortgage and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Mortgage, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Mortgage.

B. Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax (other than federal and state income tax, as presently in force) upon this type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (2) a specific tax on Grantor and/or Borrower which Grantor and/or Borrower is authorized or required to deduct from payments on the indebtedness secured by this type of Mortgage; (3) a tax on this type of Mortgage chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the indebtedness or on payments of principal and interest made by Borrower.

C. Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Mortgage, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes

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delinquent, or (2) contests the tax as provided above in Article V, Section C., above, and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

XI. SECURITY AGREEMENT; FINANCING STATEMENTS. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time. Upon request by Lender, Grantor shall take whatever action is required by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Mortgage in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Mortgage as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach any fixtures or Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Mortgage may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Mortgage.

XII. FURTHER ASSURANCES. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Grantor's obligations under the Note, this Mortgage, and the Related Documents, and (2) the liens and security interests created by this Mortgage as first and prior liens on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

XIII. ATTORNEY-IN-FACT. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender or Lender's designated agent, as Grantor's attorney-in-fact, for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

XIV. FULL PERFORMANCE. If Borrower and/or Grantor pays all the Indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Mortgage, Lender shall execute and deliver to Grantor a suitable Release of this Mortgage and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Grantor will pay all costs for filing and recording of such Release documents, and shall be responsible for the filing or recording thereof.

XV. REINSTATEMENT OF SECURITY INTEREST. If payment is made to Lender by Borrower, whether voluntarily or otherwise, or by any guarantor or any third party, on the Indebtedness, and thereafter Lender is forced to remit any amount so paid (A) to Borrower's trustee in bankruptcy or to any similar person under any federal or state bankruptcy law or other law for the relief of debtors, (B) to any other person(s) by reason of any judgment, decree or order of any court or administrative body having jurisdiction over Lender or any of Lender's property, or (C) to any person by reason of any settlement or compromise of any claim made by Lender with any claimant (including without limitation Borrower) the amount so paid, and any other amounts owed under the Note or this Mortgage, shall be considered unpaid for the purpose of enforcement of this Mortgage and this Mortgage shall continue to be effective or shall be reinstated, as the case may be, notwithstanding any cancellation of this Mortgage or of any note or other instrument or agreement evidencing the Indebtedness, and the Property will continue to secure the amount repaid or recovered to the same extent as if that amount had never been paid to or received by Lender, and Grantor shall be bound by any judgment, decree, order, settlement or compromise relating to the Indebtedness or to this Mortgage.

XVI. EVENTS OF DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Mortgage, unless cured as provided herein:

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- A. Payment Default.** Borrower or Grantor fails to make any payment when due as provided herein, or under the Note, or to satisfy the entire the Indebtedness when required by the Note.
- B. Default on Other Payments.** Failure of Grantor, within the time required by this Mortgage, to make any payment for taxes or insurance, or any other payment necessary to prevent the filing, or to effect the discharge, of any lien against the Property.
- C. Regulatory Default.** Failure of any party to comply with or perform when due any term, obligation, covenant or condition contained in this Mortgage regarding compliance with Environmental Laws and ordinances, or any other laws or ordinances relating to the use, maintenance, or repair of the Property.
- D. Other Defaults.** Borrower or Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Mortgage or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower or Grantor.
- E. Default in Favor of Third Parties.** Should Borrower or any Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's or any Grantor's property or Borrower's ability to repay the Indebtedness or Borrower's or Grantor's ability to perform their respective obligations under this Mortgage or any related document.
- F. False Statements.** Any warranty, representation or statement made or furnished to Lender by Borrower or Grantor or on Borrower's or Grantor's behalf under this Mortgage or the Related Documents is, or becomes at any time thereafter, false or misleading in any material respect.
- G. Defective Collateralization.** This Mortgage or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.
- H. Insolvency.** The dissolution or termination of the Grantor, the insolvency of Borrower or Grantor, the appointment of a receiver for any part of Borrower's or Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower or Grantor.
- I. Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or Grantor or by any governmental agency against any property securing the Indebtedness. However, this Event of Default shall not apply if there is a good faith dispute by Borrower or Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower or Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond to protect Lender's interest in the Property pending the resolution of the dispute.
- J. Events Affecting Guarantor.** Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the Note or the Indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or their liability under, any Guaranty of the Indebtedness. Upon the death of a guarantor, Lender, at its sole discretion, may permit the guarantor's estate to assume unconditionally the obligations arising under the Guaranty in a manner satisfactory to Lender, and thereafter the death of the guarantor shall cease to be an Event of Default.
- K. Adverse Change.** A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.
- L. Insecurity.** Lender in good faith believes itself insecure, by reason of any other circumstance affecting Borrower, Grantor, the Property, or any guarantor.

