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Doc#: 0811218060 Fee: \$60.00  
Eugene "Gene" Moore RHSP Fee: \$10.00  
Cook County Recorder of Deeds  
Date: 04/21/2008 03:39 PM Pg: 1 of 13

*Instrument drafted by, and return to when recorded:*

Ioana Salajanu

Attorney At Law

101 N. Wacker, Suite 101

Chicago, IL 60606

## JUNIOR MORTGAGE

MORTGAGE NOTE: THIS IS A BALLOON MORTGAGE NOTE AND THE FINAL PAYMENT OR THE BALANCE DUE UPON MATURITY IS TWO HUNDRED FORTY THOUSAND DOLLARS AND ZERO CENTS (\$240,000.00), MADE BY THE MORTGAGEE UNDER THE TERMS OF THE MORTGAGE

**MORTGAGE NOTE** THIS MORTGAGE (herein "Instrument"), is made on December 18, 2007 between the Mortgagor, ATTILA GYURKO (herein "Borrower"), and the Mortgagee, ADRIAN TARAU, 36 S Ashland Unit 402, Chicago, IL (herein "Lender").

Whereas, Borrower is indebted to Lender in the principal sum of TWO HUNDRED FORTY THOUSAND DOLLARS AND ZERO CENTS (\$240,000.00), constitutes the agreed upon fixed interest amount, which indebtedness is evidenced by Borrower's Promissory Note ("Note") attached hereto as Exhibit A, providing for a balloon payment for the principal sum amount of TWO HUNDRED FORTY THOUSAND DOLLARS AND ZERO CENTS (\$240,000.00), of which FORTY THOUSAND DOLLARS AND ZERO CENTS (\$40,000.00) is due and payable to March 1, 2008 and TWO HUNDRED THOUSAND DOLLARS AND ZERO CENTS (\$200,000.00) is due payable on or before, but no later than May 31, 2008.

TO SECURE TO LENDER (a) the repayment of the indebtedness evidenced by the Note, with interest thereon, and all renewals, extensions and modifications thereof; (b) the repayment of any future advances, with interest thereon, made by Lender to Borrower (herein "Future Advances") hereof; (c) the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Instrument; and

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thereon, advanced in accordance herewith to protect the security of this Instrument; and (d) the performance of the covenants and agreements of Borrower herein contained, Borrower does hereby mortgage grant, convey and assign to Lender the following

LOT 11 IN BLOCK "E" IN HIGH RIDGE ACRES UNIT 5, BEING A SUBDIVISION IN THE SOUTHEAST ¼ OF SECTION 17, TOWNSHIP 43 NORTH, RANGE 12, AND THE NORTHEAST ¼ OF SECTION 20, TOWNSHIP 43 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL, ACCORDING TO THE PLAT THEREOF RECORDED APRIL 24, 1984 AS DOCUMENT 2278811, IN LAKE COUNTY, ILLINOIS.

and has an address of 2357 Tennyson Lane, Highland Park, IL 60035

PIN: 16 20 204 007 000

(Hereinafter Property").

TOGETHER with all buildings, improvements, hereditaments, appurtenances and tenements now or hereafter erected on the property, and all heretofore or hereafter vacated alleys and streets abutting the property, and all easements, rights, title, appurtenances, rents, royalties, mineral, oil and gas rights and profits of the Property".

Borrower covenant that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant, convey and assign the Property, that the property is unencumbered and that Borrower will warrant and defend generally the title to the Property against all claims and demands, subject to any easements and restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Lender's interest in the Property.

Borrower and Lender covenant and agree as follows:

**1. PAYMENT OF PRINCIPAL AND INTEREST.** Borrower shall promptly pay when due the total amount of principal, interest, if any, general real estate taxes, if any, and any other amounts due, if any, on the indebtedness evidenced and described in the Note, any late charges provided in the Note and any and all other sums secured by this Instrument. In the event the agreed payment is less than the interest due then the excess unpaid interest shall be added to the principal.

