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## Illinois Anti-Predatory Lending Database Program

### Certificate of Exemption

Doc#: 1105656029 Fee: \$74.00  
Eugene "Gene" Moore RHSP Fee: \$10.00  
Cook County Recorder of Deeds  
Date: 02/25/2011 12:59 PM Pg: 1 of 20

**Report Mortgage Fraud**  
**800-532-8785**

The property identified as: **PIN:** 12-01-310-001-0000

**Address:**

**Street:** 7827 West Thorndale

**Street line 2:**

**City:** Chicago

**State:** IL

**ZIP Code:** 60631

**Lender:** Mark Pikul

**Borrower:** Piotr Grzywacz and Atton Construction Inc

**Loan / Mortgage Amount:** \$205,000.00

This property is located within the program area 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:** 6A719452-B544-41F9-AD63-1F89DAF33D5C

**Execution date:** 01/13/2011

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THIS INSTRUMENT PREPARED BY:

David H. Cutler  
8430 Gross Point Rd, Ste 201  
Skokie IL 60077

AND AFTER RECORDING MAIL TO:

David H. Cutler  
8430 Gross Point Rd, Ste 201  
Skokie IL 60077

## MORTGAGE AND SECURITY AGREEMENT

THIS MORTGAGE AND SECURITY AGREEMENT (hereinafter referred to as this "Mortgage") is made as of January 11, 2011, from PIOTR GRZYWACZ AND ATTON CONSTRUCTION INC ("Mortgagor"), and MARK PIKUL ("Mortgagee"), with a mailing address at 14530 RENMORE ROAD, HOMER GLEN, ILLINOIS 60491.

WHEREAS, Mortgagor has executed and delivered to the Mortgagee, a mortgage note (herein called the "Note") dated as of the date hereof, payable to the order of Mortgagee, in the principal sum of TWO HUNDRED FIVE THOUSAND AND NO/100 Dollars (\$205,000.00) bearing interest at the rate specified therein, and due in the manner as provided therein and in any event not later than 11<sup>TH</sup> JANUARY, 2012 the terms and provisions of which Note are incorporated herein and made a part hereof by this reference with the same effect as if set forth at length; and

WHEREAS, the term "Note" as used hereinafter shall be deemed to include the above-described Note and all extensions, renewals, replacements, modifications and refinancing thereof.

NOW, THEREFORE, to secure: (a) the payment of the principal and interest on the Note, when the same becomes due and payable (whether by lapse of time, acceleration or otherwise); (b) the payment of all other indebtedness, obligations and liabilities which this Mortgage secures pursuant to any of its terms, including, without limitation, all expenses and charges, legal or otherwise, including reasonable attorneys' fees, paid or incurred by the Mortgagee in realizing upon or protecting this Mortgage or the indebtedness secured hereby; and (c) the performance of Mortgagor's covenants and agreements under this Mortgage, Mortgagor does hereby GRANT, MORTGAGE, CONVEY AND ASSIGN to Mortgagee, its successors and assigns, the real estate legally described on Exhibit "A" attached hereto and made a part hereof,

TOGETHER WITH (1) all buildings, improvements, fixtures, appurtenances, easements and hereditaments thereto belonging; and together with all equipment and machinery now or

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hereafter therein or thereon used to supply heat, gas, air conditioning, electrical, sprinkler systems, plumbing, water, light, power, refrigeration and ventilation; elevators, escalators, communication and electronic monitoring equipment, tanks, pumps and together with any other fixtures, equipment, machinery or other personal property now or hereafter placed on the above described property which shall be employed in connection with the operation, use, occupancy or enjoyment thereof; (2) all right, title and interest of Mortgagor, including any after-acquired title or reversion, in and to the rights-of-way, roads, streets, avenues and alleys adjoining the Mortgaged Premises; (3) all rents, issues, proceeds and profits accruing and to accrue from the Mortgaged Premises and all right, title and interest of Mortgagor in and to any and all leases approved by Mortgagee now or hereafter on or affecting the Mortgaged Premises, whether written or oral, and all other leases and agreements for the use thereof, and all renewals, extensions and substitutions thereof (collectively the "Leases"), together with all security therefor and all monies payable thereunder, subject, however, to the conditional permission of Mortgagee given to Mortgagor to collect the rentals to be paid pursuant thereto, provided an Event of Default (as hereinafter defined) shall not have occurred and be continuing; and (4) all proceeds heretofore or hereafter payable to Mortgagor by reason of loss or damage by fire and such other hazards, casualties and contingencies insured pursuant to the insurance policies hereinafter described and awards and other compensation heretofore or hereafter payable to Mortgagor for any taking by condemnation or eminent domain proceedings of all or any part of the Mortgaged Premises or any easement or appurtenance thereof, including severance and consequential damage. (said real estate and all of the above collectively referred to herein as the "Mortgaged Premises")

TO HAVE AND TO HOLD the Mortgaged Premises unto Mortgagee, its successors and assigns forever, provided, however, that if and when all principal and accrued interest on the Note and all other indebtedness and obligations hereby secured shall be paid in full, and Mortgagor shall perform all of the terms, covenants and agreements contained herein, then this Mortgage shall be released upon the written request and expense of Mortgagor.

Mortgagor covenants that Mortgagor is lawfully seized of the real estate hereby conveyed and has the right to mortgage, grant, assign, and convey the Mortgaged Premises; that the Mortgaged Premises are unencumbered, and that Mortgagor will warrant and defend generally the title to the Mortgaged Premises against all claims and demands, subject to any declarations, easements and restrictions of record existing on the date hereof, approved by Mortgagee.

