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Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



Doc#: 0904218068 Fee: \$68.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 02/11/2009 03:45 PM Pg: 1 of 17

Report Mortgage Fraud
800-532-8785

The property identified as: **PIN:** 15-01-219-006-0000

Address:

Street: 7345 W. Greenfield

Street line 2:

City: River Forest

State: IL

ZIP Code: 60305

Lender: Bank of America

Borrower: Amelia Gaye Engel

4393916ms 2/2

Loan / Mortgage Amount: \$600,000.00

This property is located within Cook County and the transaction is exempt from the requirements of 765 ILCS 77/70 et seq. because the application was taken by an exempt entity.

Certificate number: 8B9445A7-44B8-4192-B80C-BF94AB6FE4CE

Execution date: 01/20/2009

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20223533.3

01-07-09

Prepared by and After Recording Return To:

Alvin L. Kruse
 Seyfarth Shaw LLP
 131 South Dearborn Street
 Suite 2400
 Chicago, Illinois 60603

Address of Property:
 7345 West Greenfield
 River Forest, Illinois 60305

Permanent Tax Index Number:
 15-01-219-006

[Space Above This Line For Recording Data]

4393916 mJ

MORTGAGE**DEFINITIONS**

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21 and in the Rider to this Mortgage. Certain rules regarding the usage of words used in this document are also provided in Section 16.

- (A) **“Security Instrument”** means this document, which is dated as of January 20, 2009, together with all Riders to this document.
- (B) **“LaSalle”** is LaSalle Bank National Association; a national banking association.
- (C) **“Mortgagor”** is Amelia Gaye Engel. Mortgagor is the mortgagor under this Security Instrument.
- (D) **“Mortgagee”** is Bank of America, N.A.; a national banking association, as Successor by Merger to LaSalle Bank National Association; a national banking association. Mortgagee’s address is 135 South LaSalle Street, Suite 2140, Chicago, Illinois. Mortgagee is the mortgagee under this Security Instrument.
- (E) **“Property”** means the property that is described below under the heading “Transfer of Rights in the Property.”
- (F) **“Applicable Law”** means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.
- (G) **“Community Association Dues, Fees, and Assessments”** means all dues, fees, assessments and other charges that are imposed on Mortgagor or the Property by a condominium association, homeowners association or similar organization.

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(H) “Electronic Funds Transfer” means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(I) “Escrow Items” means those items that are described in Section 3.

(J) “Miscellaneous Proceeds” means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(K) “Successor in Interest of Mortgagor” means any party that has taken title to the Property, whether or not that party has assumed Mortgagor’s obligations under this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Mortgagee the following but only to the extent of \$600,000: (i) the payment of the VB Lofts Loans and all interest, late charges, prepayment premium (if any), exit fee (if any), interest rate swap or hedge expenses (if any), and other indebtedness evidenced by or owing under the VB Lofts Notes, any of the other VB Lofts Loan Documents, any interest rate swap or hedge agreement now or hereafter entered into between VB Lofts Borrower and Mortgagee, together with any extensions, modifications, renewals or refinancings of any of the foregoing; (ii) the performance and observance of the covenants, conditions, agreements, representations, warranties and other liabilities and obligations of VB Lofts Borrower or any other obligor to or benefiting Mortgagee which are evidenced or secured by or otherwise provided in the VB Lofts Notes or any of the other VB Lofts Loan Documents; and (iii) the performance of Mortgagor’s covenants and agreements under this Security Instrument. For this purpose, Mortgagor does hereby mortgage, grant and convey to Mortgagee and Mortgagee’s successors and assigns the following described property located in Cook County, Illinois:

LOT 6 IN PRIORITY ESTATES OF RIVER FOREST, A SUBDIVISION OF THE SOUTH 1/2 OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 1, TOWNSHIP 39 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

which currently has the address of 7345 West Greenfield, River Forest, Illinois (“Property Address”)

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the “Property.”

