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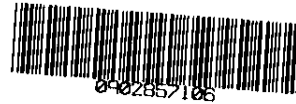
Illinois Anti-Predatory Lending Database Program

Certificate of Exemption

4390851 (1/1)

1-23
GIT

Report Mortgage Fraud
800-532-8785



Doc#: 0902857106 Fee: \$80.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 01/28/2009 01:07 PM Pg: 1 of 23

The property identified as: **PIN:** 20-19-231-021-0000

Address:

Street: 1616-22 WEST MARQUETTE ROAD

Street line 2:

City: CHICAGO

State: IL

ZIP Code: 60636

Lender: CHICAGO LEAD SAFE WINDOW SERVICES

Borrower: NATHANIEL M KING AND ARLENE O KING

Loan / Mortgage Amount: \$50,502.74

This property is located within Cook County and is exempt from the requirements of 765 ILCS (7/17) et seq. because it is commercial property.

Certificate number: 498CFBD7-4872-4745-97F6-812823DA1A95

Execution date: 01/13/2009

23

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This instrument was prepared by:

Francine Venegas
2923 W. Jackson Blvd.
Chicago, IL 60612

When recorded return to (name, address):

Chicago Lead Safe Windows
2923 W. Jackson Blvd.
Chicago, IL 60612

____ State of Illinois _____ Space Above This Line For Recording Data _____

REAL ESTATE MORTGAGE

(With Future Advance Clause)

1. **DATE AND PARTIES.** The date of this Mortgage (Security Instrument) is January 13, 2009 and the parties, their addresses and tax identification numbers, if required, are as follows:

MORTGAGOR:

Nathaniel M. King and Arlene O. King, husband and wife as joint tenants
8425 S. Wood Street, Chicago, IL 60620

If checked, refer to the attached Addendum incorporated herein, for additional Mortgagors, their signatures and acknowledgments.

LENDER:

CHICAGO LEAD SAFE WINDOW SERVICES
2923 W. JACKSON BLVD
CHICAGO, IL 60612

2. **CONVEYANCE.** For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debt (defined below) and Mortgagor's performance under this Security Instrument, Mortgagor grants, bargains, sells, conveys, mortgages and warrants to Lender the following described property:
SEE ATTACHED EXHIBIT A

The property is located in COOK _____ at _____
(County)

1616-22 W. Marquette Road _____, CHICAGO _____, Illinois 60636
(Address) (City) (Zip Code)

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, crops, timber, all diversion payments or third party payments made to crop producers, all water and riparian rights, wells, ditches, reservoirs, and water stock and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described above (all referred to as "Property").

3. **SECURED DEBT AND FUTURE ADVANCES.** The term "Secured Debt" is defined as follows:
A. Debt incurred under the terms of all promissory note(s), contract(s), guaranty(ies) or other evidence of debt described below and all their extensions, renewals, modifications or substitutions. (When referencing the debts below it is suggested that you include items such as borrowers' names, note amounts, interest rates, maturity dates, etc.)

NOTE DATED THE SAME AS THE MORTGAGE WITH THE MATURITY DATE 2/1/2023

Wuf *Ask*

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- B. All future advances from Lender to Mortgagor or other future obligations of Mortgagor to Lender under any promissory note, contract, guaranty, or other evidence of debt existing now or executed after this Security Instrument whether or not this Security Instrument is specifically referenced. If more than one person signs this Security Instrument, each Mortgagor agrees that this Security Instrument will secure all future advances and future obligations that are given to or incurred by any one or more Mortgagor, or any one or more Mortgagor and others. All future advances and other future obligations are secured by this Security Instrument even though all or part may not yet be advanced. All future advances and other future obligations are secured as if made on the date of this Security Instrument. Nothing in this Security Instrument shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment must be agreed to in a separate writing.
- C. All obligations Mortgagor owes to Lender, which now exist or may later arise, to the extent not prohibited by law including, but not limited to, liabilities for overdrafts relating to any deposit account agreement between Mortgagor and Lender.
- D. All additional sums advanced and expenses incurred by Lender for insuring, preserving or otherwise protecting the Property and its value and any other sums advanced and expenses incurred by Lender under the terms of this Security Instrument.

This Security Instrument will not secure any other debt if Lender fails to give any required notice of the right of rescission.

4. **PAYMENTS.** Mortgagor agrees that all payments under the Secured Debt will be paid when due and in accordance with the terms of the Secured Debt and this Security Instrument.
5. **PRIOR SECURITY INTERESTS.** With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Mortgagor agrees:
- To make all payments when due and to perform or comply with all covenants.
 - To promptly deliver to Lender any notices that Mortgagor receives from the holder.
 - Not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written consent.
6. **CLAIMS AGAINST TITLE.** Mortgagor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Mortgagor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Mortgagor's payment. Mortgagor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Mortgagor agrees to assign to Lender, as requested by Lender, any rights, claims or defense. Mortgagor may have against parties who supply labor or materials to maintain or improve the Property.
7. **DUE ON SALE OR ENCUMBRANCE.** Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of the Property. This right is subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable. This covenant shall run with the Property and shall remain in effect until the Secured Debt is paid in full and this Security Instrument is released.
8. **TRANSFER OF AN INTEREST IN THE MORTGAGOR.** If Mortgagor is an entity other than a natural person (such as a corporation or other organization), Lender may demand immediate payment if:
- A beneficial interest in Mortgagor is sold or transferred.
 - There is a change in either the identity or number of members of a partnership or similar entity.
 - There is a change in ownership of more than 25 percent of the voting stock of a corporation or similar entity.

However, Lender may not demand payment in the above situations if it is prohibited by law as of the date of this Security Instrument.

9. **ENTITY WARRANTIES AND REPRESENTATIONS.** If Mortgagor is an entity other than a natural person (such as a corporation or other organization), Mortgagor makes to Lender the following warranties and representations which shall continue as long as the Secured Debt remains outstanding:
- Mortgagor is duly organized and validly existing in Mortgagor's state of incorporation or organization. Mortgagor is in good standing in all states in which Mortgagor transacts business. Mortgagor has the power and authority to own the Property and to carry on its business as now being conducted and, as applicable, is qualified to do so in each state in which Mortgagor operates.
 - The execution, delivery and performance of this Security Instrument by Mortgagor and the obligations evidenced by the Secured Debt are within the power of Mortgagor, have been duly authorized, have received all

[Handwritten Signature]

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necessary governmental approval, and will not violate any provision of law, or order of court or governmental agency.

- C. Other than previously disclosed in writing to Lender, Mortgagor has not changed its name within the last ten years and has not used any other trade or fictitious name. Without Lender's prior written consent, Mortgagor does not and will not use any other name and will preserve its existing name, trade names and franchises until the Secured Debt is satisfied.

- 10. PROPERTY CONDITION, ALTERATIONS AND INSPECTION.** Mortgagor will keep the Property in good condition and make all repairs that are reasonably necessary. Mortgagor shall not commit or allow any waste, impairment, or deterioration of the Property. Mortgagor will keep the Property free of noxious weeds and grasses. Mortgagor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Mortgagor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Mortgagor will notify Lender of all demands, proceedings, claims, and actions against Mortgagor, and of any loss or damage to the Property.

No portion of the Property will be removed, demolished or materially altered without Lender's prior written consent except that Mortgagor has the right to remove items of personal property comprising a part of the Property that become worn or obsolete, provided that such personal property is replaced with other personal property at least equal in value to the replaced personal property, free from any title retention device, security agreement or other encumbrance. Such replacement of personal property will be deemed subject to the security interest created by this Security Instrument. Mortgagor shall not partition or subdivide the Property without Lender's prior written consent.

Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Lender shall give Mortgagor notice at the time of or before an inspection specifying a reasonable purpose for the inspection. Any inspection of the Property shall be entirely for Lender's benefit and Mortgagor will in no way rely on Lender's inspection.

- 11. AUTHORITY TO PERFORM.** If Mortgagor fails to perform any duty or any of the covenants contained in this Security Instrument, Lender may, without notice, perform or cause them to be performed. Mortgagor appoints Lender as attorney in fact to sign Mortgagor's name or pay any amount necessary for performance. Lender's right to perform for Mortgagor shall not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Security Instrument. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may take all steps necessary to protect Lender's security interest in the Property, including completion of any construction.

- 12. ASSIGNMENT OF LEASES AND RENTS.** Mortgagor assigns, grants, bargains, conveys, mortgages and warrants to Lender as additional security all the right, title and interest in the following (Property).