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M. Transfer (Or Encumbrance). Any sale, transfer, or attempted sale or Transfer of all or any portion of the Property in violation of Article XVII hereof.

N. Right to Cure. If any default, other than a default in payment is curable and if Grantor has not been given a notice of a breach of the same provision of this Mortgage within the preceding twelve (12) months, it may be cured if Grantor, after receiving written notice from Lender demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

XVII. EFFECT OF SALE OR FURTHER ENCUMBRANCE. Notwithstanding any other provision of this Mortgage, the Note, or any other Related Document, Lender may, at its option, declare immediately due and payable all sums secured by this Mortgage upon the sale or transfer, without the Lender's prior written consent, of all or any part of Grantor's interest in the Property, or any other interest in the Property, whether voluntary or by operation of law, and including any sale in lieu of or in connection with any actual or proposed condemnation proceedings. For purposes of this paragraph, the pledge, hypothecation, grant of a mortgage or trust deed other than this Mortgage, or other encumbrance of the Property, whether to secure debt or for any other purpose, shall be deemed a transfer of part of Grantor's interest in the Property, and shall give rise to Lender's right to accelerate the Indebtedness.

XVIII. RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of an Event of Default and at any time thereafter, Lender, at Lender's option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

A. Accelerate Indebtedness. Lender shall have the right at its option upon notice to Grantor to declare the entire Indebtedness immediately due and payable.

B. UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

C. Collect Rents. Lender shall have the right, without notice to Borrower or Grantor, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

D. Mortgagee in Possession. Lender shall have the right to be placed as mortgagee in possession or to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The mortgagee in possession or receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

E. Judicial Foreclosure. Lender may obtain a judicial decree foreclosing Grantor's interest in all or any part of the Property.

F. Deficiency Judgment. If and to the extent permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the Indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this section.

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G. Other Remedies. Lender shall have all other rights and remedies provided in this Mortgage or the Note or available at law or in equity.

H. Sale of the Property. To the extent permitted by applicable law, Borrower and Grantor hereby waive any and all right to have the Property marshalled. In exercising its rights and remedies, Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

I. Notice of Sale. To the extent required by applicable law, Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

J. Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Mortgage, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies. Nothing under this Mortgage or otherwise shall be construed so as to limit or restrict the rights and remedies available to Lender following an Event of Default, or in any way to limit or restrict the rights and ability of Lender to proceed directly against Grantor and/or Borrower and/or against any other co-maker, guarantor, surety or endorser and/or to proceed against any other collateral directly or indirectly securing the Indebtedness.

K. Attorneys' Fees; Expenses. If Lender institutes any suit or action to foreclose on the Property, or to enforce any of the terms of this Mortgage, Lender shall be entitled to recover all attorneys' fees and other expenses incurred in the prosecution of such proceedings, including any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses that in Lender's opinion are necessary at any time for the protection of its interest in the Property, or for the enforcement of its rights under this Mortgage, shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate, or (if applicable) the Default Rate provided by the Note, from the date of the expenditure until repaid by Grantor or Borrower. Expenses covered by this paragraph include, without limitation, but subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, appraisal fees and title insurance, and fees paid to experts for assistance, or testimony in any proceedings. Grantor also will pay all court costs incurred by Lender in any proceedings relating to this Mortgage or the Property, in addition to all other sums provided or allowed by law.