MORTGAGOR HEREBY FURTHER COVENANTS TO MORTGAGEE AND AGREES AS FOLLOWS:

1. Mortgagor hereby agrees: (a) to pay when due all indebtedness secured by this Mortgage, all interest thereon and all other indebtedness, obligations and liabilities which this Mortgage

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secures; (b) not to commit or permit to exist any waste of the Mortgaged Premises and to keep the Mortgaged Premises in good condition and repair; (c) to keep the Mortgaged Premises free of any mortgage, trust deed, mechanic's lien, or other lien or encumbrance (except this Mortgage); (d) not to suffer or permit unlawful use or any nuisance to exist upon the Mortgaged Premises; (e) not to remove or demolish any part of the improvements of a structural nature which would adversely affect the value of the Mortgaged Premises; (f) not to abandon the Mortgaged Premises; (g) to pay when due any indebtedness or liability which may be secured by a mortgage, lien, other encumbrance or charge on all or any part of the Mortgaged Premises equal or senior in priority to this Mortgage; (h) to complete within a reasonable time any buildings or improvements now or at any time in the process of erection upon the Mortgaged Premises; (i) immediately after destruction or damage to all or any part of the Mortgaged Premises to commence and promptly complete the rebuilding or restoration of buildings, improvements and all other property now or hereafter on the Mortgaged Premises unless Mortgagee elects to apply the proceeds of insurance to the indebtedness secured by this Mortgage as hereinafter provided; (j) to comply with all laws, regulations, rulings, ordinances, orders and all other requirements imposed by any governmental or other competent authority and with all restrictions, covenants and conditions relating to the Mortgaged Premises or to the use of thereof; (k) not to make or permit, without first obtaining the written consent of the Mortgagee, the use of the Mortgaged Premises for any purpose other than that for which it was used on the date of this Mortgage or the removal, demolition or sale of any building, improvement, fixture, machinery or equipment now or hereafter upon the Mortgaged Premises; (l) to keep and maintain such books and records as required by Mortgagee and to permit Mortgagee reasonable access to and the rights of inspection of such books and records; (m) to furnish to the Mortgagee such information and data with respect to the financial condition, business affairs and operations of Mortgagor and the Mortgaged Premises as may be reasonably requested (all such information and data to be prepared in accordance with generally accepted accounting principles consistently applied); (n) that no construction shall hereafter be commenced upon the Mortgaged Premises unless the plans and specifications for such construction have been submitted to and approved in writing by Mortgagee to the end that such construction shall not, in the reasonable judgment of the Mortgagee entail prejudice of any indebtedness secured hereby or the lien of this Mortgage; and (o) that if the Mortgaged Premises are now or hereafter located in an area which has been designated as a flood risk area by the Director of the Federal Emergency Management Agency or as otherwise required by the Flood Disaster Protection Act of 1973 (as amended from time to time) and regulations issued under it (collectively, the "Act"), the Mortgagor will keep the Mortgaged Premises covered for the duration of the Note by flood insurance up to the maximum limit of coverage available under the Act.

2. Mortgagor shall keep the Mortgaged Premises continuously insured for the benefit of Mortgagee, until the indebtedness secured hereby shall be paid in full and discharged, against fire and such other hazards and risks customarily covered by the standard form of extended

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coverage endorsement available in the State of Illinois, including risks of lightning, windstorm, malicious mischief, vandalism and other extended coverage hazards, for full replacement value, and such other appropriate insurance as the Mortgagee may require from time to time. All insurance policies and renewals must be acceptable to Mortgagee, must provide for payment to the Mortgagee in the event of loss, must require thirty (30) days notice to the Mortgagee in the event of nonrenewal or cancellation, must be written by insurers acceptable to Mortgagee and have such monetary limits as Mortgagee shall require, and must be delivered to the Mortgagee. Should the Mortgagor fail to insure or fail to pay the premiums on any insurance or fail to deliver the policies or certificates or renewals to the Mortgagee, then the Mortgagee at its option may have the insurance written or renewed and pay the premiums for the account of Mortgagor. In the event of loss or damage, the proceeds of the insurance shall be paid to the Mortgagee alone. No loss or damage shall itself reduce the indebtedness secured hereby. All casualty policies shall contain a standard mortgagee clause naming Mortgagee as "Mortgagee and Loss Payee" and a Lender's loss payable endorsement in favor of Mortgagee. Mortgagor shall also provide a Comprehensive General Liability Policy naming Mortgagee as an "Additional Insured".

3. In the event of any loss or damage sustained by casualty for which insurance policies are in effect, the Mortgagee is authorized, to adjust, compromise and collect all claims thereunder without the consent of the Mortgagor and to execute and deliver on behalf of Mortgagor all necessary proofs of loss, receipts, vouchers, releases and such other documents as shall be required by the insurers to be executed. At the election of Mortgagee, the proceeds of any insurance may be applied to the reduction of the indebtedness secured by this Mortgage, whether or not then due, or may be applied to the cost of building or restoring of buildings and improvements on the Mortgaged Premises, or may be applied to both purposes in such proportion as the Mortgagee shall determine. That part of the Mortgaged Premises so damaged or destroyed shall be repaired or rebuilt, in accordance with plans and specifications therefor submitted to and approved by Mortgagee (which approval shall not be unreasonably withheld or delayed) and all life, safety and environmental regulations, laws, ordinances (including zoning), rules and regulations of governmental authorities having jurisdiction thereover, so as to be as similar, as is reasonably possible, to the condition which existed prior to such casualty.

4. Mortgagor shall pay all general real estate taxes, special taxes, special assessments, water and sewer charges and all other taxes and charges on the Mortgaged Premises before any charge for nonpayment attaches or accrues, and shall furnish the Mortgagee, upon request, with the original or duplicate receipts therefor. If Mortgagor shall desire to contest any tax or special assessment, to avoid default under this Mortgage, Mortgagor shall pay such tax or assessment in full in the manner provided by law.