- A. Existing or future leases, subleases, licenses, guaranties and any other written or verbal agreements for the use and occupancy of the Property, including but not limited to, any extensions, renewals, modifications or replacements (Leases).
- B. Rents, issues and profits, including but not limited to, security deposits, minimum rents, percentage rents, additional rents, common area maintenance charges, parking charges, real estate taxes, other applicable taxes, insurance premium contributions, liquidated damages following default, cancellation premiums, "loss of rents" insurance, guest receipts, revenues, royalties, proceeds, bonuses, accounts, contract rights, general intangibles, and all rights and claims which Mortgagor may have that in any way pertain to or are on account of the use or occupancy of the whole or any part of the Property (Rents).

In the event any item listed as Leases or Rents is determined to be personal property, this Assignment will also be regarded as a security agreement.

Mortgagor will promptly provide Lender with copies of the Leases and will certify these Leases are true and correct copies. The existing Leases will be provided on execution of the Assignment, and all future Leases and any other information with respect to these Leases will be provided immediately after they are executed. Mortgagor may collect, receive, enjoy and use the Rents so long as Mortgagor is not in default. Mortgagor will not collect in advance any Rents due in future lease periods, unless Mortgagor first obtains Lender's written consent. Upon default, Mortgagor will receive any Rents in trust for Lender and Mortgagor will not commingle the Rents with any other funds. When Lender so directs, Mortgagor will endorse and deliver any payments of Rents from the Property to Lender. Amounts collected will be applied at Lender's discretion to the Secured Debts, the costs of managing, protecting and preserving the Property, and other necessary expenses. Mortgagor agrees that this Security Instrument is immediately effective between Mortgagor and Lender and effective as to third parties on the recording of this Assignment.

As long as this Assignment is in effect, Mortgagor warrants and represents that no default exists under the Leases, and the parties subject to the Leases have not violated any applicable law on leases, licenses and landlords and tenants. Mortgagor, at its sole cost and expense, will keep, observe and perform, and require all other parties to the Leases to comply with the Leases and any applicable law. If Mortgagor or any party to the Lease defaults or fails to observe any applicable law, Mortgagor will promptly notify Lender. If Mortgagor neglects or refuses to enforce compliance with the terms of the Leases, then Lender may, at Lender's option, enforce compliance.

Mortgagor will not sublet, modify, extend, cancel, or otherwise alter the Leases, or accept the surrender of the Property covered by the Leases (unless the Leases so require) without Lender's consent. Mortgagor will not assign,

Mark Ash

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compromise, subordinate or encumber the Leases and Rents without Lender's prior written consent. Lender does not assume or become liable for the Property's maintenance, depreciation, or other losses or damages when Lender acts to manage, protect or preserve the Property, except for losses and damages due to Lender's gross negligence or intentional torts. Otherwise, Mortgagor will indemnify Lender and hold Lender harmless for all liability, loss or damage that Lender may incur when Lender opts to exercise any of its remedies against any party obligated under the Leases.

13. LEASEHOLDS; CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS. Mortgagor agrees to comply with the provisions of any lease if this Security Instrument is on a leasehold. If the Property includes a unit in a condominium or a planned unit development, Mortgagor will perform all of Mortgagor's duties under the covenants, by-laws, or regulations of the condominium or planned unit development.

14. DEFAULT. Mortgagor will be in default if any of the following occur:

- A. Any party obligated on the Secured Debt fails to make payment when due;
- B. A breach of any term or covenant in this Security Instrument or any other document executed for the purpose of creating, securing or guarantying the Secured Debt;
- C. The making or furnishing of any verbal or written representation, statement or warranty to Lender that is false or incorrect in any material respect by Mortgagor or any person or entity obligated on the Secured Debt;
- D. The death, dissolution, or insolvency of, appointment of a receiver for, or application of any debtor relief law to, Mortgagor or any other person or entity obligated on the Secured Debt;
- E. A good faith belief by Lender at any time that Lender is insecure with respect to any person or entity obligated on the Secured Debt or that the prospect of any payment is impaired or the value of the Property is impaired;
- F. A material adverse change in Mortgagor's business including ownership, management, and financial conditions, which Lender in its opinion believes impairs the value of the Property or repayment of the Secured Debt; or
- G. Any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 C.F.R. Part 1940, Subpart G, Exhibit M.

15. REMEDIES ON DEFAULT. In some instances, federal and state law will require Lender to provide Mortgagor with notice of the right to cure or other notices and may establish time schedules for foreclosure actions. Subject to these limitations, if any, Lender may accelerate the Secured Debt and foreclose this Security Instrument in a manner provided by law if Mortgagor is in default. Upon default, Lender shall have the right, without declaring the whole indebtedness due and payable, to foreclose against all or part of the Property and shall have the right to possession provided by law. This Security Instrument shall continue as a lien on any part of the Property not sold on foreclosure.

At the option of Lender, all or any part of the agreed fees and charges, accrued interest and principal shall become immediately due and payable, after giving notice if required by law, upon the occurrence of a default or anytime thereafter. In addition, Lender shall be entitled to all the remedies provided by law, the terms of the Secured Debt, this Security Instrument and any related documents. All remedies are distinct, cumulative and not exclusive, and the Lender is entitled to all remedies provided at law or equity, whether or not expressly set forth. The acceptance by Lender of any sum in payment or partial payment on the Secured Debt after the balance is due or is accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Lender's right to require complete cure of any existing default. By not exercising any remedy on Mortgagor's default, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

16. EXPENSES; ADVANCES ON COVENANTS; ATTORNEYS' FEES; COLLECTION COSTS. Except when prohibited by law, Mortgagor agrees to pay all of Lender's expenses if Mortgagor breaches any covenant in this Security Instrument. Mortgagor will also pay on demand any amount incurred by Lender for insuring, inspecting, preserving or otherwise protecting the Property and Lender's security interest. These expenses will bear interest from the date of the payment until paid in full at the highest interest rate in effect as provided in the terms of the Secured Debt. Mortgagor agrees to pay all costs and expenses incurred by Lender in collecting, enforcing or protecting Lender's rights and remedies under this Security Instrument. This amount may include, but is not limited to, attorneys' fees, court costs, and other legal expenses. This Security Instrument shall remain in effect until released. Lender agrees to pay for any recordation costs of such release.

17. ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES. As used in this section, (1) Environmental Law means all federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste" or "hazardous substance" under any Environmental Law.

Mortgagor represents, warrants and agrees that:

- A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance has been, is, or will be located, transported, manufactured, treated, refined, or handled by any person on, under or about the Property, except in the ordinary course of business and in strict compliance with all applicable Environmental Law.

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- B. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor has not and will not cause, contribute to, or permit the release of any Hazardous Substance on the Property.
- C. Mortgagor will immediately notify Lender if (1) a release or threatened release of Hazardous Substance occurs on, under or about the Property or migrates or threatens to migrate from nearby property; or (2) there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor will take all necessary remedial action in accordance with Environmental Law.
- D. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor and every tenant have been, are and shall remain in full compliance with any applicable Environmental Law and Mortgagor has no knowledge of or reason to believe there is any pending or threatened investigation, claim, or proceeding of any kind relating to (1) any Hazardous Substance located on, under or about the Property; or (2) any violation by Mortgagor or any tenant of any Environmental Law. Mortgagor will immediately notify Lender in writing as soon as Mortgagor has reason to believe there is any such pending or threatened investigation, claim, or proceeding. In such an event, Lender has the right, but not the obligation, to participate in any such proceeding including the right to receive copies of any documents relating to such proceedings.
- E. Except as previously disclosed and acknowledged in writing to Lender, there are no underground storage tanks, private dumps or open wells located on or under the Property and no such tank, dump or well will be added unless Lender first consents in writing.
- F. Mortgagor will permit, or cause any tenant to permit, Lender or Lender's agent to enter and inspect the Property and review all records at any reasonable time to determine (1) the existence, location and nature of any Hazardous Substance on, under or about the Property; (2) the existence, location, nature, and magnitude of any Hazardous Substance that has been released on, under or about the Property; or (3) whether or not Mortgagor and any tenant are in compliance with applicable Environmental Law.
- G. Upon Lender's request and at any time, Mortgagor agrees, at Mortgagor's expense, to engage a qualified environmental engineer to prepare an environmental audit of the Property and to submit the results of such audit to Lender. The choice of the environmental engineer who will perform such audit is subject to Lender's approval.
- H. Lender may perform any of Mortgagor's obligations under this section at Mortgagor's expense.
- I. As a consequence of any breach of any representation, warranty or promise made in this section, (1) Mortgagor will indemnify and hold Lender and Lender's successors or assigns harmless from and against all losses, claims, demands, liabilities, damages, cleanup, response and remediation costs, penalties and expenses, including without limitation all costs of litigation and attorneys' fees which Lender and Lender's successors or assigns may sustain; and (2) at Lender's discretion, Lender may release this Security Instrument and in return Mortgagor will provide Lender with collateral of at least equal value to the Property secured by this Security Instrument without prejudice to any of Lender's rights under this Security Instrument.
- J. Notwithstanding any of the language contained in this Security Instrument to the contrary, the terms of this section shall survive any foreclosure or satisfaction of this Security Instrument regardless of any passage of title to Lender or any disposition by Lender of any or all of the Property. Any claims and defenses to the contrary are hereby waived.
- 18. CONDEMNATION.** Mortgagor will give Lender prompt notice of any pending or threatened action, by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Mortgagor authorizes Lender to intervene in Mortgagor's name in any of the above described actions or claims. Mortgagor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds shall be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.
- 19. INSURANCE.** Mortgagor agrees to maintain insurance as follows:
- A. Mortgagor shall keep the Property insured against loss by fire, flood, theft and other hazards and risks reasonably associated with the Property due to its type and location. This insurance shall be maintained in the amounts and for the periods that Lender requires. What Lender requires pursuant to the preceding two sentences can change during the term of the Secured Debt. The insurance carrier providing the insurance shall be chosen by Mortgagor subject to Lender's approval, which shall not be unreasonably withheld. If Mortgagor fails to maintain the coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property according to the terms of this Security Instrument.
- All insurance policies and renewals shall be acceptable to Lender and shall include a standard "mortgage clause" and, where applicable, "loss payee clause." Mortgagor shall immediately notify Lender of cancellation or termination of the insurance. Lender shall have the right to hold the policies and renewals. If Lender requires, Mortgagor shall immediately give to Lender all receipts of paid premiums and renewal notices. Upon loss, Mortgagor shall give immediate notice to the insurance carrier and Lender. Lender may make proof of loss if not made immediately by Mortgagor.