XIX. NOTICES. Any notice required to be given under this Mortgage, including without limitation any notice of default and any notice of sale, shall be given in writing, and shall be effective: (1) upon delivery if delivered in person to Grantor's attention at the Property; (2) when actually received by telefacsimile (unless otherwise required by law); (3) when deposited with a nationally recognized overnight courier; or (4) if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the Grantor, at the Property, or at any address designated by Grantor as provided herein. Copies of all notices received by Grantor from the holder of any lien which has, or may acquire, priority over this Mortgage shall be sent to Lender's address, as shown herein. Any party may change its address for notices under this Mortgage by giving written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current residence and business addresses. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

XX. GENERAL PROVISIONS.

A. Amendments. This Mortgage, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Mortgage. No alteration of or amendment to this Mortgage shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

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- B. Annual Reports.** If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.
- C. Caption Headings.** Caption headings in this Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of this Mortgage.
- D. Governing Law.** This Mortgage will be governed by, construed and enforced in accordance with federal law and the laws of the State of Illinois. This Mortgage has been accepted by Lender in the State of Illinois.
- E. Choice of Venue, Jury Waiver.** Any proceeding arising hereunder shall be filed in the Circuit Court of Cook County, State of Illinois. Grantor hereby irrevocably waives the right to request or demand a jury trial in any such proceeding.
- F. Joint and Several Liability.** All obligations of Borrower and Grantor under this Mortgage shall be joint and several, and all references to Grantor shall mean each and every Grantor, and all references to Borrower shall mean each and every Borrower. This means that each Borrower and Grantor signing below is responsible for all obligations to Lender under the terms of this Mortgage.
- G. No Waiver by Lender.** Lender shall not be deemed to have waived any rights under this Mortgage the Note, or any Related Documents, unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any of such rights shall operate as a waiver of such right, or of any other right. A waiver by Lender of a provision of this Mortgage shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Mortgage. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future occurrences or transactions. Whenever the consent of Lender is required under this Mortgage, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.
- H. Severability.** If a court of competent jurisdiction finds any provision of this Mortgage to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Mortgage. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Mortgage shall not affect the legality, validity or enforceability of any other provision of this Mortgage.
- I. Merger.** There shall be no merger of the interest or estate created by this Mortgage with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.
- J. Successors and Assigns.** Subject to any limitations stated in this Mortgage on transfer of Grantor's interest, this Mortgage shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Mortgage and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Mortgage or liability under the Indebtedness.
- K. Time is of the Essence.** Time is of the essence in the performance of this Mortgage.
- L. Waiver of Homestead Exemption.** To the fullest extent permitted by law, Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Illinois as to all Indebtedness secured by this Mortgage.

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M. Waiver of Right of Redemption. NOTWITHSTANDING ANY OF THE PROVISIONS TO THE CONTRARY CONTAINED IN THIS MORTGAGE, GRANTOR HEREBY WAIVES, TO THE EXTENT PERMITTED UNDER 735 ILCS 5/15-1601 (b) OR ANY SIMILAR LAW EXISTING AFTER THE DATE OF THIS MORTGAGE, ANY AND ALL RIGHTS OF REDEMPTION ON GRANTOR'S BEHALF AND ON BEHALF OF ANY OTHER PERSONS PERMITTED OR ENTITLED TO REDEEM THE PROPERTY.

XXI. DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Mortgage:

A. Money, Amounts: All references herein to dollar amounts shall mean amounts in lawful money of the United States of America.

B. Borrower. The word "Borrower" means 9600 Milwaukee Avenue, LLC, and its successors, assignees, and in the event of dissolution of said Company, its members, and includes all co-signers and co-makers signing the Note, and all guarantors of the indebtedness.

C. Default. The word "Default" means any Event of Default set forth in this Mortgage in the section titled "Events of Default".

D. Environmental Laws. The term "Environmental Laws" means any and all state, federal and local statutes, regulations and ordinances relating to the prevention or abatement of pollution, protection of human health, or the protection and preservation of the earth's environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto, and any amendment, re-codification, or replacement(s) of any of said statutes.

E. Indebtedness. The term "Indebtedness" refers to (a) the principal amount of the Note referred to herein, plus (b) all amounts added to the principal as provided herein, by reason of expenses, fees, or other expenditures made by Lender under any provision of this Mortgage, or any of the Related Documents, plus (c) all interest accrued on the principal, at the rate (including, if applicable, the Default Rate) provided therein, plus (d) all interest accrued, at the rate or rates of interest then applicable, on any amounts added to principal, from and after the date that same are incurred or paid by Lender, and until paid or reimbursed by Grantor or Borrower, by reason of expenses, fees, or other expenditures made or incurred by Lender under any provision of this Mortgage or any of the Related Documents.