**2. FUNDS FOR TAXES, INSURANCE AND OTHER CHARGES.** Lender shall not escrow for the general real estate taxes or insurance. Borrower shall pay these costs directly themselves. Borrower shall provide proof of payment to Lender. In the event that the Borrower fails to pay the annual property taxes by the required due date, and fails to provide proof of payment to Lender, the mortgage shall be in default. Lender shall give to Borrower a five (5) days notice, from the receipt of the notice to the Borrower, for

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Borrower to cure this default and may then, at Lender' option, (i) foreclose the mortgage and/or (ii) pay the taxes itself, the amount of these taxes being added to the principal outstanding of the loan and drawing interest at the same rate as the remainder of the loan; said interest being a fixed interest rate agreed upon per the Promissory Note.

**3. APPLICATION OF PAYMENTS.** Unless applicable law provides otherwise, all payments received by Lender from Borrower under the Note or this Instrument shall be applied by Lender in the following order of priority: (i) amounts payable to Lender by Borrower under paragraph 2 hereof; (ii) interest payable on the Note; (iii) principal of the Note; (iv) interest payable on advances made by Lender to Borrower hereof; (v) principal of advances made pursuant to paragraph 8 hereof; (vi) interest payable on any Future Advance, provided that if more than one Future Advance is outstanding, Lender may apply payments received among the amounts of interest payable on the Future Advances in such order as Lender, in Lender' sole discretion, may determine; (vii) principal of any Future Advance, provided that if more than one Future Advance is outstanding, Lender may apply payments received among the principal balances of the Future Advances in such order as Lender, in Lender' sole discretion, may determine; and (viii) any other sums secured by this Instrument in such order as Lender, at Lender' option, may determine; provided, however, that Lender may, at Lender' option, apply any sums hereof prior to interest on and principal of the Note, but such application shall not otherwise affect the order of priority of application specified in this paragraph.

**4. CHARGES; LIENS.** Borrower shall pay, when due, the claims of all persons supplying labor or materials to or in connection with the Property. Without Lender' prior written permission, Borrower shall not allow any lien inferior to this Instrument to be perfected against the Property.

**5. HAZARD INSURANCE.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured by carriers at all times satisfactory to Lender against loss by fire, hazards included within the term "extended coverage", rent loss and such other hazards, casualties, liabilities and contingencies as Lender shall require and in such amounts and for such periods as Lender shall require. All premiums on insurance policies shall be paid in the manner provided pursuant to this Instrument hereof. All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of and in form acceptable to Lender. Lender shall have the right to hold the policies, and Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. At least thirty days prior to the expiration date of a policy, Borrower shall deliver to Lender a renewal policy in form satisfactory to Lender. In the event of loss, Borrower shall give immediate written notice to the insurance carrier and to Lender. Borrower hereby authorize and empower Lender as attorneys-in-fact for Borrower to make proof of loss, to adjust and compromise any claim under insurance policies, to appear in and prosecute any action arising from such insurance policies, to collect and receive insurance proceeds, and to deduct therefrom Lender' expenses incurred in the collection of such proceeds; provided however, that nothing contained in this paragraph shall require Lender to incur any expense or take any action hereunder. Borrower further authorizes Lender to apply the balance of such

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proceeds to the payment of the sums secured by this Instrument, whether or not then due, in the order of application set forth in paragraph 3 hereof accounting to the mortgagor for any surplus. In the event the Borrower does not renew the insurance policy then mortgagee may obtain loss payee insurance coverage only, which cost shall be payable by the mortgagor. Failure to reimburse the mortgagee for the cost of this policy within 30 calendar days after being mailed a bill for it shall constitute default under the mortgage.

If the insurance proceeds are applied to the payment of the sums secured by this Instrument, any such application of proceeds to principal shall not extend or postpone the due dates of the Note. If the Property is sold pursuant to Paragraph 19 hereof or if Lender acquires title to the Property, Lender shall have all of the right, title and interest of Borrower in and to such insurance policies and unearned premiums thereon and to the proceeds resulting from any damage to the Property prior to such sale and acquisition.