mmk *ack*

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Unless otherwise agreed in writing, all insurance proceeds shall be applied to restoration or repair of the Property or to the Secured Debt, whether or not then due, at Lender's option. Any application of proceeds to principal shall not extend or postpone the due date of scheduled payment nor change the amount of any payment. Any excess will be paid to the Mortgagor. If the Property is acquired by Lender, Mortgagor's right to any insurance policies and proceeds resulting from damage to the Property before the acquisition shall pass to Lender to the extent of the Secured Debt immediately before the acquisition.

- B. Mortgagor agrees to maintain comprehensive general liability insurance naming Lender as an additional insured in an amount acceptable to Lender, insuring against claims arising from any accident or occurrence in or on the Property.
- C. Mortgagor agrees to maintain rental loss or business interruption insurance, as required by Lender, in an amount equal to at least coverage of one year's debt service, and required escrow account deposits (if agreed to separately in writing), under a form of policy acceptable to Lender.

20. ESCROW FOR TAXES AND INSURANCE. Unless otherwise provided in a separate agreement, Mortgagor will not be required to pay to Lender funds for taxes and insurance in escrow.

21. FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS. Mortgagor will provide to Lender upon request, any financial statement or information Lender may deem reasonably necessary. Mortgagor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Mortgagor's obligations under this Security Instrument and Lender's lien status on the Property.

22. JOINT AND INDIVIDUAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND. All duties under this Security Instrument are joint and individual. If Mortgagor signs this Security Instrument but does not sign an evidence of debt, Mortgagor does so only to mortgage Mortgagor's interest in the Property to secure payment of the Secured Debt and Mortgagor does not agree to be personally liable on the Secured Debt. If this Security Instrument secures a guaranty between Lender and Mortgagor, Mortgagor agrees to waive any rights that may prevent Lender from bringing any action or claim against Mortgagor or any party indebted under the obligation. These rights may include, but are not limited to, any anti-deficiency or one-action laws. Mortgagor agrees that Lender and any party to this Security Instrument may extend, modify or make any change in the terms of this Security Instrument or any evidence of debt without Mortgagor's consent. Such a change will not release Mortgagor from the terms of this Security Instrument. The duties and benefits of this Security Instrument shall bind and benefit the successors and assigns of Mortgagor and Lender.

23. APPLICABLE LAW; SEVERABILITY; INTERPRETATION. This Security Instrument is governed by the laws of the jurisdiction in which Lender is located, except to the extent otherwise required by the laws of the jurisdiction where the Property is located. This Security Instrument is complete and fully integrated. This Security Instrument may not be amended or modified by oral agreement. Any section in this Security Instrument, attachments, or any agreement related to the Secured Debt that conflicts with applicable law will not be effective, unless that law expressly or impliedly permits the variations by written agreement. If any section of this Security Instrument cannot be enforced according to its terms, that section will be severed and will not affect the enforceability of the remainder of this Security Instrument. Whenever used, the singular shall include the plural and the plural the singular. The captions and headings of the sections of this Security Instrument are for convenience only and are not to be used to interpret or define the terms of this Security Instrument. Time is of the essence in this Security Instrument.

24. NOTICE. Unless otherwise required by law, any notice shall be given by delivering it or by mailing it by first class mail to the appropriate party's address on page 1 of this Security Instrument, or to any other address designated in writing. Notice to one mortgagor will be deemed to be notice to all mortgagors.

25. WAIVERS. Except to the extent prohibited by law, Mortgagor hereby waives and releases any and all rights and remedies Mortgagor may now have or acquire in the future relating to the right of homestead exemption, redemption, reinstatement, appraisalment, the marshalling of liens and assets and all other exemptions as to the Property.

26. MAXIMUM OBLIGATION LIMIT. The total principal amount secured by this Security Instrument at any one time shall not exceed \$ 50,502.74. This limitation of amount does not include interest, attorneys fees, and other fees and charges validly made pursuant to this Security Instrument. Also, this limitation does not apply to advances made under the terms of this Security Instrument to protect Lender's security and to perform any of the covenants contained in this Security Instrument.

27. U.C.C. PROVISIONS. If checked, the following are applicable to, but do not limit, this Security Instrument:

- Construction Loan.** This Security Instrument secures an obligation incurred for the construction of an improvement on the Property.
- Fixture Filing.** Mortgagor grants to Lender a security interest in all goods that Mortgagor owns now or in the future and that are or will become fixtures related to the Property.
- Crops; Timber; Minerals; Rents, Issues and Profits.** Mortgagor grants to Lender a security interest in all crops, timber and minerals located on the Property as well as all rents, issues, and profits of them including, but not limited to, all Conservation Reserve Program (CRP) and Payment in Kind (PIK) payments and similar governmental programs (all of which shall also be included in the term "Property").

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- Personal Property.** Mortgagor grants to Lender a security interest in all personal property located on or connected with the Property, including all farm products, inventory, equipment, accounts, documents, instruments, chattel paper, general intangibles, and all other items of personal property Mortgagor owns now or in the future and that are used or useful in the construction, ownership, operation, management, or maintenance of the Property (all of which shall also be included in the term "Property"). The term "personal property" specifically excludes that property described as "household goods" secured in connection with a "consumer" loan as those terms are defined in applicable federal regulations governing unfair and deceptive credit practices.
- Filing As Financing Statement.** Mortgagor agrees and acknowledges that this Security Instrument also suffices as a financing statement and any carbon, photographic or other reproduction may be filed of record for purposes of Article 9 of the Uniform Commercial Code.

28. OTHER TERMS. If checked, the following are applicable to this Security Instrument:

- Line of Credit.** The Secured Debt includes a revolving line of credit provision. Although the Secured Debt may be reduced to a zero balance, this Security Instrument will remain in effect until released.
- Separate Assignment.** The Mortgagor has executed or will execute a separate assignment of leases and rents. If the separate assignment of leases and rents is properly executed and recorded, then the separate assignment will supersede this Security Instrument's "Assignment of Leases and Rents" section.

SIGNATURES: By signing below, Mortgagor agrees to the terms and covenants contained in this Security Instrument and in any attachments. Mortgagor also acknowledges receipt of a copy of this Security Instrument on the date stated on page 1.

Entity Name: _____	Entity Name: <u>Arlene O. King</u>
<u>Nathaniel M. King</u> 1-13-09	<u>Arlene O. King</u> 1-13-09
(Signature) Nathaniel M. King (Date)	(Signature) Arlene O. King (Date)
_____ (Signature) (Date)	_____ (Signature) (Date)

ACKNOWLEDGMENT:

(Individual) STATE OF IL, COUNTY OF Cook } ss.
 This instrument was acknowledged before me this 13th day of January, 2009
 by Nathaniel M. King and Arlene O. King
 My commission expires: 2-10-2011



Danielle B. Cooper
 (Notary Public)

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Exhibit A - Legal Description

Loan #: 9200062
Property Tax ID: 20-19-231-021-000
Property Address: 1616-22 W. Marquette Road
Chicago, IL 60636

LOTS 25 & 26 (EXCEPT THE NORTH 1 FOOT OF LOT 26) IN BLK 64 IN DREXEL PARK
BEING A SUBDIVISION OF THE EAST 1/4 OF THE NORTH 1/2 OF SECTION 19, TOWNSHIP
38 NORTH, RANGE 14, ETPM, ICCI.