5. At Mortgagee's request, Mortgagor agrees to pay to Mortgagee each month a sum specified by Mortgagee and estimated by Mortgagee to be equal to one-twelfth of the total amount of the

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general property taxes to be assessed against the Mortgaged Premises for the year in which the deposit is made. Upon funding of the Note, Mortgagor shall also deposit with Mortgagee an amount as estimated by Mortgagee which, when added to the monthly deposits to be made thereafter as provided for herein, shall assure to Mortgagee's satisfaction that there will be sufficient funds on deposit to pay general and special real estate taxes as they come due. Mortgagor shall also increase the monthly deposit for payment of all special assessments. The Mortgagee is hereby authorized to pay all taxes and special assessments as charged or billed without inquiry as to the accuracy or validity thereof. If deposits made hereunder for taxes and special assessments shall not be sufficient to pay the amounts billed as they become due, the Mortgagor shall pay the deficiency to Mortgagee on demand.

6. In case of default hereunder, Mortgagee may, at its option, at any time make any payment or perform any act herein required by Mortgagor in any form and manner deemed expedient by Mortgagee, and Mortgagee may, at its option, make full or partial payments of principal or interest on prior encumbrances, if any, pay delinquent taxes and insurance premiums and purchase, discharge or settle any tax lien or any other prior lien or claim, redeem from any tax sale or forfeiture affecting the Mortgaged Premises or contest any tax or assessment. All monies paid or incurred by Mortgagee in connection therewith including costs and attorneys' fees and any other monies advanced by Mortgagee to protect the Mortgaged Premises shall be so much additional indebtedness secured hereby and shall be immediately due and payable by Mortgagor together with interest at the Default Rate as defined in the Note.

7. In the event that the Mortgaged Premises or any part thereof is taken by condemnation, Mortgagee is hereby empowered, to collect and receive any awards resulting therefrom ("Awards"), which shall, at the election of Mortgagee, be applied to the payment of the Note or any other indebtedness secured hereby, or on account of rebuilding or restoring that part of Mortgaged Premises not so taken or damaged. If Mortgagee elects to permit the use of Awards for rebuilding or restoration of the Mortgaged Premises, the Mortgaged Premises shall be so rebuilt or restored in accordance with plans and specifications therefor submitted to and approved by Mortgagee (which approval shall not be unreasonably withheld or delayed) and applicable laws, so as to be as similar, as is reasonably possible, to the condition which existed prior to condemnation. In the event the Awards are insufficient to pay for all costs of rebuilding or restoration, Mortgagor shall deposit with Mortgagee an amount equal to such excess costs prior to any disbursement.

8. To further secure payment of the Note, all other indebtedness secured hereby and performance of all of the terms, covenants, conditions and agreements contained herein, Mortgagor hereby sells, assigns and transfers to Mortgagee all of its right, title and interest in and to all Leases and rentals, issues, proceeds and profits now due and which may hereafter become due pursuant thereto, it being the intention hereby to establish an absolute transfer and assignment thereof to

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Mortgagee. Mortgagor hereby irrevocably appoints Mortgagee its agent, in its name and stead (with or without taking possession of the Mortgaged Premises), to rent, lease or let all or any part of the Mortgaged Premises to any party or parties, at such rental and upon such terms as Mortgagee shall, in its discretion, determine and to collect all of said avails, rents, issues and profits arising from or accruing at any time hereafter and all presently due or which may hereafter become due pursuant to each and every Lease or any other tenancy existing or which hereafter exists on the Mortgaged Premises, with the same rights and powers and subject to the same rights and powers as Mortgagor would have. If no Event of Default under this Mortgage has occurred, Mortgagor shall have the right to collect all of the rents arising from Leases or renewals thereof. Upon an occurrence of an Event of Default, Mortgagee, at any time or times thereafter, may notify any and all of the tenants of the Leases that the Leases have been assigned to Mortgagee and Mortgagee may direct said tenants thereafter to make all rentals and payments due from tenants under the Leases directly to Mortgagee and shall have the right to enforce the terms of the Leases and obtain payment of and collect the rents, by legal proceedings or otherwise in the name of the Mortgagor. Mortgagor will at all times deliver to the Mortgagee duplicate originals or certified copies of all leases, agreements and documents relating to the Mortgaged Premises and shall permit access by the Mortgagee to its books and records, insurance policies and other papers for examination and making copies and extracts thereof. The Mortgagee, its agents and designees shall have the right to inspect the Mortgaged Premises at all reasonable times and access thereto shall be permitted for that purpose.

9. This Mortgage is given to and shall secure not only existing indebtedness, but also future advances, whether such advances are obligatory or to be made at the option of the Mortgagee, or otherwise, as are made within twenty years from the date hereof, to the same extent as if future advances were made on the date of the execution of this Mortgage, although there may be no advance made at the time of execution of this Mortgage, and although there may be no indebtedness outstanding at the time any advance is made. The lien of this Mortgage shall be valid as to all such indebtedness and future advances from the time this Mortgage is filed for record in the office of the Recorder of Deeds of the county where the Mortgaged Premises described herein are located. The total amount of indebtedness that may be so secured may increase or decrease from time to time, but the total unpaid balance so secured at any one time shall not exceed Five Hundred Ninety and 00/100 (\$500,000.00) Dollars, plus interest thereon, and any disbursements by Mortgagee made for the payment of taxes, special assessments or insurance on the Mortgaged Premises or any other amounts disbursed pursuant to paragraph 6 of this Mortgage, with interest on such disbursements, and all costs of collection, including reasonable attorneys' fees.