**6. PRESERVATION AND MAINTENANCE OF PROPERTY.** Borrower (a) shall not commit waste or permit impairment or deterioration of the Property, (b) shall not abandon the Property, (c) shall restore or repair promptly and in a good and workmanlike manner all or any part of the Property to the equivalent of its original condition, or such other condition as Lender may approve in writing, in the event of any damage, injury or loss thereto, whether or not insurance proceeds are available to cover in whole or in part the costs of such restoration or repair, (d) shall keep the Property, including improvements, fixtures, equipment, machinery and appliances thereon in good repair and shall replace fixtures, equipment, machinery and appliances on the Property when necessary to keep such items in good repair, (e) shall comply with all laws, ordinances, regulations and requirements of any governmental body applicable to the Property, and (f) shall give notice in writing to Lender of and, unless otherwise directed in writing by Lender, appear in and defend any action or proceeding purporting to affect the Property, the security of this Instrument or the rights or powers of Lender.

**7. USE OF PROPERTY.** Property may be used only for residential purposes.

**8. PROTECTION OF LENDER' SECURITY.** If Borrower fails to perform the covenants and agreements contained in this Instrument, or if any action or proceeding is commenced which affects the Property or title thereto or the interest of Lender therein, including, but not limited to, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Lender at Lender' option may make such appearances, disburse such sums and take such action as Lender deem necessary, in their sole discretion to protect Lender' interest, including, but not limited to, (i) disbursement of attorney's fees, (ii) entry upon the Property to make repairs, (iii) procurement of satisfactory insurance as provided in paragraph 5 hereof and may also (iv) declare all of the sums secured by this Instrument to be immediately due and payable without prior notice to Borrower, and Lender may invoke any remedies permitted by paragraph 19 of this Instrument.

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Any amounts disbursed by Lender pursuant to this paragraph, with interest thereon at the rate stated in the Note, shall become additional indebtedness of Borrower secured by this Instrument.

**9. INSPECTION.** Lender may make or cause to be made reasonable entries upon and inspections of the Property.

**10. CONDEMNATION.** Borrower shall promptly notify Lender of any action or proceeding relating to any condemnation or other taking, whether direct or indirect, of the Property, or part thereof, and Borrower shall appear in and prosecute any such action or proceeding unless otherwise directed by Lender in writing. Borrower authorize Lender, at Lender' option, as attorney-in-fact for Borrower, to commence, appear in and prosecute, in Lender' or Borrower' name, any action or proceeding relating to any condemnation or other taking of the Property, whether direct or indirect, and to settle or compromise any claim in connection with such condemnation or other taking. The proceeds of any award, payment or claim for damages, direct or consequential, in connection with any condemnation or other taking, whether direct or indirect, of the Property, or part thereof, or for conveyances in lieu of condemnation, are hereby assigned to and shall be paid to Lender.

Borrower authorizes Lender to apply such awards, payments, proceeds or damages, after the deduction of Lender' expenses incurred in the collection of such amounts, to payment of the sums secured by this Instrument, whether or not then due, in the order of application set forth in paragraph 3 hereof, with the balance, if any, to Borrower. Unless Borrower and Lender otherwise agree to in writing, any application of proceeds to principal shall not extend or postpone the due date of the payment(s) and due date(s) referred to in paragraphs 1 and 2 hereof or change the amount of such payments. Borrower agrees to execute such further evidence of assignment of any awards, proceeds, damages or claims arising in connection with such condemnation or taking as Lender may require.

**11. BORROWER AND LIEN NOT RELEASED.** From time to time, Lender may, at Lender' option, without giving notice to or obtaining the consent of Borrower, Borrower' successors or assigns or of any junior lienholder(s) or guarantors, without liability on Lender' part and notwithstanding Borrower' breach of any covenant or agreement of Borrower in this Instrument, extend the time for payment of said indebtedness or any part thereof, reduce the payments thereon, release anyone liable on any of said indebtedness, accept a renewal note or notes therefore, modify the terms and time of payment of said indebtedness, release from the lien of this Instrument any part of the Property, take or release other or additional security, reconvey any part of the Property, consent to any map or plan of the Property, consent to the granting of any easement, join in any extension or subordination agreement, and agree in writing with Borrower to modify the rate of interest or period of amortization of the Note or change the amount of the payable thereunder. Any actions taken by Lender pursuant to the terms of this paragraph 11 shall not affect the obligation of Borrower or Borrower's successors or assigns to pay the sums secured by this Instrument and to observe the covenants of Borrower contained herein,

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shall not affect the guaranty of any person, corporation, partnership or other entity for payment of the indebtedness secured hereby, and shall not affect the lien or priority of lien hereof on the Property. Borrower shall pay Lender a reasonable service charge, together with such title insurance premiums and attorney's fees as may be incurred at Lender' option, for any such action if taken at Borrower' request.