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MORTGAGOR COVENANTS that Mortgagor is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Mortgagor warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

Mortgagor and Mortgagee covenant and agree as follows:

1. Payments. Payments due under this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Mortgagee as payment under this Security Instrument is returned to Mortgagee unpaid, Mortgagee may require that any or all subsequent payments due under this Security Instrument be made in one or more of the following forms, as selected by Mortgagee: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Mortgagee when received at the address shown above or at such other location as may be designated by Mortgagee in accordance with the notice provisions in Section 15. Mortgagee may return any payment or partial payment if the payment or partial payments are insufficient to bring the amount owed hereunder current. Mortgagee may accept any payment or partial payment insufficient to bring the amount owed hereunder current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Mortgagee is not obligated to apply such payments at the time such payments are accepted. No offset or claim which Mortgagor might have now or in the future against Mortgagee shall relieve Mortgagor from making payments due under this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Proceeds. All payments from Mortgagor or derived from the Property shall be applied in such order as Mortgagee shall elect.

3. Funds for Escrow Items. Mortgagor shall pay to Mortgagee on the first day of each month, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; and (c) premiums for any and all insurance required by Mortgagee under Section 5. These items are called "Escrow Items."

At origination or at any time during the term of this Security Instrument, Mortgagee may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Mortgagor, and such dues, fees and assessments shall be an Escrow Item. Mortgagor shall promptly furnish to Mortgagee all notices of amounts to be paid under this Section. Mortgagor shall pay Mortgagee the Funds for Escrow Items unless Mortgagee waives Mortgagor's obligation to pay the Funds for any or all Escrow Items. Mortgagee may waive Mortgagor's obligation to pay to Mortgagee Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Mortgagor shall pay directly, when and where payable, the amounts due for any Escrow Items for

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which payment of Funds has been waived by Mortgagee and, if Mortgagee requires, shall furnish to Mortgagee receipts evidencing such payment within such time period as Mortgagee may require. Mortgagor's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Mortgagor is obligated to pay Escrow Items directly, pursuant to a waiver, and Mortgagor fails to pay the amount due for an Escrow Item, Mortgagee may exercise its rights under Section 9 and pay such amount and Mortgagor shall then be obligated under Section 9 to repay to Mortgagee any such amount. Mortgagee may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Mortgagor shall pay to Mortgagee all Funds, and in such amounts, that are then required under this Section 3.

Mortgagee may, at any time, collect and hold Funds in an amount sufficient to permit Mortgagee to apply the Funds at the time required to pay the items for which they were collected. Mortgagee shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Mortgagee, if Mortgagee is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Mortgagee shall not charge Mortgagor for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Mortgagee pays Mortgagor interest on the Funds and Applicable Law permits Mortgagee to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Mortgagee shall not be required to pay Mortgagor any interest or earnings on the Funds. Mortgagor and Mortgagee can agree in writing, however, that interest shall be paid on the Funds.

If there is a shortage or deficiency of Funds held in escrow, Mortgagee may notify Mortgagor and Mortgagor shall pay to Mortgagee the amount necessary to make up the shortage or deficiency.

Upon payment in full of all sums secured by this Security Instrument, Mortgagee shall promptly refund to Mortgagor any Funds held by Mortgagee.

Notwithstanding the foregoing provisions of this Section, Mortgagor shall not be required to make any such deposits if Mortgagor is making such deposits under either of the Senior Mortgages, or so long as no Event of Default under this Security Instrument has occurred and is continuing.

4. Charges; Liens. Mortgagor shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Mortgagor shall pay them in the manner provided in Section 3.

With the exception of the Senior Mortgages, Mortgagor shall promptly discharge any lien which has priority over this Security Instrument unless Mortgagor: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Mortgagee, but only so long as Mortgagor is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Mortgagee's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Mortgagee

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subordinating the lien to this Security Instrument. If Mortgagee determines that any part of the Property is subject to a lien other than the Senior Mortgages which can attain priority over this Security Instrument, Mortgagee may give Mortgagor a notice identifying the lien. Within 10 days of the date on which that notice is given, Mortgagor shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Mortgagee may require Mortgagor to pay a one-time charge for a real estate tax verification and/or reporting service used by Mortgagee in connection with this Security Instrument.