F. Related Documents. The term "Related Documents" refers to all other documents executed in connection with the loan secured hereby, including the Note, Assignment of Rents, and each personal guaranty, whether executed and tendered to Lender by Grantor, Borrower, or any other person.

G. Other. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Mortgage shall have the meanings attributed to such terms in the Uniform Commercial Code:

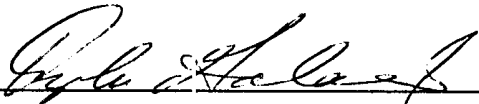
PRIOR TO SIGNING THIS MORTGAGE, THE PERSON(S) SIGNING ON BEHALF OF GRANTOR HAVE READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS MORTGAGE. EACH SUCH PERSON, AND GRANTOR, AGREES TO THE TERMS OF THE MORTGAGE. GRANTOR ACKNOWLEDGES RECEIPT OF A COMPLETE COPY OF THIS MORTGAGE.

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IN WITNESS WHEREOF, the Grantor has executed this instrument on this 31st day of January, 2008.

GRANTOR:

9600 MILWAUKEE AVENUE, LLC,

By: 
Angela Galanis, Manager

Printed Name: ANGELA GALANIS

STATE OF ILLINOIS

ss.

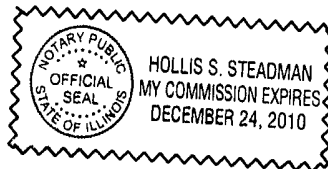
COUNTY OF COOK

I, the undersigned, a Notary Public in and for the County and State aforesaid, hereby certify that **Angela Galanis**, personally known to me to be the same person whose name and signature appear above, and to be the Manager of **9600 Milwaukee Avenue, LLC**, appeared before me on this 31st day of January, 2008, and executed the foregoing instrument, as her free and voluntary act, for the uses and purposes set forth therein.



NOTARY PUBLIC

[SEAL]



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EXHIBIT A

LEGAL DESCRIPTION

Legal Description: PARCEL 1:

THE NORTHWESTERLY 60 FEET OF THAT PART OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 11, TOWNSHIP 41 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTHWESTERLY OF MILWAUKEE AVENUE, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTH LINE OF SECTION 11 (THE CENTER LINE OF EVANSTON ELGIN ROAD - GOLF ROAD) WITH THE CENTER LINE OF MILWAUKEE AVENUE, THENCE NORTHWESTERLY ALONG THE CENTER LINE OF SAID MILWAUKEE AVENUE, A DISTANCE OF 307.79 FEET; THENCE SOUTHWESTERLY ALONG A LINE MAKING AN ANGLE OF 90 DEGREES, 0 MINUTES WITH THE CENTER LINE OF SAID MILWAUKEE AVENUE, A DISTANCE OF 55.00 FEET TO A POINT ESTABLISHED AS THE POINT OF BEGINNING; THENCE CONTINUING SOUTHWESTERLY ON THE SAME LAST DESCRIBED COURSE A DISTANCE OF 153.00 FEET; THENCE SOUTHEASTERLY ALONG A LINE MAKING AN ANGLE OF 90 DEGREES, 0 MINUTES WITH THE LAST DESCRIBED COURSE A DISTANCE OF 166.75 FEET; TO THE SOUTH LINE OF SAID SECTION 11, (BEING THE CENTER LINE OF EVANSTON ELGIN ROAD - GOLF ROAD); THENCE EAST ALONG THE SAID SOUTH LINE OF SECTION 11, TO A POINT 157.07 FEET WESTERLY OF THE POINT OF INTERSECTION OF THE SOUTH LINE OF SECTION 11 WITH THE CENTER LINE OF MILWAUKEE AVENUE; THENCE NORTHERLY AT RIGHT ANGLES, A DISTANCE OF 50.0 FEET TO THE NORTH LINE OF SAID EVANSTON ELGIN ROAD - GOLF ROAD; THENCE NORTHEASTERLY ALONG A CURVED LINE, CONCAVE TO THE NORHTWEST, HAVING A RADIUS OF 30 FEET WITH THE CENTRAL ANGLE OF 124 DEGREES, 09 MINUTES AND TANGENT TO SAID LAST DESCRIBED COURSE, A DISTANCE OF 65.0 FEET TO A POINT OF TANGENCY IN A LINE 55.0 FEET SOUTHWESTERLY OF THE CENTER LINE OF MILWAUKEE AVENUE; THENCE NORTHWESTERLY ALONG A LINE 55.0 SOUTHWESTERLY OF AND PARALLEL TO CENTER LINE OF MILWAUKEE AVENUE A DISTANCE OF 153.54 FEET TO THE POINT OF BEGINNING (EXCEPTING FROM DESCRIBED TRACT OF LAND THE SOUTH 50.0 FEET AS MEASURED AT RIGHT ANGLES TO THE CENTER LINE OF EVANSTON ELGIN ROAD - GOLF ROAD) IN COOK COUNTY, ILLINOIS.