12. **FORBEARANCE BY LENDER NOT A WAIVER.** Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender' right to accelerate the maturity of the indebtedness secured by this Instrument.

13. **REMEDIES CUMULATIVE.** Each remedy provided in this Instrument is distinct and cumulative to all other rights or remedies under this Instrument, or afforded by law or equity and may be exercised concurrently, independently, or successively, in any order whatsoever.

14. **ACCELERATION IN CASE OF BORROWER'S INSOLVENCY.** If Borrower shall voluntarily file a petition under the Federal Bankruptcy Act, as such Act may from time to time be amended, or under any similar or successor Federal statute relating to bankruptcy, insolvency, arrangements or reorganizations, or under any state bankruptcy or insolvency act, or file an answer in an involuntary proceeding admitting insolvency or inability to pay debts, or if Borrower shall fail to obtain a vacation or stay of involuntary proceedings brought for the reorganization, dissolution or liquidation of Borrower, or if Borrower shall be adjudged a bankrupt, or if a trustee or receiver shall be appointed for Borrower or Borrower' property, or if the Property shall become subject to the jurisdiction of a Federal bankruptcy court or similar state court, or if Borrower shall make an assignment for the benefit of Borrower' creditors, or if there is an attachment, execution or other judicial seizure of any portion of Borrower' assets and such seizure is not discharged within ten days, then Lender may, at Lender' option, declare all of the sums secured by this Instrument to be immediately due and payable without prior notice to Borrower, and Lender may invoke any remedies permitted by paragraph 19 of this Instrument. Any attorney's fees and other expenses incurred by Lender in connection with Borrower' bankruptcy or any of the other aforesaid events shall be additional indebtedness of Borrower secured by this Instrument pursuant to paragraph 8 hereof.

15. **TRANSFERS OF THE PROPERTY OR BENEFICIAL INTERESTS IN BORROWER; ASSUMPTION.** On sale or transfer of (i) all or any part of the Property, or any interest therein, or (ii) beneficial interests in Borrower (if Borrower is not natural persons but is a corporation, partnership, trust or other legal entity), Lender may, at Lender' option, declare all of the sums secured by this Instrument to be immediately due and payable, and Lender may invoke any remedies permitted by paragraph 19 of this Instrument.

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16. **NOTICE.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Instrument or in the Note shall be given by mailing such notice by first class mail addressed to Borrower at Borrower' address provided herein or at such other address as Borrower may designate by notice in writing to Lender as provided herein, and (b) any notice to Lender shall be given by certified mail, return receipt requested, to Lender' address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Instrument or in the Note shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

17. **SUCCESSORS AND ASSIGNS BOUND; JOINT AND SEVERAL LIABILITY; AGENTS; CAPTIONS.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 15 hereof. All covenants and agreements of Borrower shall be joint and several. In exercising any rights here under or taking any actions provided for herein, Lender may act through its employees, agents or independent contractors as authorized by Lender. The captions and headings of the paragraphs of this Instrument are for convenience only and are not to be used to interpret or define the provisions hereof.

18. **GOVERNING LAW; SEVERABILITY.** This Instrument shall be governed by the law of the jurisdiction of the State of Illinois. In the event that any provision of this Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Instrument or the Note which can be given effect without the conflicting provisions, and to this end the provisions of this Instrument and the Note are declared to be severable.

19. **ACCELERATION; REMEDIES.** Upon Borrower' breach of any covenant or agreement of Borrower in this Instrument, including, but not limited to, the covenants to pay when due any sums secured by this Instrument, Lender at Lender' option may declare all of the sums secured by this Instrument to be immediately due and payable without further demand and may foreclose this Instrument by judicial proceeding and may invoke any other remedies permitted by applicable law or provided herein. Lender shall be entitled to collect all costs and expenses incurred in pursuing such remedies, including, but not limited to, attorney's fees, costs of documentary evidence, abstracts and title reports.