5. Property Insurance. Mortgagor shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not limited to, earthquakes and floods, for which Mortgagee requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Mortgagee requires. What Mortgagee requires pursuant to the preceding sentences can change during the term of this Security Instrument. The insurance carrier providing the insurance shall be chosen by Mortgagor subject to Mortgagee's right to disapprove Mortgagor's choice, which right shall not be exercised unreasonably. Mortgagee may require Mortgagor to pay, in connection with this Security Instrument, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Mortgagor shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Mortgagor.

If Mortgagor fails to maintain any of the coverages described above, Mortgagee may obtain insurance coverage, at Mortgagee's option and Mortgagor's expense. Mortgagee is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Mortgagee, but might or might not protect Mortgagor, Mortgagor's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Mortgagor acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Mortgagor could have obtained. Any amounts disbursed by Mortgagee under this Section 5 shall become additional debt of Mortgagor secured by this Security Instrument. These amounts shall bear interest from the date of disbursement at the statutory rate for amounts past due under a written instrument, and shall be payable, with such interest, upon notice from Mortgagee to Mortgagor requesting payment.

All insurance policies required by Mortgagee and renewals of such policies shall be subject to Mortgagee's right to disapprove such policies, shall include a standard mortgage clause, and shall name Mortgagee as mortgagee and/or as an additional loss payee. Mortgagee shall have the right to hold the policies and renewal certificates. If Mortgagee requires, Mortgagor shall promptly give to Mortgagee all receipts of paid premiums and renewal notices. If Mortgagor obtains any form of insurance coverage, not otherwise required by Mortgagee, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Mortgagee as mortgagee and/or as an additional loss payee.

In the event of loss, Mortgagor shall give prompt notice to the insurance carrier and Mortgagee. Mortgagee may make proof of loss if not made promptly by Mortgagor. Unless

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Mortgagee and Mortgagor otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Mortgagee, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Mortgagee's security is not lessened. During such repair and restoration period, Mortgagee shall have the right to hold such insurance proceeds until Mortgagee has had an opportunity to inspect such Property to ensure the work has been completed to Mortgagee's satisfaction, provided that such inspection shall be undertaken promptly. Mortgagee may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Mortgagee shall not be required to pay Mortgagor any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Mortgagor shall not be paid out of the insurance proceeds and shall be the sole obligation of Mortgagor. If the restoration or repair is not economically feasible or Mortgagee's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Mortgagor. Such insurance proceeds shall be applied in the order provided for in Section 2. The provisions of this paragraph are subject to the rights of the holders of the Senior Mortgages.

If Mortgagor abandons the Property, Mortgagee may file, negotiate and settle any available insurance claim and related matters. If Mortgagor does not respond within 30 days to a notice from Mortgagee that the insurance carrier has offered to settle a claim, then Mortgagee may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Mortgagee acquires the Property under Section 22 or otherwise, Mortgagor hereby assigns to Mortgagee (a) Mortgagor's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under this Security Instrument, and (b) any other of Mortgagor's rights (other than the right to any refund of unearned premiums paid by Mortgagor) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Mortgagee may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under this Security Instrument, whether or not then due. The provisions of this paragraph are subject to the rights of the holders of the Senior Mortgages.

6. Occupancy. Mortgagor shall occupy, establish, and use the Property as Mortgagor's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Mortgagor's principal residence for at least one year after the date of occupancy, unless Mortgagee otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Mortgagor's control.

7. Preservation, Maintenance and Protection of the Property; Inspections. Mortgagor shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Mortgagor is residing in the Property, Mortgagor shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Mortgagor shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid to Mortgagee in connection with damage to, or the taking of, the Property, Mortgagor shall be responsible for repairing or restoring the Property only if Mortgagee has released proceeds for such purposes. Mortgagee may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the

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work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Mortgagor is not relieved of Mortgagor's obligation for the completion of such repair or restoration.