10. If Mortgagor shall transfer, convey, alienate, pledge, hypothecate or mortgage the Mortgaged Premises or any part thereof, or shall sell, transfer or assign the shares of stock of any corporate

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owner of the Mortgaged Premises, Mortgagee, at its option, may accelerate the maturity of the Note and declare it to be due and payable forthwith.

11. This Mortgage shall constitute a security agreement between Mortgagor and Mortgagee with respect to that portion of the Mortgaged Premises constituting property or interests in property, whether real or personal, including any and all sums deposited by Mortgagor and held by Mortgagee which are subject to the priority and perfection provisions of the Illinois Uniform Commercial Code. Therefore, to secure payment of the Note and all other indebtedness and obligations of Mortgagor hereunder, Mortgagor hereby grants to Mortgagee a security interest in the Mortgaged Premises and in all such deposits and agrees that, upon an Event of Default, Mortgagee shall have all of the rights and remedies of a secured party under the Illinois Uniform Commercial Code.

12. Mortgagor shall not and will not apply for or avail itself of any appraisalment, valuation, stay, extension or exemption laws, or any so-called "moratorium laws" now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but does hereby waive the benefit of such laws. Mortgagor expressly waives any and all rights of redemption under any judgment or decree of foreclosure of this Mortgage, on its own behalf, on behalf of all persons claiming or having an interest (direct or indirect) by, through or under Mortgagor and on behalf of each and every person acquiring any interest in or title to the Mortgaged Premises subsequent to the date hereof, it being the intent of Mortgagor hereby that any and all such rights of redemption of Mortgagor and of all other persons are and shall be deemed to be hereby waived to the full extent permitted by applicable laws.

Mortgagor hereby further waives, on behalf of itself and any person claiming by or through Mortgagor, all rights and benefits under and by virtue of the Homestead Exemption Laws of the State of Illinois, and all other homestead rights and benefits in the Mortgaged Premises, of every kind and description.

13. This Mortgage shall secure, in addition to all other indebtedness and obligations herein recited, any loss, liability, penalty, damage, expense, or judgment including reasonable attorneys' fees incurred by Mortgagee by reason of any actual or alleged violation of any applicable statute, ordinance, rule or regulation for the protection of the environment which occurs upon the Mortgaged Premises or any adjoining parcels or by reason of imposition of any governmental lien for the recovery of environmental cleanup costs expended by reason of such violation ("Environmental Costs").

14. Any one or more of the following shall constitute an event of default ("Event of Default") hereunder: (a) default in the payment, when due (whether by lapse of time, acceleration or otherwise) of the principal of or interest on the Note and failure to cure within any applicable



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cure or grace period specified in the Note, if any, or; (b) default in the payment, when due, of any other indebtedness hereby secured and such amount shall not be paid within ten (10) days after written notice thereof is sent to Mortgagor; or (c) default for more than thirty (30) days after written notice thereof is sent to Mortgagor in the observance or compliance with any other covenant, warranty, term or provision of this Mortgage or any other instrument or document securing the Note or relating thereto; or (d) any representation or warranty made by Mortgagor herein or by Mortgagor in any other instrument or document securing the Note or relating thereto or in any statement or certificate furnished by it or him pursuant hereto or thereto proves to be untrue or misleading in any material respect as of the date of issuance or making thereof; or (e) the Mortgaged Premises or any part thereof, or the beneficial interest in the trust estate holding title thereto shall be assigned, sold, transferred or conveyed, whether voluntarily or involuntarily, by operation of law or otherwise, except for sales of obsolete, worn out or unusable fixtures or personal property which are concurrently replaced with similar fixtures or personal property at least equal in quality and condition to those sold and owned by Mortgagor free of any lien, charge or encumbrance other than the lien hereof; or (f) any indebtedness secured by a lien or charge on the Mortgaged Premises or any part thereof is not paid when due or proceedings are commenced to foreclose or otherwise realize upon any such lien or charge or to have a receiver appointed for the property subject thereto or to place the holder of such indebtedness or its representative in possession thereof; or (g) Mortgagor becomes insolvent or bankrupt or admits in writing its or his inability to pay its or his debts as they mature or makes an assignment for the benefit of creditors or applies for or consents to the appointment of a trustee, custodian or receiver for the major part of its or his property or such a trustee, custodian or receiver is appointed for Mortgagor for the major part of the properties of any of them and is not discharged within thirty (30) days after such appointment, or bankruptcy, reorganization, arrangement, insolvency, readjustment, liquidation, dissolution or other proceedings for relief under any present or future bankruptcy laws or laws or other statute, law or regulation for the relief of debtors are instituted by or against Mortgagor and if instituted against such party are consented to or acquiesced in or are not dismissed within thirty (30) days after such institution, or Mortgagor takes any action in contemplation of or furtherance of any of the foregoing; or (h) there shall be any execution, attachment or levy on the Mortgaged Premises not stayed or released within thirty (30) days; or (i) any financial or other information submitted by Mortgagor proves untrue in any material respect; or (j) the Mortgaged Premises are abandoned; or (k) Mortgagor shall fail or refuse to pay Environmental Costs as herein defined; or (l) any hazardous substance or waste, industrial waste, pollution control waste or toxic substance, within the meaning of any applicable Federal, state or local environmental statute, ordinance, rule or regulation (collectively, "Hazardous Substances") shall be installed, used, generated, manufactured, produced, stored, released, discharged or disposed of on, under or about the Mortgaged Premises, or transported to or from the Mortgaged Premises, in violation of any Federal, state or local environmental statute, ordinance, rule or regulation; or (m) Mortgagor shall fail or refuse voluntarily to clean up and to bear the cost of cleaning up all Hazardous

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Substances on, under or about the Mortgaged Premises within sixty (60) days after their discovery, or after receipt from any environmental agency or any other governmental unit or authority that a violation of any applicable Federal, state or local environmental statute, ordinance, rule or regulation has occurred; or (n) any maker of the Note shall die or become incompetent.