20. **RELEASE.** Upon payment of all sums secured by this Instrument, Lender shall release this Instrument. Borrower shall pay Lender' reasonable costs incurred in releasing this Instrument.

21. **ATTORNEY'S FEES.** As used in this Instrument and in the Note, "attorney's fees" shall include attorney's fees and costs, if any, incurred in addressing, disputing, negotiating and or litigating this Instrument and the Note.

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**22. RIDERS TO THIS INSTRUMENT.** If one or more riders are executed by Borrower and recorded together with this Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this instrument as if rider(s) were a part of this Instrument.

**23. HAZARDOUS SUBSTANCES.** Borrower shall not cause or permit the presence, use, disposal, storage or release of any Hazardous Substances on or in the Property. Borrower shall not do, or allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use or storage on the Property of small quantity of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

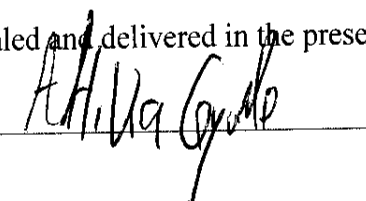
Borrower shall immediately give Lender written notice of any investigation, claim, demand lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learn, or are notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 23, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and including, but not limited to the following substances: gasoline, kereosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 23, "Environmental Law" means federal laws and laws of the jurisdiction where the property is located that relate to health, safety and environmental protection.

In Witness Whereof, Borrower has executed this Instrument or has caused the same to be executed by its representatives thereunto duly authorized.

Signed, sealed and delivered in the presence of:

Signature: \_\_\_\_\_



Date 12-18-07



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## PROMISSORY NOTE

This Promissory Note (Hereinafter "Note") is entered into by:

ADRIAN TARAU, or assignee  
36 S ASHLAND UNIT 402  
CHICAGO, IL 60607  
(Hereinafter "Lender")

&

ATTILA GYURKO, or assignee  
2357 TENNYSON LANE, HIGHLAND PARK, IL 60035  
(Hereinafter "Borrower")

### 1. PROMISE TO PAY

The Borrower promises to pay to the Lender the total amount of Two Hundred Forty Thousand Dollars and Zero Cents (\$240,000.00), of which the entire amount constitutes the return of principal and ZERO DOLLARS AND CENTS (\$0.00) constitutes the agreed upon fixed interest amount. Payments will be delivered to the following Lender's address above, a wire transfer to a bank account as Lender will determine or such other address as may later be agreed upon by the parties, in writing. This promise to pay is delineated and encompassed in this Promissory Note ("Note"), which is referenced and incorporated into its counterpart Mortgage.

### 2. COLLATERAL

This Note is secured by the following collateral: The Property is described as:

LOT 11 IN BLOCK "E" IN HIGH RIDGE ACRES UNIT 5, BEING A SUBDIVISION IN THE SOUTHEAST ¼ OF SECTION 17, TOWNSHIP 43 NORTH, RANGE 12, AND THE NORTHEAST ¼ OF SECTION 20, TOWNSHIP 43 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL, ACCORDING TO THE PLAT THEREOF RECORDED APRIL 24, 1984 AS DOCUMENT 2278811, IN LAKE COUNTY, ILLINOIS.

and has an address of 2357 Tennyson Lane, Highland Park, IL 60035

PIN: 16 20 204 007 000

Title to the Collateral will be retained by Lender until all payments due under this Note are paid in full.

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### 3. REPAYMENT

The amount promised under this Note will be repaid in full, as well as accrued interest thereon, if any, on or before, but no later than, May 31, 2008. Borrower shall pay the sum of Forty Thousand Dollars and Zero Cents (\$40,000.00) on or before March 1, 2008 and the sum of Two Hundred Thousand Dollars and Zero Cents (\$200,000.00), on or before May 31, 2008. The Borrower is not subject to any pre-payment penalties should Borrower elect to pay the entire amount due in full prior to the maturity date of March 1, 2008 and May 31, 2008.