** A SUPPLEMENTAL AGREEMENT HAS BEEN EXECUTED AND IS ATTACHED HERETO AND
INCORPORATED HERewith INTO THIS SECURITY INSTRUMENT**

Property of Cook County Clerk's Office

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SUPPLEMENTAL AGREEMENT TO SECURITY INSTRUMENT AND OTHER LOAN DOCUMENTS

Loan Number: 9200062

Reference is made to that certain Real Estate Mortgage (the "**Security Instrument**") which is a lien on 1616-22 W. Marquette Road, Chicago, Illinois, legally described on Exhibit A (the "**Property**"), securing a Promissory Note made by Nathaniel King and Arlene King ("**Borrower**"), in favor of Chicago Lead Safe Window Services, LLC ("**Lender**") in the original principal amount of \$50,502.74, as amended (the "**Note**").

This Supplemental Agreement (this "**Agreement**") is entered into by Borrower and Lender, dated as of the date set forth below, concurrently with the execution and delivery of the Note and the Security Instrument with the intent that the provisions of this Agreement are supplemental to the terms and provisions of the Note, the Security Instrument and the other Loan Documents (defined below).

Lender and Borrower agree as follows:

A-1 SUPPLEMENT; CONFLICT. As used in this Agreement, "**Loan Documents**" shall mean the Note, the Security Instrument, this Agreement, the guaranty and each and every other document, instrument and agreement entered into by Borrower, guarantor or any other person to create, evidence or secure the Secured Debt (as defined in the Security Instrument), and all restatements, modifications and amendments thereto. To the extent permitted, the terms of this Agreement and the other Loan Documents shall be given full force and effect, however, in the event of an irreconcilable difference between this Agreement and the other Loan Documents, the terms of this Agreement shall control.

A-2 INTEREST RATE. Notwithstanding anything to the contrary contained in the Note or the other Loan Document, subject to the provisions of Section A-3, the outstanding principal balance of the Note shall bear interest at a rate equal to the greater of: (1) nine percent (9%) per annum; or (2) one percent (1%) plus the rate of interest reported as the "Prime Rate" in the Wall Street Journal (Central Edition), floating daily (the "**Interest Rate**").

A-3 DEFAULT RATE. Upon the occurrence of a default and at all times after the Maturity Date, the Secured Debt shall bear interest at a rate equal to ten percent (10%) plus the Interest Rate otherwise applicable hereunder (the "**Default Rate**").

A-4 SECURED DEBT. Borrower expressly agrees that all obligations and liabilities of Borrower to Lender under this Agreement (including the obligation to pay interest at the Interest Rate or the Default Rate (as applicable), all enforcement costs and all other amounts due from Borrower to Lender) are part of the Secured Debt, secured by the Security Instrument and the other Loan Documents. Borrower shall pay to Lender all costs and expenses incurred by Lender in the enforcement of any obligation or liability under this Agreement or any other Loan Document, including attorney's fees at the rates charged by large law firms in the City of Chicago, court costs, title costs and all other costs and expenses incurred by Lender. Such enforcement costs shall be paid on demand, and if not paid on demand, shall bear interest at the Default Rate.

A-5 PAYMENTS OF SECURED DEBT. Notwithstanding anything to the contrary contained in the Note or any other Loan Document, commencing on 3/1/2009 and on the first day of each month thereafter during the term of the Note, Borrower

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shall make monthly payments equal to the sum of: (1) principal in the amount equal to \$300.61; plus (2) accrued but unpaid interest at the interest rate set forth in Section A-2 of this Agreement. The unpaid principal balance plus all accrued but unpaid interest shall be due and payable on 2/1/2023 unless due and payable earlier as a result of acceleration in accordance with the provisions of the Loan Documents. Borrower shall make all payments of principal and interest, without offset, deduction or counterclaim. Borrower acknowledges that this Note was delivered to Lender in partial payment for lead abatement services performed by Lender. Borrower waives all right to deduct from payments due under the Note any amount Borrower may claim due from Lender relating to such work.

A-6 PLACE OF PAYMENT. Lender hereby irrevocably directs Borrower to make all payments payable to the order of Chicago Lead Safe Window Services, LLC.

A-7 LEAD SAFE HOME INITIATE. The City of Chicago desires to procure lead poisoning prevention services through its Lead-Based Paint Hazard Control Program. The City of Chicago acting through its Department of Health has entered into a grant agreement for the funding of the Chicago Lead Safe Home Initiative with Delta Redevelopment Institute ("**Delta**") dated July 1, 2006 (the "**Grant Agreement**"), the proceeds of which are to be loaned to Lender pursuant to the terms of that certain LASC Loan Agreement by and between Lender (as debtor), Great Lakes Region Sustainability Funds LLC, as lender, and Great Lakes Tax Credit Fund I-A LLC, as agent ("**Collateral Agent**"). Said loan agreement, together with all documents, instruments and agreements evidencing, securing or securing the indebtedness thereunder are referred to as the "**LASC Documents**". In addition to the LASC Documents, Collateral Agent (as lender and agent) has agreed to loan to Lender (as debtor) funds to perform lead abatement services. The loan agreement between Collateral Agent (as lender and agent) and Lender (as debtor), together with all documents, agreements and instruments evidencing, securing or securing such indebtedness is referred to collectively as the "**Fund Documents**". Lender has used the proceeds of the loans provided under the Fund Documents and the LASC Documents to provide lead abatement services to Borrower and to permit Borrower to pay for such services, in part, by the Note.

A-8 FORGIVENESS OF PRINCIPAL. If Lender fully performs all obligations under the LASC Documents, a portion of the indebtedness owed by Lender will be forgiven. Lender intends to pass such forgiveness on to Borrower. If: (1) Borrower fully and timely pays and performs all liabilities and obligations of Borrower to Lender under the Loan Documents; and (2) there is no prepayment of the Secured Debt; and (3) the principal amount of the LASC Loan has been forgiven in accordance with the provisions of the LASC Documents, then promptly after the Maturity Date, Lender shall forgive one-half of the principal amount of the Secured Debt. If Borrower has paid more than one-half of the principal amount of the Secured Debt on the date of forgiveness, Lender shall promptly refund the over-payment of principal to Borrower, without interest.

A-9 PREPAYMENT PROHIBITED. Notwithstanding anything to the contrary contained in the Note or in any other Loan Document, the indebtedness evidenced by the Note and all other Secured Debt may not be prepaid in part prior to the Maturity Date. Borrower shall have the right to prepay the Secured Debt in whole (but not in part) prior to the Maturity Date (including any prepayment made following a default and acceleration of the Secured Debt). Borrower hereby expressly agrees to pay to Lender, in addition to the amount prepaid, an amount equal to all interest that would accrue and be due and payable had no prepayment occurred from the date of prepayment through and including the Maturity Date, at the then applicable Interest Rate (the "**Prepayment Charge**"), without offset, deduction or adjustment for present value. Borrower expressly acknowledges that the Fund Documents and the LASC

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Documents expressly prohibit prepayment of the loans made to Lender and therefor, an absolute prohibition on partial prepayment by Borrower and the amount of the Prepayment Charge is reasonable. In the event Borrower prepays the Secured Debt prior to the Maturity Date, for any reason whatsoever, Borrower expressly waives the right to forgiveness pursuant to Section A-8.

A-10 BORROWER'S ORGANIZATION. Section not applicable since Borrower is not an organization.

A-11 ASSIGNMENT TO COLLATERAL AGENT. Borrower hereby acknowledges that Lender shall endorse the Note to Collateral Agent and shall collaterally assign the Security Instrument to Collateral Agent, and all other Loan Documents to Collateral Agent and that Collateral Agent shall be the holder of the Note following such assignment. Notwithstanding such assignment, until Borrower receives written notice from Collateral Agent all communication relating to the Secured Debt shall be between Borrower and Lender.

A-12 INSPECTION OF PROPERTY. Lender, Collateral Agent, and all other agents of Lender shall have the right to inspect the Property at such time and from time to time as Lender or Collateral Agent deems appropriate upon not less than two (2) days prior notice. Borrower shall be available to show Lender, Collateral Agent and any other agent of Lender the Property during such inspection.

A-13 MANDATORY REPORTING. On or before January 31 of each year, Borrower shall deliver to Lender and to Collateral Agent, a rent roll for the tenants that resided in the Property during the previous calendar year, certifying: (i) that the apartment units are "affordable housing" (i.e. that rent charged for such unit is affordable to families with incomes lower than eighty percent (80%) of the United States Department of Housing and Urban Development for the Chicago metropolitan area according to HUD's guidelines posted in Title X; (ii) the Property was constructed prior to 1978; (iii) the Property has not been used as a single-room occupancy or senior only housing unit; (iv) all rents and other charges and fees that are related to the occupancy of residential units; (v) in the name of each tenant and the unit that he/she occupies; (vi) the period of each tenant's occupancy during the preceding calendar year; and (vii) all rents and other charges and fees that are related to the occupancy by tenant. Each rent roll shall be certified by Borrower as true, accurate and complete. FAILURE TO DELIVER THIS DOCUMENTATION MAY RESULT IN A DECLARATION OF DEFAULT THAT WILL ACCELERATE THE LOAN AND DISQUALIFY THE FORGIVENESS OF A PORTION OF THE LOAN.