15. When any Event of Default has occurred and is continuing (regardless of the pendency of any proceeding which has or might have the effect of preventing Mortgagor from complying with the terms of this instrument and of the adequacy of the security for the Note) and in addition to such other rights as may be available under applicable law, but subject at all times to any mandatory legal requirements: (a) Mortgagee may, by written notice to Mortgagor, declare the Note and all unpaid indebtedness of Mortgagor hereby secured, including any interest then accrued thereon, to be forthwith due and payable, whereupon the same shall become and be forthwith due and payable, without other notice or demand of any kind; (b) Mortgagee shall, with respect to any part of the Mortgaged Premises constituting property of the type in respect of which realization on a lien or security interest granted therein is governed by the Illinois Uniform Commercial Code, have all the rights, options and remedies of a secured party under the Illinois Uniform Commercial Code; (c) Mortgagee may proceed to protect and enforce the rights of Mortgagor hereunder (i) by any action at law, suit in equity or other appropriate proceedings, whether for the specific performance of any agreement contained herein, or for an injunction against the violation of any of the terms hereof, or in aid of the exercise of any power granted hereby or by law; or (ii) by the foreclosure of this Mortgage in any manner permitted by law; (d) Mortgagee shall, as a matter of right, without giving bond to Mortgagor or anyone claiming by, under or through it, and without regard to the solvency or insolvency of Mortgagor or the then value of the Mortgaged Premises, be entitled to have a receiver appointed of all or any part of the Mortgaged Premises and rents, issues and profits thereof, with such power as the court making such appointment shall confer, and Mortgagor hereby consents to the appointment of such receiver and shall not oppose any such appointment. Any such receiver may, to the extent permitted under applicable law, without notice, enter upon and take possession of the Mortgaged Premises or any part thereof by force, summary proceedings, ejectment or otherwise, and may remove Mortgagor or other persons and any and all property therefrom, and may hold, operate and manage the same and receive all earnings, income, rents, issues and proceeds accruing with respect thereto or any part thereof, whether during the pendency of any foreclosure or until any right of redemption shall expire or otherwise; (e) Mortgagee may enter and take possession of the Mortgaged Premises or any part thereof and manage, operate, insure, repair and improve the same and take any action which, in Mortgagee's judgment, is necessary or proper to conserve the value of the Mortgaged Premises. Mortgagee may also take possession of, and for these purposes use, any and all personal property contained on or about the Mortgaged Premises and used in the operation, rental or leasing thereof or any part thereof. Mortgagee shall be entitled to collect and receive all earnings, revenues, rents, issues and profits of the Mortgaged Premises or any part

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thereof (and for such purpose Mortgagor does hereby irrevocably constitute and appoint Mortgagee its true and lawful attorney-in-fact for it and in its name, place and stead to receive, collect and receipt for all of the foregoing, Mortgagor irrevocably acknowledging that any payment made to Mortgagee hereunder shall be a good receipt and acquittance against Mortgagor to the extent so made) and to apply same to the reduction of the indebtedness hereby secured. The right to enter and take possession of the Mortgaged Premises and use any personal property thereon, to manage, operate and conserve the same, and to collect the rents, issues and profits thereof, shall be in addition to all other rights or remedies of Mortgagee hereunder or afforded by law, and may be exercised concurrently therewith or independently thereof. The expense (including any receiver's fees, counsel fees, costs and agent's compensation) incurred pursuant to the powers herein contained shall be so much additional indebtedness hereby secured which Mortgagor promises to pay upon demand together with interest at the Default Rate applicable to the Note at the time such expenses are incurred. Mortgagee shall not be liable to account to Mortgagor for any action taken pursuant hereto other than to account for any rents actually received by Mortgagee. Without taking possession of the Mortgaged Premises, Mortgagee may, in the event the Mortgaged Premises becomes vacant or is abandoned, take such steps as it deems appropriate to protect and secure the Mortgaged Premises (including hiring watchmen therefor) and all costs incurred in so doing shall constitute so much additional indebtedness hereby secured payable upon demand with interest thereon at the Default Rate, as defined in the Note, at the time such costs are incurred.

16. All rights and remedies set forth in this Mortgage are cumulative and the holder of the Note and of every other obligation secured hereby may recover judgment herein, issue execution therefor, and resort to every other right or remedy available at law or in equity, without first exhausting and without affecting or impairing the security of any right or remedy afforded hereby.

17. The Mortgagor will, within ninety (90) days after the end of each fiscal year of Mortgagor, furnish to the Mortgagee at the place where payments pursuant to the Note are then payable, the personal financial statement of Mortgagor, currently dated, and financial and operating statements of the Mortgaged Premises for such fiscal year, all in reasonable detail and in any event including a balance sheet and income statement. If the statements furnished shall not be prepared in accordance with generally accepted accounting principals consistently applied, or if Mortgagor fails to furnish the same when due, Mortgagee may audit or cause to be audited the books of the Mortgaged Premises and the Mortgagor, at Mortgagor's expense, and the cost of such audit, together with interest at the default rate, as defined in the Note, shall be payable upon demand. Mortgagor will deliver to Mortgagee such other financial information regarding Mortgagor and the Mortgaged Premises, as Mortgagee may request from time to time.

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18. No action for the enforcement of the lien or any provision hereof shall be subject to any defense which would not be good and available to the party interposing the same in an action at law upon the Note.