Borrower shall be deemed in default on her payment terms if he is One (1) day late from the payment due date. In the event that Borrower defaults, Lender shall notify Borrower in writing of their default ("Notice of Default") providing Borrower with Five (5) calendar days to cure said default from the date of the Notice of Default. In the event that

Borrower fails to cure said default within Five (5) calendar days from the Notice of Default, Borrower agrees to an immediate entry of Judgment against Borrower. Borrower shall pay all costs, expenses and all reasonable legal costs incurred by the Lender, for the purpose of collection of this Note and including reasonable collection charges should collection be referred to a collection agency. These costs will be added to the outstanding principal and will become immediately due.

Additionally, Lender shall without prejudice, to the right of the Lender, bring an action of foreclosure, or other actions for a default or defaults by Borrower existing at the time such action was commenced. The rights of the Lender arising under the clauses and covenants contained in this Note shall be separate, distinct and cumulative, and none shall be to be exclusion of the others.

Title to the Collateral will be retained by Lender until all payments due under this Note are paid in full.

Unless otherwise agreed to in writing, or otherwise required by applicable law, payments will be applied first to unpaid accrued interest, then to the outstanding principal, and any remaining amount to any unpaid collection costs, delinquency charges, and other charges; provided, however, upon the occurrence of an Event of Default (as defined below), Lender reserves the right to apply payments among principal, interest, delinquency charges, collection costs, and other charges, at its discretion. All payments of principal or interest on this Note shall be made in lawful currency of the United States of America in immediately available funds, at the address of Lender indicated above, or at such other place as the holder of this Note shall designate in writing to Borrower. If any payment of principal or interest on this Note shall become due on a day which is not a Business Day (as hereafter defined), such payment shall be made on the next succeeding Business Day and any such extension of time shall be included in computing interest in connection with such payment. As used herein, the term "Business Day" shall mean any day other than a Saturday, Sunday, or any other day on which national banking associations are authorized to be closed.

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4. **ADDITIONAL ACTS OF DEFAULT.** Borrower shall be considered in default for the additional acts identified below. Lender has all of the remedies available to it as identified in this Note, and pursuant to any and all applicable laws, should Borrower be in default as identified below:

- a. Failure of full and timely payment as outlined in Paragraph 3;
- b. Default of any performance of the obligations of a Borrower under this Note;
- c. If Borrower files a petition for voluntary bankruptcy or for an arrangement or reorganization under any provisions of any bankruptcy or other similar statute;
- d. Upon failure to pay any taxes, water rate or other charge of the Property;
- e. If by order of a court of competent jurisdiction, a receiver, liquidator or trustee of Borrower, or of any of their property shall be appointed and shall not have been discharged within thirty days; or
- f. Default of any terms and conditions of the Note.

The failure to exercise the option to accelerate the maturity of this Note or any other right, remedy, or recourse available to Lender hereof upon the occurrence of an Event of Default hereunder shall not constitute a waiver of the right of the holder of this Note to exercise the same at that time or at any subsequent time with respect to such Event of Default or any other Event of Default. The rights, remedies, and resources of the Lender hereof, as provided in this Note, shall be cumulative and concurrent and may be pursued separately, successively, or together as often as occasion therefore shall arise, at the sole discretion of the holder hereof. The acceptance by the Lender hereof of any payment under this Note which is less than the payment in full of all amounts due and payable at the time of such payment shall not: (a) constitute a waiver of or impair, reduce, release, or extinguish any right, remedy, or recourse of the holder hereof, or nullify any prior exercise of any such right, remedy, or recourse, or (b) impair, reduce, release, or extinguish the obligations of the Borrower under the Purchase Agreement, if any, unless agreed to in writing by both Parties and unless such payment is less than the full amount due is permissible by law.