A-14 PERFORMANCE. Borrower shall pay every liability and perform every obligation under the Security Instrument, and every other mortgage, security agreement, covenant or restriction encumbering the Property, including any mortgage prior to the Security Instrument.

A-15 TRANSFER PROHIBITED. In addition to the prohibitions set forth in Sections 7 and 8 of the Security Instrument and not in lieu thereof, at all times during the term hereof, Borrower shall be the fee title owner of the Property, subject to no liens, except as disclosed in the title insurance policy insuring the Security Instrument.

(a) Borrower shall not, without the prior written consent of Lender, which consent may be withheld in Lender's sole and exclusive discretion:

- i. directly or indirectly pledge, mortgage, grant a security interest in, sell, contract to sell, assign, transfer, convey, or dispose of the Property or any other Collateral, or any thereof or any interest or estate therein, whether legal, equitable, beneficial or possessory, including but not limited to: (1) any conveyance into trust; (2) any

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conveyance, sale or assignment of the beneficial interest in any trust holding title to the Property; (3) any conveyance, sale or assignment of the issued and outstanding capital stock, membership interest, partnership interest, or other equity interest of Borrower; or (4) permit or contract or agree to do any of the foregoing; or (5) subject or permit the Property or any other Collateral, or any portion thereof or interest therein (whether legal, equitable, beneficial or otherwise) or estate in any thereof (including the right to receive the rents and profits therefrom) directly or indirectly, to any mortgage, deed of trust, lien, claim, security interest, encumbrance or right (whether senior or junior to, or on a parity with, the Security Instrument);

- ii. subject or permit the beneficial interest under any trust holding title to the Property, or any portion thereof or interest therein (whether legal, equitable, beneficial or otherwise) or estate in any thereof (or permit the same to be subjected), directly or indirectly, to any mortgage, deed of trust, lien, claim, security interest, encumbrance, collateral assignment or right;
- iii. lease the Property or any apartment unit for a term of more than one (1) year or for a rent that exceeds the rent for "affordable housing";
- iv. cause or permit (by operation of law or otherwise) any rents, leases, or other contracts relating to the Property to be assigned to any party nor borrow against, pledge or further assign any rents due under any lease; or
- v. cause or permit any lien, including without limitation, any easement, covenant, declaration or restriction encumbering the Property or any portion thereof or consent to the annexation of the Property to any municipality.

(b) The covenants set forth in this Section A-15 are a material inducement to Lender to make the Loan to Borrower and any breach of such covenants shall be an immediate default, permitting Lender to accelerate the indebtedness, without prior notice to Borrower or any opportunity to cure. For greater certainty, any sale, conveyance, transfer, pledge, or mortgage, other than the Security Instrument, or other encumbrance of any right, title to, or interest in the Property (whether legal or equitable) or any portion thereof, or any sale, transfer or assignment (either outright or collateral) of all or any part of the beneficial interest in any trust holding title to the Property, or any transfers of stock in the owner of the Property (where the equity owner of the Property is a corporation) or transfer of a partnership interest (where the equity owner is a partnership) or transfer of a membership interest (where the equity owner of the Property is a limited liability company), without the prior written approval of Lender shall, at the option of Lender, constitute any default, in which event Lender may declare the Secured Debt to be immediately due and payable, and foreclose lien of the Security Instrument immediately or at any time after such default occurs. In addition, once approved by Lender (which shall be deemed effective as of the Closing Date), there shall be no material modification of the ownership, management, or economic interests of the Borrower.

(c) Notwithstanding anything to the contrary contained in this Agreement, if Lender and Collateral Agent (acting in their sole and exclusive discretion) consent to the sale of the Property, any such consent shall be subject to the satisfaction of the following conditions:

- (i) no default exists under the Note, the Security Instrument or any other Loan Document;
- (ii) Borrower has provided Lender and Collateral Agent with written notice of the terms of

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such prospective sale not less than thirty (30) days before the date on which such sale is scheduled to close and, concurrently therewith, has delivered to Lender and Collateral Agent all such information concerning the proposed transferee of the Property ("**Buyer**") as Lender and Collateral Agent, respectively, reasonably require. In determining whether to give or withhold its approval of the proposed Buyer, Lender shall consider the Buyer's experience and track record in owning and operating facilities similar to the Property, the Buyer's financial strength, the Buyer's general business standing and the Buyer's relationships and experience with contractors, vendors, tenants, lenders, and other business entities; provided that, notwithstanding Lender's and Collateral Agent's agreement to consider the foregoing factors in determining whether to give or withhold such approval, such approval shall be given or withheld based on those factors Lender and Collateral Agent determine to be of importance in their sole discretion;

- (iii) Buyer assumes and agrees to pay the indebtedness secured by the Loan Documents as and when due, and prior to or concurrently with the closing of such sale, the Buyer executes such documents as Lender and Collateral Agent shall reasonably require to evidence and effect said assignment and assumption of the Loan Documents;
- (iv) Borrower delivers to Lender at Borrower's expense such endorsements to Lender's title insurance policy, hazard insurance endorsements, or certificates and other similar materials as Lender may reasonably deem necessary at the time of the sale, all in form and substance reasonably satisfactory to Lender, including, without limitation, an endorsement or endorsements to Borrower's title insurance policy insuring the lien of the Security Instrument and insuring that fee simple title to the Property is vested in the Buyer; and
- (v) Buyer shall furnish, if the Buyer is a corporation, partnership, or other business entity, all appropriate papers evidencing the Buyer's capacity and good standing, and the qualification of the signatories to execute the assumption of the indebtedness secured by the Security Instrument, which papers shall include certified copies of documents evidencing the organization or formation of the Buyer.

A-16 BUSINESS LOAN. Borrower hereby represents that the Property is investment property, owned by Borrower as an income-producing property, for a business purpose. Borrower represents that the proceeds of the Secured Debt shall be used for a business purpose, and the Property shall not be used as the Borrower's principal residence.

A-17 INDEMNIFICATION; SUBROGATION; WAIVER OF OFFSET.

(a) If Lender is made a party to any litigation concerning the Note, the Security Instrument, this Agreement, any of the Loan Documents, or the Property, then Borrower shall indemnify, defend and hold Lender harmless for, from and against all liability by reason of said litigation, including reasonable attorneys' fees and expenses incurred by Lender as a result of any such litigation, whether or not any such litigation is prosecuted to judgment. Lender may employ an attorney or attorneys to protect its rights hereunder, and in the event of such employment, Borrower shall pay Lender reasonable attorneys' fees, including fees of in-house counsel, and expenses incurred by Lender, whether or not an action is actually commenced against Borrower by reason of its breach. THE FOREGOING INDEMNIFICATION SHALL APPLY TO LENDER WITH RESPECT TO MATTERS WHICH (IN WHOLE OR IN PART) ARE CAUSED BY OR ARISE OUT OF, THE NEGLIGENCE OR STRICT LIABILITY OF LENDER.

(b) BORROWER WAIVES ANY AND ALL RIGHT TO CLAIM OR RECOVER AGAINST LENDER, ITS SUCCESSORS AND ASSIGNS, THEIR DIRECTORS, OFFICERS,

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EMPLOYEES, AGENTS AND REPRESENTATIVES, FOR LOSS OF OR DAMAGE TO BORROWER, THE PROPERTY, BORROWER'S PROPERTY OR THE PROPERTY OF OTHERS UNDER BORROWER'S CONTROL FROM ANY CAUSE WHATSOEVER, INCLUDING WITHOUT LIMITATION, CAUSES INSURED AGAINST OR REQUIRED TO BE INSURED AGAINST BY THE SECURITY INSTRUMENT.

(c) All sums payable by Borrower pursuant to the Note, the Security Instrument, and all other Loan Documents shall be paid without notice, demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction, and the obligations and liabilities of Borrower hereunder shall in no way be released, discharged or otherwise affected by reason of: (i) any damage to or destruction of or any condemnation or similar taking of the Property or any part thereof; (ii) any restriction or prevention of or interference by any person with any use of the Property or any part thereof; (iii) any title defect or encumbrance or any eviction from the Property or any part thereof by title paramount or otherwise; (iv) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to Lender, or any action taken with respect to the Security Instrument by any trustee or Receiver (defined below), or by any court, in any such proceeding; (v) any claim that Borrower has or might have against Lender, in any capacity including any claim arising from or relating to the lead abatement services; (vi) any default or failure on the part of Lender to perform or comply with any of the terms of the Loan Documents or of any other agreement with Borrower; or (vii) any other occurrence whatsoever, whether similar or dissimilar to the foregoing, whether or not Borrower shall have notice or knowledge of any of the foregoing. Except as expressly provided herein, Borrower waives all rights now or hereafter conferred by statute or otherwise to any abatement, suspension, deferment, diminution or reduction of any sum secured hereby and payable by Borrower.