PARCEL 2:

THAT PART OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 11, TOWNSHIP 41 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTHWESTERLY OF MILWAUKEE AVENUE, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTH LINE OF SECTION 11 (THE CENTER LINE OF EVANSTON ELGIN ROAD - GOLF ROAD) WITH THE CENTER LINE OF MILWAUKEE AVENUE, THENCE NORTHWESTERLY ALONG THE CENTER LINE OF SAID MILWAUKEE AVENUE, A DISTANCE OF 307.79 FEET; THENCE SOUTHWESTERLY ALONG A LINE MAKING AN ANGLE OF 90 DEGREES, 0 MINUTES WITH THE CENTER LINE OF SAID MILWAUKEE AVENUE, A DISTANCE OF 55.00 FEET TO A POINT ESTABLISHED AS THE POINT OF BEGINNING; THENCE CONTINUING SOUTHWESTERLY ON THE SAME LAST DESCRIBED COURSE A DISTANCE OF 153.00 FEET; THENCE SOUTHEASTERLY ALONG A LINE MAKING AN ANGLE OF 90 DEGREES, 0 MINUTES WITH THE LAST DESCRIBED COURSE A DISTANCE OF 166.75 FEET; TO THE SOUTH LINE OF SAID SECTION 11, (BEING THE CENTER LINE OF EVANSTON ELGIN ROAD - GOLF ROAD); THENCE EAST ALONG THE SAID SOUTH LINE OF SECTION 11, TO A POINT 157.07 FEET WESTERLY OF THE POINT OF INTERSECTION OF THE SOUTH LINE OF SECTION 11 WITH THE CENTER LINE OF MILWAUKEE AVENUE; THENCE NORTHERLY AT RIGHT ANGLES, A DISTANCE OF 50.0 FEET TO THE NORTH LINE OF SAID EVANSTON ELGIN ROAD - GOLF ROAD; THENCE NORTHEASTERLY ALONG A CURVED LINE, CONCAVE TO THE NORHTWEST, HAVING A RADIUS OF 30 FEET WITH THE CENTRAL ANGLE OF 124 DEGREES, 09 MINUTES AND TANGENT TO SAID LAST DESCRIBED COURSE, A DISTANCE OF 65.0 FEET TO A POINT OF TANGENCY IN A LINE 55.0 FEET SOUTHWESTERLY OF THE CENTER LINE OF MILWAUKEE AVENUE; THENCE NORTHWESTERLY ALONG A LINE 55.0 SOUTHWESTERLY OF AND PARALLEL TO CENTER LINE OF MILWAUKEE AVENUE A DISTANCE OF 153.54 FEET TO THE POINT OF BEGINNING (EXCEPTING FROM DESCRIBED TRACT OF LAND THE NORTHWESTERLY 60 FEET AND THE SOUTH 50.0 FEET AS MEASURED AT RIGHT ANGLES TO THE CENTER LINE OF EVANSTON ELGIN ROAD - GOLF ROAD) IN COOK COUNTY, ILLINOIS.

Permanent Index #'s: 09-11-303-012-0000 Vol: 86 and 09-11-303-013-0000 vol: 86

Property Address: 9600-9606 North Milwaukee Avenue, Niles, Illinois 60714