This Note shall be performed in accordance with, and only to the extent permitted by, all applicable usury laws. If any provision hereof or the application thereof to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, neither the application of such provision to any other person or circumstance nor the remainder of the instrument in which such provision is contained shall be affected thereby, and such provision and the remainder of such instrument shall be enforced to the greatest extent permitted by law, unless the respective violative provision affects the remainder of the Agreement. The Lender expressly states that it is the intention of the Lender hereof to at all times comply with the usury and other applicable laws now or hereafter governing the interest payable on the indebtedness evidenced by this Note. If the applicable law is ever revised, repealed, or judicially interpreted so as to render usurious any amount called for under this Note, or contracted for, charged, taken, reserved, or received with respect to the indebtedness evidenced by this Note, or if Lender's exercise of the option to accelerate the maturity of this Note, or

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if any prepayment by Borrower results in Borrower having paid any interest in excess of that permitted by law, then Borrower shall credit to Lender all excess amounts theretofore collected by Borrower, and such credit be applied to the principal balance of the Note (or, if this Note has been paid in full, refunded to Borrower), and the provisions of the Note shall immediately be deemed by Lender performed and the amounts thereafter collectable under the Note be deemed reduced or deemed payed if so payed, with the execution of a document, so as to comply with the then current and applicable law, but so as to permit the recovery of the fullest amount otherwise permitted pursuant to applicable law.

All sums paid, or agreed to be paid, by Borrower to Lender under this Note shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full term of such indebtedness until payment in full so that the rate or amount of interest on account of such indebtedness does not exceed the usury ceiling and applicable to such indebtedness for so long as such indebtedness is outstanding. Notwithstanding anything to the contrary contained herein or in the Purchase Agreement, it is not the intention of Lender to accelerate the maturity of any interest that has not accrued at the time of such acceleration or to collect unearned interest at the time of such acceleration

If this Note is placed in the hands of an attorney for collection, or is collected in whole or in part by suit or through probate, bankruptcy, or other legal proceedings of any kind, Borrower agrees to pay, in addition to all other sums payable hereunder, all costs and expenses of collection, including but not limited to reasonable attorneys' fees.

Borrower may not assign or transfer this Note or any of its obligations under this Note in any manner whatsoever without the prior written consent of Lender. This Note may be assigned at any time by Lender.

All references to Borrower or Lender herein shall include their respective legal representatives, successors, and permitted assigns and all covenants, stipulations, promises and agreements contained herein made by or on behalf of Borrower or Lender shall be binding upon their respective legal representatives, successors, and permitted assigns.

## 5. MODIFICATION

No modification or waiver of any of the terms of this Note shall be allowed unless by written agreement signed by both parties. No waiver of any breach or default hereunder shall be deemed a waiver of any subsequent breach or default of the same or similar nature.

## 6. BINDING EFFECT

Except as otherwise provided in this Note, all of the covenants, conditions, and provisions of this Note shall be binding upon the parties hereto and their respective heirs, personal representative's executors, administrators, successors, and assigns.

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7. HEADINGS

Headings are inserted for the convenience of the parties only and are not to be considered when interpreting this Note.

8. BREACH OF NOTE

The parties acknowledge that no breach of any provision of the Note shall be deemed waived unless evidenced in writing. A waiver of any one breach shall not be deemed a waiver of any other breach of the same or any other provision of the Note.

9. AMENDMENTS

This Note may be modified or amended by written agreement of both parties.

10. GOVERNING LAW

This Agreement is governed by the statutory and case law of the State of Illinois. The parties hereby indicate by their signatures below that they have read and agree with the terms and conditions of this Agreement in its entirety.

11. ASSIGNMENT

Borrower may assign this Note to Michael Iorga, Marcel Iorga or an entity in which Michael Iorga or Marcel Iorga has a legal interest. Borrower must notify Lender in writing of such assignment. Any assignment shall be made with the transfer of the exact same terms of this Note.

The parties hereby indicate by their signatures below that they have read and agree with the terms and conditions of this Note in its entirety.

ATTILA GYURKO, or assignee  
2357 TENNYSON LANE, HIGHLAND PARK, IL 60035

Signature: Attila Gyurko

Date 12-18-07

State of IL  
County of Cook

The undersigned, a notary public in and for the County and State, certifies that ATTILA GYURKO, known to me to be the same person whose name is subscribed as principal to the foregoing Promissory Note, ~~appeared before me in person and acknowledged~~ <sup>principal</sup>, for the uses and purposes therein set forth, and certified to the correctness of the signature(s) of the agent(s).

Dated: 12/18/07  
Notary Public: [Signature]  
My commission expires: \_\_\_\_\_