A-18 LENDER'S PERFORMANCE. If Borrower fails to pay or perform any of its obligations contained in any Loan Document (including payment of expenses of foreclosure and court costs), Lender may (but need not), as agent or attorney-in-fact of Borrower, make any payment or perform (or cause to be performed) any obligation of Borrower under any Loan Document, in any form and manner deemed expedient by Lender. By way of illustration only, and not in limitation of the foregoing, Lender may (but shall have no obligation to) do all or any of the following: make payments of principal or interest or other amounts on any indebtedness secured by a mortgage on the Property (including any senior mortgage); make repairs; collect rents; prosecute collection of the Collateral or proceeds thereof; purchase, discharge, compromise or settle any tax lien or any other lien, encumbrance, suit, proceeding, title or claim thereof; contest any tax or assessment; and redeem from any tax sale or forfeiture affecting the Property. In making any payment or securing any performance relating to any obligation of Borrower hereunder, Lender shall be the sole judge of the legality, validity and amount of any encumbrance and of all other matters necessary to be determined in satisfaction thereof. No such action of Lender shall ever be considered as a waiver of any right accruing to it on account of the occurrence of any matter which constitutes any default.

A-19 SUBROGATION. To the extent that Lender pays any sum under any provision of law or any instrument or document creating any lien or other interest prior or superior to the lien of the Security Instrument, or Borrower or any other person pays any such sum with the proceeds of the Secured Debt (as defined in the Security Agreement), Lender shall have and be entitled to a lien or other interest on the Property or the other Collateral equal in priority to the lien or other interest discharged and Lender shall be subrogated to, and receive and enjoy all rights and liens possessed, held or enjoyed by, the holder of such lien, which shall remain in existence and benefit Lender in securing the Secured Debt.

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A-20 GRANT OF SECURITY INTEREST.

(a) Grant of Interest. To secure indefeasible payment and performance in full of the Secured Debt, Borrower hereby grants to Lender a security interest in all of Borrower's right, title and interest in and to all assets of Borrower, including all Accounts, Chattel Paper, Commercial Tort Claims, Documents, Equipment, Fixtures, General Intangibles, Inventory, Instruments, Investment Property, Payment Intangibles, Promissory Notes, Supporting Obligations and all products and Proceeds thereof and Accessions thereto (all as defined in Article 9 of the Uniform Commercial Code), all whether now existing or hereafter arising or acquired, wherever located. Without limiting the generality of the foregoing, Borrower grants to Lender a security interest in all: (1) buildings, improvements and fixtures located on the land legally described on Exhibit A; (2) sales contracts and earnest money deposits; (3) construction documents and permits; (4) service contracts; (5) all rents, issues, profits, royalties, avails, income and other benefits derived directly or indirectly from the Property; (6) unearned premiums, accrued or accruing under insurance policies; (7) awards and proceeds of insurance; (8) judgments, awards of damages and settlements which may result from any damage to the Property or any other claim of Borrower; (9) proceeds from the sale of the Property; (10) proceeds of title insurance; (11) condominium documents and all right, title and interest as developer and/or declarant under any condominium documents; and (12) Proceeds, products and Accessions of each of the foregoing, all whether now existing or hereafter arising or acquired. The foregoing property is collectively referred to herein as the "**Collateral**". It is the intent of Borrower to grant, and Borrower does hereby grant to Lender a first priority, security interest in all property and assets of Borrower (real and personal, tangible and intangible), whether now existing or hereafter acquired or arising, and Borrower covenants to take all actions necessary or desirable under the UCC to perfect such security interest. It is specifically understood that the enumeration of any specific articles of property shall not exclude or be deemed to exclude any items of property not specifically mentioned.

(b) Authorization to File Financing Statements. Borrower hereby irrevocably authorizes Lender at any time and from time to time, without notice to Borrower or further consent or acknowledgement by Borrower, to file in any filing office in any UCC or any county where real property owned by Borrower may be located, any financing statements and amendments thereto that: (a) indicate the Collateral as all assets of Borrower or words of similar effect, regardless of whether any particular asset comprised in the Collateral falls within the scope of Article 9 of the UCC of such jurisdiction; and (b) provide any other information required by Article 9 of the Uniform Commercial Code of such other jurisdiction, for the sufficiency or acceptance of any financing statement or amendment. Borrower agrees to furnish any information required by Lender to complete such filings promptly upon Lender's request. Borrower also ratifies its authorization for Lender to have filed any financing statements or amendments thereto filed prior to the date of this Agreement.

(c) UCC. As used in this Agreement, "**UCC**" means the Uniform Commercial Code as the same may from time to time be in effect in the State of Illinois (and each reference in this Agreement to an Article thereof shall refer to that Article as from time to time in effect).

A-21 EVENTS OF DEFAULT. In addition to those defaults set forth in any other Loan Document, any one or more of the following shall constitute a default under the Loan Documents:

(a) default in the observance or performance of any covenant set forth in Section A-13 or A-15 of this Agreement; or

(b) any representation or warranty made by the Borrower or any guarantor in any Loan Document, or in any statement or certificate furnished by any of them pursuant to any Loan Document, proves untrue in any material respect as of the date of the making thereof; or

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(c) beyond the maturity date of the Secured Debt, any judgment or judgments, writ or writs, or warrant or warrants of attachment, or any similar process or processes in an aggregate amount in excess of \$10,000 shall be entered or filed against the Borrower, guarantor or against any of its Property, and in each case which remains unvacated, unbonded, unstayed or unsatisfied for a period of thirty (30) days; or

(d) a guaranty is terminated, cancelled or declared by a court of competent jurisdiction to be invalid or unenforceable; or

(e) Borrower or any guarantor shall (i) have entered involuntarily against it an order for relief under the United States Bankruptcy Code, as amended, (ii) not pay, or admit in writing its inability to pay, its debts generally as they become due, (iii) make an assignment for the benefit of creditors, (iv) apply for, seek, consent to, or acquiesce in, the appointment of a receiver, custodian, trustee, examiner, liquidator or similar official for it or any substantial part of their Property, (v) institute any proceeding seeking to have entered against it an order for relief under the United States Bankruptcy Code, as amended, to adjudicate it insolvent, or seeking dissolution, winding up, liquidation, reorganization, arrangement, adjustment or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors or fail to file an answer or other pleading denying the material allegations of any such proceeding filed against it; or

(f) a custodian, receiver, trustee, examiner, liquidator or similar official shall be appointed for the Borrower or any guarantor or any substantial part of any of their Property.

A-22 FORECLOSURE; RECEIVER. In addition to, and not in limitation of, any right or remedy set forth in any other provision of the Loan Document:

(a) Upon the occurrence of any default, Lender shall have the right immediately or at any time thereafter to declare the principal of and all accrued interest and the Prepayment Charge to be immediately due and owing and to foreclose the lien of the Security Instrument.

(b) Upon the filing of any complaint for that purpose, the court in which such complaint is filed may, upon application of Lender, in Lender's sole and absolute discretion, appoint Lender as a mortgagee-in-possession or appoint a receiver of the Property (a "**Receiver**") pursuant to the Illinois Mortgage Foreclosure Law, as amended (Illinois Code Ann. 735 ILCS 5/15-1101, *et seq.*) (the "**Mortgage Foreclosure Act**"). Such appointment may be made either before or after sale, without regard to the solvency or insolvency, at the time of application for each Receiver, of the person or persons, if any, liable for the payment of the Secured Debt; without regard to the value of the Property at such time and whether or not the same is then occupied as a homestead; without bond being required of the applicant; and Lender hereunder or any employee or agent thereof may be appointed as such Receiver. Such Receiver shall have all powers and duties prescribed by the Mortgage Foreclosure Act, including the power to take possession, control and care of the Property and to collect all Rents (including, but not limited to, any delinquent Rents), issues, deposits, profits and avails thereof during the pendency of such foreclosure suit and apply all funds received toward the Secured Debt, and in the event of a sale and a deficiency where Borrower has not waived its statutory rights of redemption, during the full statutory period of redemption, as well as during any further times when Borrower or its devisees, legatees, administrators, legal representatives, successors or assigns except for the intervention of such Receiver, would be entitled to collect such rents, issues, deposits, profits and avails, and shall have all other powers that may be necessary or useful in such cases for the protection, possession, control, management and operation of the Property during the whole of any such period. To the extent permitted by Law, such Receiver may take any action permitted to be taken by Lender pursuant to any other Loan Document, extend or modify any then existing leases and make new leases of the Property or

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any part thereof, which extensions, modifications and new leases may provide for terms to expire, it being understood and agreed that any such leases, and the options or other such provisions to be contained therein, shall be binding upon Borrower and all Persons whose interests in the Property are subject to the lien hereof, and upon the purchaser or purchasers at any such foreclosure sale, notwithstanding any redemption from sale, discharge of indebtedness, satisfaction of foreclosure decree or issuance of certificate of sale or deed to any purchaser or at any time thereafter.