Mortgagee or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Mortgagee may inspect the interior of the improvements on the Property. Mortgagee shall give Mortgagor notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. INTENTIONALLY DELETED.

9. Protection of Mortgagee's Interest in the Property and Rights Under this Security Instrument. If (a) Mortgagor fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Mortgagee's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Mortgagor has abandoned the Property, then Mortgagee may do and pay for whatever is reasonable or appropriate to protect Mortgagee's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Mortgagee's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Mortgagee may take action under this Section 9, Mortgagee does not have to do so and is not under any duty or obligation to do so. It is agreed that Mortgagee incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Mortgagee under this Section 9 shall become additional debt of Mortgagor secured by this Security Instrument. These amounts shall bear interest from the date of disbursement at the statutory rate for amounts past due under a written instrument and shall be payable, with such interest, upon notice from Mortgagee to Mortgagor requesting payment.

If this Security Instrument is on a leasehold, Mortgagor shall comply with all the provisions of the lease. If Mortgagor acquires fee title to the Property, the leasehold and the fee title shall not merge unless Mortgagee agrees to the merger in writing.

10. INTENTIONALLY DELETED.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All of the provisions of this Section are subject to the rights of the holders of the Senior Mortgages.

All Miscellaneous Proceeds are hereby assigned to and shall be paid to Mortgagee.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Mortgagee's security is not lessened. During such repair and restoration period, Mortgagee shall have the right to hold such Miscellaneous Proceeds until Mortgagee has had an opportunity to inspect such Property to ensure the work has been completed to Mortgagee's satisfaction, provided that such inspection shall be

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undertaken promptly. Mortgagee may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Mortgagee shall not be required to pay Mortgagor any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Mortgagee's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Mortgagor. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Mortgagor.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Mortgagor and Mortgagee otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Mortgagor.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Mortgagor and Mortgagee otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Mortgagor, or if, after notice by Mortgagee to Mortgagor that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Mortgagor fails to respond to Mortgagee within 30 days after the date the notice is given, Mortgagee is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Mortgagor Miscellaneous Proceeds or the party against whom Mortgagor has a right of action in regard to Miscellaneous Proceeds.

Mortgagor shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Mortgagee's judgment, could result in forfeiture of the Property or other material impairment of Mortgagee's interest in the Property or rights under this Security Instrument. Mortgagor can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Mortgagee's judgment, precludes forfeiture of the Property or other material impairment of Mortgagee's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Mortgagee's interest in the Property are hereby assigned and shall be paid to Mortgagee.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

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12. Mortgagor Not Released; Forbearance By Mortgagee Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Mortgagee shall not operate to release the liability of Mortgagor or any Successors in Interest of Mortgagor. Any forbearance by Mortgagee in exercising any right or remedy including, without limitation, Mortgagee's acceptance of payments from third persons, entities or Successors in Interest of Mortgagor or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. INTENTIONALLY DELETED.

14. INTENTIONALLY DELETED.

15. Notices. All notices given by Mortgagor or Mortgagee in connection with this Security Instrument must be in writing. Any notice to Mortgagor in connection with this Security Instrument shall be deemed to have been given to Mortgagor when mailed by first class mail or when actually delivered to Mortgagor's notice address if sent by other means. Notice to any one Mortgagor shall constitute notice to all Mortgagors unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Mortgagor has designated a substitute notice address by notice to Mortgagee. Mortgagor shall promptly notify Mortgagee of Mortgagor's change of address.

If Mortgagee specifies a procedure for reporting Mortgagor's change of address, then Mortgagor shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Mortgagee shall be given by delivering it or by mailing it by first class mail to Mortgagee's address stated herein unless Mortgagee has designated another address by notice to Mortgagor. Any notice in connection with this Security Instrument shall not be deemed to have been given to Mortgagee until actually received by Mortgagee. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

17. Mortgagor's Copy. Mortgagor shall be given one copy of this Security Instrument.

18. Transfer of the Property or a Beneficial Interest in Mortgagor. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Mortgagor at a future date to a purchaser.