19. Unless expressly provided in this Mortgage to the contrary, no consent or waiver, express or implied, by Mortgagee to or of any breach or default by Mortgagor in the performance by Mortgagor of any obligations contained herein shall be deemed a consent to or waiver by Mortgagee of such performance in any other instance or any other obligation hereunder. The failure of Mortgagee to exercise either or both of its remedies to accelerate the maturity of the indebtedness secured hereby and/or to foreclose the lien hereof following any Event of Default hereunder, or to exercise any other remedy granted to Mortgagee hereunder or under applicable law in any one or more instances, or the acceptance by Mortgagee of partial payments of such indebtedness shall neither constitute a waiver of any such Event of Default or of Mortgagee's remedies hereunder or under applicable law nor establish, extend or affect any grace period for payments due under the Note, but such remedies shall remain continuously in force. Acceleration of maturity, once claimed hereunder by Mortgagee, may at Mortgagee's option be rescinded by written acknowledgment to that effect by Mortgagee and shall not affect Mortgagee's right to accelerate maturity upon or after any future Event of Default.

20. No action for the enforcement of the lien or any provision hereof shall be subject to any defense which would not be good and available to the party interposing the same in an action at law upon the Note.

21. Mortgagor represents and agrees that the proceeds of the Note will be used for business purposes and that the Note and this Mortgage are exempt from limitations upon lawful interest, pursuant to the terms of Section 205/4 of Chapter 815 of the Illinois Compiled Statutes.

22. If by the laws of the United States of America, or of any state having jurisdiction over the Mortgagor, any tax is due or becomes due in respect of the issuance of the Note, the Mortgagor shall pay such tax in the manner required by such law.

23. All communications provided for herein shall be in writing and shall be deemed to have been given when delivered personally or three (3) business days after mailing by United States certified mail, return receipt requested, first class mail, postage prepaid, addressed to the parties hereto at their addresses as shown at the beginning of this Mortgage or to such other and different address as Mortgagor or Mortgagee may designate pursuant to a written notice sent in accordance with the provisions hereof.

24. This Mortgage shall be construed in accordance with and governed pursuant to the laws of the State of Illinois. Whenever possible, each provision of this Mortgage shall be interpreted in

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such a manner as to be effective and valid pursuant to applicable law; provided, however, that if any part hereof shall be prohibited by or invalid thereunder, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remaining provisions of this Mortgage.

25. Whenever any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party; and all the covenants, promises and agreements in this Mortgage contained by or on behalf of Mortgagor, or by or on behalf of Mortgagee, shall bind and inure to the benefit of the respective heirs, executors, administrators, successors, vendees and assigns of such parties, whether so expressed or not. In addition, all covenants, promises and agreements of Mortgagor herein shall be binding upon any other parties claiming any interest in the Mortgaged Premises under Mortgagor. If more than one party signs this instrument as Mortgagor, then the term "Mortgagor" as used herein shall mean all of such parties, jointly and severally. In addition, the term "Mortgagor" shall include all persons claiming under or through Mortgagor and all persons liable for the payment of the indebtedness or any part thereof, whether or not such persons shall have executed the Note or this Mortgage.

Mortgagors warrant and represent that the property encumbered by this Mortgage is not Homestead property under the laws of the State of Illinois.

IN WITNESS WHEREOF, Mortgagors have executed this Mortgage the day and year first above written.

By: Piotr Grzywacz  
Piotr Grzywacz

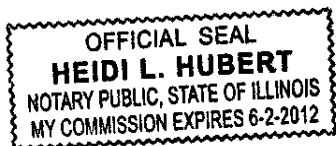
STATE OF ILLINOIS        )  
  )SS  
COUNTY OF COOK        )

I, the undersigned, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY THAT Piotr Grzywacz and appeared before me this day and subscribed his name to the foregoing instrument for the uses and purposes therein stated.

Given under my hand and notarial seal this 11<sup>th</sup> day of January, 2011

[Signature]  
Notary Public

My Commission Expires: 6-2-2012



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ATTON CONSTRUCTION INC.  
An Illinois corporation

By: Renata Ponikiewska  
Renata Ponikiewska,  
President and Secretary

STATE OF ILLINOIS )  
  )SS  
COUNTY OF COOK )

I, the undersigned, a Notary Public in and for said County in the State aforesaid, DO  
HEREBY CERTIFY THAT Renata Ponikiewska, President and Secretary of Atton Construction,  
Inc., appeared before me this day and subscribed her name to the foregoing instrument for the  
uses and purposes therein stated.

Given under my hand and notarial seal this 11<sup>th</sup> day of January, 2011

Heidi L. Hubert  
Notary Public

My Commission Expires: 6-2-2012



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## EXHIBIT A

### LEGAL DESCRIPTION

LOT 17 IN LAUTERBACK'S CANFIELD RIDGE DEVELOPMENT SUBDIVISION, BEING A RESUBDIVISION OF LAUTERBACK'S SUNSET RIDGE SUBDIVISION, TOGETHER WITH THE NORTH 15 ACRES OF LOT 2 IN THE ASSESSOR'S SUBDIVISION OF THE SOUTH ½ OF SECTION 1, TOWNSHIP 40 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 7827 West Thorndale, Chicago, Illinois 60631

PERMANENT INDEX NO.: 12-01-310-001-0000

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## MORTGAGE NOTE

\$205,000

January 11, 2011

FOR VALUE RECEIVED, PIOTR GRZYWACZ AND ATTON CONSTRUCTION, INC, an Illinois Corporation, jointly and severally (hereinafter sometimes (collectively referred to as "Borrower"), promise to pay to the order of MARK PIKUL ("Lender") at 14530 Renmore Road, Homer Glen, Illinois 60491 or such other place as the holder hereof may designate in writing, in the manner provided hereinafter and in the Mortgage securing this Note, the principal sum of TWO HUNDRED FIVE THOUSAND AND NO/100 DOLLARS (\$205,000.00) plus thirty-three (33%) percent of the net profits after expenses of construction, completion and sale of the property commonly known as 7827 West Thorndale, Chicago, Illinois 60631 ("Property") to a third-party purchaser. Such amount shall be immediately due and payable to Lender at a closing of the Property.