(c) The court may, from time to time, authorize said Receiver to apply the net amounts remaining in his hands, after deducting reasonable compensation for the Receiver and his counsel as allowed by the court, in payment (in whole or in part) of any or all of the Secured Debt, including without limitation the following, in such order of application as Lender may, in its sole and absolute discretion, elect: (i) amounts due upon the Note; (ii) amounts due upon any decree entered in any suit foreclosing the Security Instrument; (iii) costs, including costs and expenses of enforcement, foreclosure and litigation upon the Property; (iv) insurance premiums, repairs, impositions, water charges and interest, penalties and costs, in connection with the Property; (v) any other liens or encumbrances upon the Property that may be or become superior to the lien of the Security Instrument, or of any decree foreclosing the same; and (vi) all costs and monies advanced by Lender to cure or attempt to cure any default by Borrower in the performance of any obligation or condition contained in any of the other Loan Documents or the Security Instrument or otherwise, to protect the security hereof provided herein, or in any of the other Loan Documents, with interest on such sums advanced at the Default Rate (as defined in the Note). The excess of the proceeds of sale, if any, shall then be paid to Borrower, or other person in accordance with applicable Law.

(d) The Security Instrument may be foreclosed once against all, or successively against any portion or portions, of the Property, as Lender may elect, until all of the Property has been foreclosed against and sold. As part of the foreclosure, Lender in its sole discretion may, with or without entry, personally or by attorney, sell to the highest bidder all or any part of the Property, and all right, title, interest, claim and demand therein, and the right of redemption thereof, as an entirety, or in separate lots, as Lender may elect, and in one sale or in any number of separate sales held at one time or at any number of times, all in any manner and upon such notice as provided by applicable Law. Upon the completion of any such sale or sales, Lender shall transfer and deliver, or cause to be transferred and delivered, to the purchaser or purchasers of the property so sold, in the manner and form as provided by applicable Law, and Lender is hereby irrevocably appointed the true and lawful attorney-in-fact of Borrower, in its name and stead, to make all necessary transfers of property thus sold, and for that purpose Lender may execute and deliver, for and in the name of Borrower, all necessary instruments of assignment and transfer, Borrower hereby ratifying and confirming all that said attorney-in-fact shall lawfully do by virtue hereof.

(e) In the case of any sale of the Property pursuant to any judgment or decree of any court at public auction or otherwise, Lender may become the purchaser, and for the purpose of making settlement for or payment of the purchase price, shall be entitled to deliver over and use the Note and any claims for the debt in order that there may be credited as paid on the purchase price the amount of the debt. In case of any foreclosure of the Security Instrument (or the commencement of or preparation therefor) in any court, all expenses of every kind paid or incurred by Lender for the enforcement, protection or collection of the security interest, including court costs, attorneys' fees, stenographers' fees, costs of advertising, and costs of title insurance and any other documentary evidence of title, shall be paid by Borrower.

(f) Upon the occurrence of any default, and whether before or after the institution of legal proceedings to foreclose the lien hereof or before or after sale of the Property or during any period of redemption, Lender, without regard to waste, adequacy of the security or

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solvency of Borrower, may revoke the privilege granted Borrower hereunder to collect the rents, issues and profits of the Property, and may, at its option, without notice: (a) enter and take actual possession of the Property, the rents and the leases or any part thereof personally, or by its agents or attorneys, and exclude Borrower therefrom; (b) enter upon and take and maintain possession of all of the documents, books, records, papers and accounts of Borrower relating thereto; (c) as attorney-in-fact or agent of Borrower, or in its own name as mortgagee and under the powers herein granted, hold, operate, manage and control the Property, the rents, and the leases and conduct the business, if any, thereof (including entering into new leases of the Property, or any part thereof, under such terms and conditions as Lender, in its sole and absolute discretion, may elect) either personally or by its agents, contractors or nominees, with full power to use such measures, legal or equitable, as in its discretion or in the discretion of its successors or assigns may be deemed proper or necessary to enforce the payment of the rents and the leases (including actions for the recovery of rent, actions in forcible detainer and actions in distress of rent); (d) cancel or terminate any Lease or sublease for any cause or on any ground which would entitle Borrower to cancel the same; (e) elect to disaffirm any lease or sublease made subsequent hereto or subordinated to the lien hereof; (f) make all necessary or proper repairs, decoration, renewals, replacements, alterations, additions, betterments and improvements to the Property that, in its reasonable discretion, may seem appropriate; (g) insure and reinsure the Property for all risks incidental to Lender's possession, operation and management thereof; and (h) receive all such rents and proceeds, and perform such other acts in connection with the management and operation of the Property, as Lender in its sole discretion may deem necessary or desirable.

(g) Upon the occurrence of any default, and whether before or after the institution of legal proceedings to foreclose the lien hereof or before or after sale of the Property or during any period of redemption, Lender, without regard to waste, adequacy of the security or solvency of Borrower, may revoke the privilege granted Borrower hereunder to collect the rents, issues and profits of the Property, and may, at its option, without notice: (a) enter and take actual possession of the Property, the rents and the leases or any part thereof personally, or by its agents or attorneys, and exclude Borrower therefrom; (b) enter upon and take and maintain possession of all of the documents, books, records, papers and accounts of Borrower relating thereto; (c) as attorney-in-fact or agent of Borrower, or in its own name as mortgagee and under the powers herein granted, hold, operate, manage and control the Property, the rents, and the leases and conduct the business, if any, thereof (including entering into new leases of the Property, or any part thereof, under such terms and conditions as Lender, in its sole and absolute discretion, may elect) either personally or by its agents, contractors or nominees, with full power to use such measures, legal or equitable, as in its discretion or in the discretion of its successors or assigns may be deemed proper or necessary to enforce the payment of the rents and the leases (including actions for the recovery of rent, actions in forcible detainer and actions in distress of rent); (d) cancel or terminate any Lease or sublease for any cause or on any ground which would entitle Borrower to cancel the same; (e) elect to disaffirm any Lease or sublease made subsequent hereto or subordinated to the lien hereof; (f) make all necessary or proper repairs, decoration, renewals, replacements, alterations, additions, betterments and improvements to the Property that, in its reasonable discretion, may seem appropriate; (g) insure and reinsure the Property for all risks incidental to Lender's possession, operation and management thereof; and (h) receive all such rents and proceeds, and perform such other acts in connection with the management and operation of the Property, as Lender in its sole discretion may deem necessary or desirable.

(h) Borrower hereby grants Lender full power and authority to exercise each and every one of the rights, privileges and powers contained herein and in every other Loan

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Document, at any and all times after a default without notice to Borrower or any other Person. Lender, in the exercise of the rights and powers conferred upon it hereby, shall have full power to use and apply the rents to the payment of or on account of the following, in such order as it may, in its sole and absolute discretion, determine: (i) to the payment of the operating expenses of the Property, including the cost of management and leasing thereof (which shall include reasonable compensation to Lender and its agents or contractors, if management be delegated to agents or contractors, and it shall also include lease commissions and other compensation and expenses of seeking and procuring tenants and entering into Leases), established claims for damages, if any, and premiums on insurance hereinabove authorized; (ii) to the payment of Impositions (as defined in the Loan Agreement), charges and special assessments, the costs of all repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements of the Property, and of placing the Property in such condition as will, in the judgment of Lender, make it readily rentable; (iii) to the payment of any Secured Debt; and (iv) to the payment of any other cost or expense required or permitted hereunder.

(i) The exercise of Lender's rights hereunder, the taking possession by Lender as a mortgagee-in-possession, the appointment of a Receiver, the collection of such rents and the application thereof as aforesaid shall not cure or waive any Event of Default or waive, modify or affect notice of default hereunder or invalidate any act done pursuant to said notice, nor in any way operate to prevent Lender from pursuing any remedy which now or hereafter it may have under the terms and conditions of the Security Instrument, the other Loan Documents, or any other instruments securing the same. The rights and powers of Lender hereunder shall remain in full force and effect both prior to and after any foreclosure of the Security Instrument and any sale pursuant thereto and until expiration of the period of redemption for said sale. The purchaser at any foreclosure sale, including Lender, shall have the right at any time and without limitation, to advance money to any Receiver to pay any part or all of the items which the Receiver would otherwise be authorized to pay if cash were available from the Property and the sum so advanced, with interest at the Default Rate, shall be a part of the sum required to be paid to redeem from any foreclosure sale.