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If all or any part of the Property or any Interest in the Property is sold or transferred (or if Mortgagor is not a natural person and a beneficial interest in Mortgagor is sold or transferred) without Mortgagee's prior written consent, Mortgagee may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Mortgagee if such exercise is prohibited by Applicable Law.

If Mortgagee exercises this option, Mortgagee shall give Mortgagor notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Mortgagor must pay all sums secured by this Security Instrument. If Mortgagor fails to pay these sums prior to the expiration of this period, Mortgagee may invoke any remedies permitted by this Security Instrument without further notice or demand on Mortgagor.

19. INTENTIONALLY DELETED.

20. INTENTIONALLY DELETED.

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Mortgagor shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Mortgagor shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Mortgagor shall promptly give Mortgagee written notice of (a) 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 Mortgagor has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Mortgagor learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Mortgagor shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Mortgagee for an Environmental Cleanup.

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22. Default; Remedies. Each of the following shall constitute an **“Event of Default”** for purposes of this Mortgage:

(a) VB Lofts Borrower fails to pay (i) any installment of principal or interest payable pursuant to either of the VB Lofts Notes within ten (10) days after the date when due, or (ii) any other amount payable to Mortgagee under either of the VB Lofts Notes or any of the other VB Lofts Loan Documents within ten (10) days after the date when any such payment is due in accordance with the terms thereof;

(b) Mortgagor fails to pay any amount payable to Mortgagee under this Mortgage within ten (10) days after the date when any such payment is due in accordance with the terms hereof;

(c) Mortgagor fails to perform or cause to be performed any other obligation or observe any other condition, covenant, term, agreement or provision required to be performed or observed by Mortgagor under this Mortgage; provided, however, that if such failure by its nature can be cured, then so long as the continued operation and safety of the Property, and the priority, validity and enforceability of the liens created by this Mortgage and the value of the Property are not impaired, threatened or jeopardized, then Mortgagor shall have a period (**“Cure Period”**) of thirty (30) days after Mortgagor obtains actual knowledge of such failure or receives written notice of such failure to cure the same and an Event of Default shall not be deemed to exist during the Cure Period, provided further that if Mortgagor commences to cure such failure during the Cure Period and is diligently and in good faith attempting to effect such cure, the Cure Period shall be extended for thirty (30) additional days, but in no event shall the Cure Period be longer than sixty (60) days in the aggregate;

(d) The existence of any inaccuracy or untruth in any material respect in any representation or warranty contained in this Mortgage or of any statement or certification as to facts delivered to Mortgagee by Mortgagor;

(e) Mortgagor files a voluntary petition in bankruptcy or is adjudicated a bankrupt or insolvent or files any petition or answer seeking any reorganization arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future federal, state, or other statute or law, or seeks or consents to or acquiesces in the appointment of any trustee, receiver or similar officer of Mortgagor or of all or any substantial part of the property of Mortgagor or any of the Premises, or all or a substantial part of the assets of Mortgagor are attached, seized, subjected to a writ or distress warrant or are levied upon unless the same is released or located within thirty (30) days;

(f) The commencement of any involuntary petition in bankruptcy against Mortgagor or the institution against Mortgagor of any reorganization, arrangement, composition, readjustment, dissolution, liquidation or similar proceedings under any present or future federal, state or other statute or law, or the appointment of a receiver, trustee or

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similar officer for all or any substantial part of the property of Mortgagor which shall remain undismitted or undischarged for a period of sixty (60) days;

(g) The occurrence of an “Event of Default” under either of the VB Lofts Notes, either of the VB Lofts Loan Agreements or any of the other VB Lofts Loan Documents; or

(h) the occurrence of an “Event of Default” under either of the Senior Mortgages.