(1) Net profits after expenses of construction shall include labor, materials, real estate taxes, insurance, and other reasonably necessary construction expenses and such costs will not include any general construction fee or any fee to Atton Construction and/or Piotr Grzywacz.

(2) In the event the Property is not sold prior to January 11, 2012, this Note shall mature and the principal balance due under this Note shall be payable on demand. ("Maturity Date").

After the Maturity Date, whether by acceleration or otherwise, interest shall accrue on the balance of principal remaining from time to time outstanding at the rate of twenty (20%) per annum (the "Default Rate").

Any payments on account of the indebtedness evidenced by this Note, made after the Maturity Date shall be first applied to interest on the unpaid balance, then to principal, then to escrow deficiencies, and the remainder to late charges and costs advanced by Lender. Interest shall be payable on the basis of a year consisting of 360 days and charged for the number of days actually elapsed. The date of first disbursement hereunder shall be the date upon which the first proceeds evidenced by this Note are disbursed pursuant to the direction of the Borrower hereof.

The payment of this Note is secured by a mortgage and security agreement from Borrower on real property commonly known as 7827 West Thorndale, Chicago, Illinois 60631 (the "Mortgage") which document and all other documents relating to this loan executed by Borrower, are collectively referred to as the "Loan Documents". All of the agreements, conditions, covenants, provisions and stipulations contained in the Loan Documents which are to be kept and performed by any Borrower are hereby made a part of this Note to the same extent and with the same force and effect as if they were fully set forth herein, and Borrower covenants and agrees to keep and perform them or cause them to be kept and performed, strictly in accordance with their terms.

Borrower may prepay the loan, in whole or in part, at any time during the term of this Note.

It shall be an event of default ("Event of Default") if any one or more of the following



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events, conditions or acts shall occur:

A. The Borrower defaults in the timely payment of any amount due hereunder and such default shall continue for seven days after written notice thereof to Borrower provided, however, that Lender shall not be obligated to give written notice prior to exercising its remedies with respect to such default if Lender had previously given during the preceding 12 calendar months two or more notices of default for failure to make payment of principal or interest hereon; or

B. The Borrower fails or neglects to comply with or to perform in accordance with any representation, warranty, covenant, condition or other provision contained hereunder and such default shall continue after 30 days prior written notice to Borrower, provided, however, that in the event of a default which is not capable of being cured within said 30 day period, the time to cure the same shall be extended for an additional 30 day period if within said 30 day period, Borrower shall initiate and diligently pursue a course of action reasonably expected to cure such default; or

C. The Borrower fails or neglects to comply with or to perform in accordance with any representation, warranty, covenant, condition or other provision contained in any of the Loan Documents and such default is not cured within any applicable cure or grace period; or

D. Any statement, application or agreement furnished at any time or from time to time to the Lender by the Borrower is false or incorrect in any material respect; or

E. The death or legal incompetency of any Borrower.

At any time after an Event of Default, the entire unpaid principal balance of this Note, together with interest accrued thereon, shall, at the election of the Lender, without notice of such election and without demand or presentment, become immediately due and payable, anything contained herein or in the Loan Documents to the contrary notwithstanding, and the principal balance so accelerated and declared due as aforesaid shall thereafter bear interest at the Default Rate and in which event the Maturity Date shall be deemed to be the date of such acceleration.

The remedies of the holder hereof as provided in this Note, the Mortgage or any of the other Loan Documents shall be cumulative and concurrent, and may be pursued singly, successively, or together against Borrower, any property given as collateral for the indebtedness evidenced hereby, and/or any other security at the sole discretion of the holder hereof.

Borrower and any endorsers, sureties or guarantors hereof, jointly and severally, waive presentment for payment, demand, notice of protest, and protest of this Note and all other notices in connection with the delivery, acceptance, performance, default, or enforcement of the payment of this Note, and they agree that the liability of each of them shall be joint and several and shall be unconditional without regard to the liability of any other party and shall not in any manner be affected by any indulgence, extension of time, renewals, waiver or modification granted or consented to by the holder hereof; and Borrower and all endorsers, sureties and guarantors hereof consent to any and all extensions of time, renewals, waivers, or modifications that may be granted by the holder hereof with respect to the payment or other provisions of this Note, and to the release of the collateral, or any part thereof, with or without substitution, and agree that additional makers, endorsers, guarantors, or sureties may become parties hereto without notice to them or affecting their liability hereunder. Borrower hereby authorizes the Lender or any

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subsequent holder of this Note, after any Event of Default hereunder or pursuant to the Mortgage or any of the other Loan Documents, to apply any money or other property which the Lender or the holder hereof may have or hold on deposit or otherwise for any Borrower towards the payment of this Note, whether the same is due or not, and by execution hereof Borrower hereby specifically pledges and grants to the Lender a security interest in any money or other property which the Lender may have or hold on deposit for Borrower.

The Lender or any holder hereof shall not by any act of omission or commission be deemed to waive any of its rights or remedies hereunder unless such waiver be in writing and signed by the holder hereof, and then only to the extent specifically set forth therein. A waiver with respect to any one event shall not be construed as continuing or as a bar to or waiver of such right or remedy on a subsequent event.