(j) Lender may take any of the actions referred to in this Section irrespective of and without regard to the adequacy of the security for the Secured Debt.

(k) Upon the occurrence of an Event of Default and during the continuation thereof, Lender shall have and may exercise any and all rights of enforcement and remedies before or after default afforded to a secured party under the UCC upon default of a debtor, together with any and all other rights and remedies otherwise available to Lender at law or in equity, as of the date of this Agreement or the date of such default. Without limiting the foregoing, Lender may: (i) to the extent permitted by law, enter upon any premises where the Collateral is or may be located (including without limitation Borrower's principal place of business or the Property), seize and remove the Collateral from said premises and/or permit the Collateral to remain upon said premises and use such premises for the purpose of collecting, preparing and disposing of the Collateral, all without breach of the peace, with or without process of law, and without charge or liability to Lender therefor; and/or (ii) remedy any default in any reasonable manner, without waiving its rights and remedies upon default and without waiving any other prior or subsequent default.

A-23 REMEDIES CUMULATIVE. No remedy or right of Lender hereunder or under the Note, the Loan Agreement or any of the other Loan Documents, or available under applicable Law, shall be exclusive of any other right or remedy, but each such remedy or right shall be in addition to every other remedy or right now or hereafter existing under any such document or under applicable Law. No delay in the exercise of, or omission to exercise, any remedy or right accruing on any Event of Default shall impair any such remedy or right or be

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construed to be a waiver of any such Event of Default or an acquiescence therein, nor shall it affect any subsequent Event of Default of the same or a different nature. Every such remedy or right may be exercised concurrently or independently, and when and as often as may be deemed expedient by Lender. All obligations of Borrower, and all rights, powers and remedies of Lender, expressed herein shall be in addition to, and not in limitation of, those provided by Law or in the Note or any other Loan Document.

A-24 COMPLIANCE WITH THE MORTGAGE FORECLOSURE ACT. In the event that any provision of the Security Instrument shall be inconsistent with any provision of the Mortgage Foreclosure Act, the provision of the Mortgage Foreclosure Act shall take precedence over the provision of the Security Instrument, but shall not invalidate or render unenforceable any other provision of the Security Instrument that can be construed in a manner consistent with the Mortgage Foreclosure Act. Borrower and Lender shall have the benefit of all of the provisions of the Mortgage Foreclosure Act, including all amendments thereto which may become effective from time to time after the date hereof. In the event any provision of the Mortgage Foreclosure Act which is specifically referred to herein may be repealed, Lender shall have the benefit of such provision as most recently existing prior to such repeal, as though the same were incorporated herein by express reference. If any provision of the Security Instrument shall grant to Lender any rights or remedies upon default of Borrower which are more limited than the rights that would otherwise be vested in Lender under the Mortgage Foreclosure Act in the absence of said provision, Lender shall be vested with the rights granted in the Mortgage Foreclosure Act to the full extent permitted by Law.

A-25 LENDER NOT RESPONSIBLE. Under no circumstances shall Lender have any duty to produce rents or other proceeds from the Property. Regardless of whether or not Lender, in person or by agent, takes actual possession of the Property, Lender is not and shall not be deemed to be: (a) a "mortgagee in possession" for any purpose; (b) responsible for performing any of the obligations of the lessor under any Lease; (c) responsible for any waste committed by lessees or any other parties, any dangerous or defective condition of the Property, or any negligence in the management, upkeep, repair or control of the Property; (d) liable in any manner for the Property or the use, occupancy, enjoyment or operation of all or any part of it; or (e) liable in any manner to any contract purchaser or for the performance of any obligation under any contract to sell, lease, license or granting any other rights in the Property, absent a written undertaking by Lender.

A-26 EXERCISE OF RIGHTS BY LENDER. If Lender or any Receiver performs any act that it is empowered or authorized to perform under the Security Instrument, that act alone shall not release or change the personal liability, if any, of any person for the payment and performance of the Secured Debt then outstanding, or the lien of the Security Instrument on all or the remainder of the Property for full payment and performance of all outstanding Secured Debt. The liability of Borrower shall not be released or changed if Lender grants any successor in interest to Borrower any extension of time for payment, or modification of the terms of payment, of any Secured Debt. Lender shall not be required to comply with any demand by the original mortgagor that Lender refuse to grant such an extension or modification to, or commence proceedings against, any such successor in interest. Lender may take any of the actions permitted hereunder regardless of the adequacy of the security for the Secured Debt, or whether any or all of the Secured Debt have been declared to be immediately due and payable, or whether notice of default and election to sell has been given under the Security Instrument. From time to time, Lender may apply to any court of competent jurisdiction for aid and direction in enforcing the rights and remedies created under the Security Instrument. Lender may from time to time obtain orders or decrees directing, confirming or approving acts in enforcing such rights and remedies.

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A-27 WAIVER. Borrower voluntarily and knowingly hereby acknowledges that the transaction of which the Loan Documents is a part is a transaction that does not include either agricultural real estate, or residential real estate (each as defined in the Mortgage Foreclosure Act). BORROWER, ON BEHALF OF ITSELF AND ALL PERSONS NOW OR HEREAFTER INTERESTED IN THE PROPERTY OR THE COLLATERAL, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW HEREBY WAIVES ALL RIGHTS UNDER ALL APPRAISEMENT, HOMESTEAD, MORATORIUM, VALUATION, EXEMPTION, STAY, EXTENSION, AND REDEMPTION STATUTES, LAWS OR EQUITIES NOW OR HEREAFTER EXISTING, AND HEREBY FURTHER WAIVES THE PLEADING OF ANY STATUTE OF LIMITATIONS AS A DEFENSE TO ANY AND ALL SECURED DEBT SECURED BY THE SECURITY INSTRUMENT. Borrower agrees that no defense, claim or right based on any thereof will be asserted, or may be enforced, in any action enforcing or relating to the Security Instrument or any of the Collateral. Without limiting the generality of the preceding sentence, Borrower, on its own behalf and on behalf of each and every person acquiring any interest in or title to the Property subsequent to the date of Instrument, hereby irrevocably waives any and all rights of redemption from sale under any order or decree of foreclosure of the Security Instrument or under any power contained herein or under any sale pursuant to any statute, order, decree or judgment of any court. Without limiting the foregoing, Borrower, on its own behalf and on behalf of each and every person acquiring any interest in or title to the Property subsequent to the date of the Security Instrument, hereby irrevocably waives pursuant to 735 ILCS 5/15 1601 et seq. of the Mortgage Foreclosure Act any and all rights of reinstatement (including, without limitation, all rights of reinstatement provided for in 735 ILCS 5/15 1602) or redemption from sale or from or under any order, judgment or decree of foreclosure of the Security Instrument (including, without limitation, all rights of redemption provided for in 735 ILCS 5/12 122 et seq. and 735 ILCS 5/15 1603) or under any power contained herein or under any sale pursuant to any statute, order, decree or judgment of any court. Borrower hereby expressly waives and releases all rights to direct the order in which any of the Collateral shall be sold in the event of any sale or sales pursuant hereto and to have any of the Collateral and/or any other property now or hereafter constituting security for any of the Secured Debt marshaled upon any foreclosure of this Agreement or of any other security for any of said indebtedness.

A-28 CREDIT AGREEMENTS ACT. Borrower expressly agrees that for purposes of the Security Instrument and each and every other Loan Document: (i) the Note and each and every other Loan Document shall be a "credit agreement" under the Illinois Credit Agreements Act, 815 ILCS 160/1, et seq. (the "Act"); (ii) the Act applies to this transaction including, but not limited to, the execution of the Security Instrument and each and every other Loan Document; and (iii) any action on or in any way related to the Security Instrument and each and every other Loan Document shall be governed by the Act.

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In Witness Whereof, Borrower has executed this Supplemental Agreement on January 13, 2009.

"Borrower"

<i>Nathaniel M. King</i>	1-13-09	<i>Arlene O. King</i>	1-13-09
Borrower: Nathaniel M. King	Date:	Borrower: Arlene O. King	Date:

STATE OF ILLINOIS)
) SS
 COUNTY OF Cook)



The Undersigned, a Notary Public within and for said County in the State aforesaid, duly commissioned and acting, does hereby certify that on this 13th day of January, 2009, personally appeared before me NATHANIEL M. KING and ARLENE O. KING, to me personally well known and known to be the person who signed the foregoing instrument, and who by me duly sworn did state that he/she signed and delivered the same as his/her free and voluntary act and deed for the uses and purposes therein mentioned and set forth.

WITNESS my hand and seal as such Notary Public the day and year in this certificate above written.

Danielle B. Cooper
 Notary Public:

My commission expires: 2/10/2011