If an Event of Default occurs, Mortgagee at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Mortgagee shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys’ fees and costs of title evidence.

23. Release. Upon payment of all sums secured by this Security Instrument, Mortgagee shall release this Security Instrument. Mortgagor shall pay any recordation costs.

24. Waiver of Homestead. In accordance with Illinois law, Mortgagor hereby releases and waives all rights under and by virtue of the Illinois homestead exemption laws.

25. Placement of Collateral Protection Insurance. Unless Mortgagor provides Mortgagee with evidence of the insurance coverage required by Mortgagor’s agreement with Mortgagee, Mortgagee may purchase insurance at Mortgagor’s expense to protect Mortgagee’s interests in Mortgagor’s collateral. This insurance may, but need not, protect Mortgagor’s interests. The coverage that Mortgagee purchases may not pay any claim that Mortgagor makes or any claim that is made against Mortgagor in connection with the collateral. Mortgagor may later cancel any insurance purchased by Mortgagee, but only after providing Mortgagee with evidence that Mortgagor has obtained insurance as required by Mortgagor’s and Mortgagee’s agreement. If Mortgagee purchases insurance for the collateral, Mortgagor will be responsible for the costs of that insurance, including interest and any other charges Mortgagee may impose in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to Mortgagor’s total outstanding balance or obligation. The costs of the insurance may be more than the cost of insurance Mortgagor may be able to obtain on its own.

THE ATTACHED RIDER IS HEREBY INCORPORATED INTO AND MADE A PART OF THIS MORTGAGE.

[SIGNATURE PAGE(S) FOLLOWS THIS PAGE]

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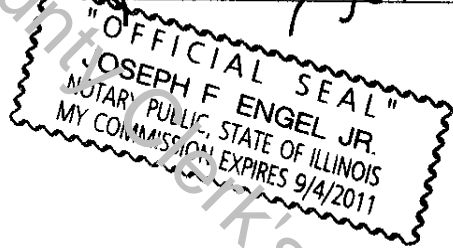
BY SIGNING BELOW, Mortgagor accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Mortgagor and recorded with it.

Amelia G. Engel
Amelia Gaye Engel

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

The foregoing instrument and the attached Rider were acknowledged before me this 20 day of January, 2009, by Amelia Gaye Engel.

Joseph F. Engel, Jr.
Printed Name: Joseph F. Engel, Jr.
Notary Public



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RIDER TO MORTGAGE

THIS RIDER IS INCORPORATED INTO AND MADE A PART OF THE FOREGOING MORTGAGE.

Capitalized terms used and not otherwise defined in this Rider have the same meanings as in the foregoing Mortgage.

Mortgagor hereby agrees with Mortgagee as follows:

A. Mortgagee is the holder of a loan (the "**VB Lofts Senior Loan**") to **VB 1224 LOFTS, LLC**, an Illinois limited liability company ("**VB Lofts Borrower**"), being made under that certain Construction Loan Agreement dated as of March 15, 2005, originally by and between VB Lofts Borrower and LaSalle, and now held by Mortgagee as successor by merger to LaSalle. The said Construction Loan Agreement as previously modified and amended, and as on the date hereof and hereafter modified, amended, increased, renewed and extended, is referred to herein as the "**VB Lofts Senior Loan Agreement**". The VB Lofts Senior Loan is evidenced by that certain Amended and Restated Promissory Note dated March 15, 2008, in the principal amount of \$14,049,566, originally from VB Lofts Borrower to LaSalle, and now held by Mortgagee as successor by merger to LaSalle. The said Amended and Restated Promissory Note as previously modified and amended, and as on the date hereof and hereafter modified, amended, increased, renewed and extended, is referred to herein as the "**VB Lofts Senior Note**". The VB Lofts Senior Note is due on April 15, 2010 (the "**VB Lofts Senior Maturity Date**"), except as may be accelerated pursuant to the terms of the VB Lofts Senior Note, the VB Lofts Senior Loan Agreement or of any other document or instrument now or hereafter given to evidence or secure the payment of the VB Lofts Senior Note or delivered to induce Mortgagee to disburse the proceeds of the VB Lofts Senior Loan. The VB Lofts Senior Note and the VB Lofts Senior Loan Agreement, together with such other documents, as previously modified and amended, and as on the date hereof and hereafter modified, amended, increased, renewed and extended, are referred to herein as the "**VB Lofts Senior Loan Documents**".