Subject to the Mortgage, any sale, conveyance or transfer of any right, title or interest in the Premises or any portion thereof, without the prior written approval of the Lender or the holder of this Note, or any sale, transfer or assignment of all or any part of the beneficial interest in any trust holding title to the Premises without the prior written approval of the Lender or the holder of this Note, or any subordinate or secondary financing which results in a lien upon the Premises without the prior written approval of the Lender or the holder of this Note, or the execution and delivery of any contract or other agreement to do any of the aforesaid things, shall constitute an immediate default hereunder, and upon any such default the Lender or the holder hereof may declare the entire indebtedness evidenced by this Note to be immediately due and payable and foreclose the Mortgage and/or exercise any other remedies available to it under the Mortgage or any of the other Loan Documents securing this Note immediately or at any time during the continuance of the default. The acceptance of any payment due hereunder after any such sale, transfer or assignment shall not be deemed as the consent of the Lender to any such sale, transfer or assignment.

If at any time or times hereafter the Lender or the holder of this Note employs counsel for advice with respect to this Note, or to intervene, file a petition, answer, motion or other pleading in any suit or proceeding relating to this Note, or to attempt to collect this Note from or to enforce this Note against the undersigned Borrower, then, in any such events, all of the attorneys' fees arising from such services, and any expenses, costs and charges relating thereto, shall be an additional liability owing hereunder by the Borrower to the Lender or the holder of this Note payable on demand.

Whenever possible, each provision of this Note and each of the Loan Documents shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Note, the Mortgage or any of the other Loan Documents shall be prohibited or invalid under such law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of the provisions of this Note, the Mortgage or the other Loan Documents.

This Note shall be governed and controlled as to validity, enforcement, interpretation, construction, effect and in all other respects, by the statutes, laws, and decisions of the State of Illinois. This Note is submitted to the Lender at Skokie, Illinois and shall be deemed to have been made thereat.

The proceeds of the loan evidenced by this Note will be used solely for the purposes

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specified in Section 205/4, Paragraph 1(c) of Chapter 815 of the Illinois Compiled Statutes, as amended, and the principal amount hereof is for a business loan which comes within the purview of such Section. Borrower agrees that the obligation evidenced by this Note is an exempted transaction under the Truth in Lending Act, 15 U.S.C., Section 1601, et. seq.

All notices or other communications hereunder to either party shall be (a) in writing and, if mailed, shall be deemed to be given on the second Business Day after the date when deposited in the United States Mail, by Registered or Certified Mail, postage prepaid, or if personally delivered, shall be deemed given upon delivery, addressed as provided hereinafter, or (b) sent by facsimile (effective upon confirmation of transmissions), and (c) addressed:

If to Borrower:

Atton Construction, Inc.  
Piotr Grzywacz  
4433 North New England Ave  
Harwood Heights, IL 60706

If to Lender:

MARK PIKUL  
14530 RENMORE ROAD  
HOMER GLEN IL 60491

or to either party at such other addresses as such party may designate in a written notice to the other party. "Business Day" shall mean any day, when Lender is open for business other than Saturday, Sunday or any other day on which national banks in Chicago, Illinois are not open for business.

This Note may not be amended, modified or changed, except only by an instrument in writing, signed by the party against whom enforcement of any amendment, modification, change or discharge is sought.

THE VALIDITY OF THIS NOTE, ITS CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT, AND THE RIGHTS OF BORROWER AND LENDER SHALL BE DETERMINED UNDER, GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF ILLINOIS WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW. TO THE MAXIMUM EXTENT PERMITTED BY LAW, BORROWER HEREBY AGREES THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS NOTE SHALL BE TRIED AND DETERMINED ONLY IN THE STATE AND FEDERAL COURTS LOCATED IN THE COUNTY OF COOK, STATE OF ILLINOIS, OR, AT THE SOLE OPTION OF LENDER IN ANY OTHER COURT IN WHICH LENDER SHALL INITIATE LEGAL OR EQUITABLE PROCEEDINGS AND WHICH HAS SUBJECT MATTER JURISDICTION OVER THE MATTER IN CONTROVERSY. TO THE MAXIMUM EXTENT PERMITTED BY LAW, BORROWER HEREBY EXPRESSLY WAIVES ANY RIGHT IT MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS PARAGRAPH. TO THE MAXIMUM EXTENT PERMITTED BY LAW, BORROWER AND LENDER EACH HEREBY EXPRESSLY WAIVE ANY RIGHT TO TRIAL BY JURY OF ANY ACTION, CAUSE OF ACTION, CLAIM, DEMAND, OR PROCEEDING ARISING

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UNDER OR WITH RESPECT TO THIS NOTE, OR IN ANY WAY CONNECTED WITH, RELATED TO, OR INCIDENTAL TO THE DEALINGS OF BORROWER AND LENDER WITH RESPECT TO THIS NOTE, OR THE TRANSACTION RELATED HERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE. TO THE MAXIMUM EXTENT PERMITTED BY LAW, BORROWER AND LENDER EACH HEREBY AGREE THAT ANY SUCH ACTION, CAUSE OF ACTION, CLAIM, DEMAND OR PROCEEDING SHALL BE DECIDED BY A COURT TRIAL WITHOUT AJURY AND THAT BORROWER OR LENDER MAY FILE A COPY OF THIS EXECUTED NOTE WITH ANY COURT OR OTHER TRIBUNAL AS WRITTEN EVIDENCE OF THE CONSENT OF BORROWER AND LENDER TO THE WAIVER OF ITS RIGHT TO TRIAL BY JURY.

IN WITNESS WHEREOF, the Borrowers have executed this Note as of the date and year first above stated.

Piotr Grzywacz  
PIOTR GRZYWACZ

ATTON CONSTRUCTION, INC.,  
An Illinois corporation

By: Renata Ponikiewska  
Renata Ponikiewska  
Its President and Secretary