B. Mortgagee is also the holder of a loan (the "**VB Lofts Mezzanine Loan**") to VB Lofts Borrower, being made under that certain Mezzanine Loan Agreement dated as of March 15, 2005, originally by and between VB Lofts Borrower and LaSalle, and now held by Mortgagee as successor by merger to LaSalle. The said Mezzanine Loan Agreement as previously modified and amended, and as on the date hereof and hereafter modified, amended, increased, renewed and extended, is referred to herein as the "**VB Lofts Mezzanine Loan Agreement**". The VB Lofts Mezzanine Loan is evidenced by that certain Promissory Note (Mezzanine) dated March 15, 2008, in the principal amount of \$2,675,000, originally from VB Lofts Borrower to LaSalle, and now held by Mortgagee as successor by merger to LaSalle. The said Promissory Note (Mezzanine) as previously modified and amended, and as on the date hereof and hereafter modified, amended, increased, renewed and extended, is referred to herein as the "**VB Lofts Mezzanine Note**". The VB Lofts Mezzanine Note is due on April 15, 2010 (the "**VB Lofts Mezzanine Maturity Date**"), except as may be accelerated pursuant to the terms of the VB Lofts Mezzanine Note, the VB Lofts Mezzanine

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Loan Agreement or of any other document or instrument now or hereafter given to evidence or secure the payment of the VB Lofts Mezzanine Note or delivered to induce Mortgagee to disburse the proceeds of the VB Lofts Mezzanine Loan. The VB Lofts Mezzanine Note and the VB Lofts Mezzanine Loan Agreement, together with such other documents, as previously modified and amended, and as on the date hereof and hereafter modified, amended, increased, renewed and extended, are referred to herein as the **“VB Lofts Mezzanine Loan Documents”**.

C. In addition to the terms defined in the foregoing Mortgage, in the Mortgage (including this Rider), the following terms shall have the following respective meanings:

(i) **“VB Lofts Loans”** means the VB Lofts Senior Loan and the VB Lofts Mezzanine Loan.

(ii) **“VB Lofts Loan Agreements”** means the VB Lofts Senior Loan Agreement and the VB Lofts Mezzanine Loan Agreement.

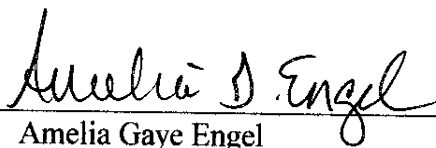
(iii) **“VB Lofts Notes”** means the VB Lofts Senior Note and the VB Lofts Mezzanine Note.

(iv) **“VB Lofts Loan Documents”** means the VB Lofts Senior Loan Documents and the VB Lofts Mezzanine Loan Documents.

D. VB Lofts Borrower is under common ownership and control with Mortgagor, either in whole or in part.

E. A condition precedent to Mortgagee's entering into certain agreements with VB Lofts Borrower, which provide for certain modifications and amendments of the terms of the VB Lofts Loans, is the execution and delivery by Mortgagor of this Mortgage as additional security for the VB Lofts Loans.

F. The Property is subject to a Mortgage dated June 21, 2006, in favor of The PrivateBank and Trust Company, which is in the stated principal amount of \$1,500,000, with a principal balance outstanding of not more than \$1,500,000, and a Mortgage dated October 2, 2002, in favor of Washington Mutual Bank, FA, which is in the stated principal amount of \$320,000, with a principal balance outstanding of not more than \$89,000 (the **“Senior Mortgages”**), to which Senior Mortgages this Mortgage is subject and subordinate.



Amelia Gaye Engel