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Illinois Anti-Predatory
Lending Database
Program



Doc#: 1235429041 Fee: \$62.00
Karen A. Yarbrough RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 12/19/2012 10:42 AM Pg: 1 of 13

Certificate of Exemption

Report Mortgage Fraud
800-532-8785

The property identified as: **PIN:** 20-28-404-043-0000

Address:

Street: 125 WEST 75TH STREET

Street line 2:

City: CHICAGO

State: IL

ZIP Code: 60620

Lender: GURTZ ELECTRIC CO.

Borrower: THE FOSTER ELECTRIC GROUP, INC.

Loan / Mortgage Amount: \$100,000.00

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: 564344C7-BCB9-41D0-A216-41A6728AE20F

Execution date: 11/29/2012

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This instrument was prepared by
and after recording return to:

Jeffrey T. Saltz,
Morrison, Saltz & Davenport
Suite 1611
77 West Washington Street
Chicago, Illinois 60602

Permanent Real Estate Index No.:
20-28-404-043-0000 and
20-28-404-044-0000

Street Address:

125 West 75th Street
Chicago, IL 60620

ABOVE SPACE FOR RECORDER'S USE ONLY

JUNIOR MORTGAGE

THIS MORTGAGE made this 29th day of November 2012, by The Foster Electric Group, Inc., an Illinois corporation, (hereinafter referred to as the "Mortgagor"), whose address is 125 West 75th Street, Chicago, IL 60620, in favor of Gurtz Electric Co., an Illinois corporation, (together with its successors and assigns, including each and every, from time to time, holder of the Note, called the "Mortgagee"), whose address is 77 West Seegers, Arlington Heights, IL 60005;

WHEREAS, Mortgagor has asserted various claims against Mortgagee and Mortgagor and Mortgagee have entered into a settlement of those claims;

WHEREAS, pursuant to the settlement Mortgagee has agreed to execute this Mortgage and the Note referred to below in favor of Mortgagor;

WHEREAS, Mortgagor is indebted to Mortgagee in the principal sum of ONE HUNDRED THOUSAND and no/100 (\$100,000.00) DOLLARS, which indebtedness is evidenced by a Demand Promissory Note of even date herewith (hereinafter referred to as the "Note"), and which Note provides for payment of the indebtedness on demand with interest at One (1%) percent per annum on the principal sum remaining unpaid from time to time;

NOW, THEREFORE, Mortgagor, to secure the payment of the Note and any extensions and renewals thereof, in whole or in part, in accordance herewith or in the Note, (hereinafter referred to as the "Indebtedness"), and to protect the security of this Mortgage, and the performance of the covenants and agreements of Mortgagor herein contained, Mortgagor does hereby mortgage, warrant, grant and convey to Mortgagee the following described real estate located in the City of Chicago, County of Cook, State of Illinois:

Lot 54 and the East 18 feet of Lot 53 in Block 3 in Banker's Resubdivision of Blocks 3 and 10 in H.L. Stewart's Subdivision of the North ½ of the Southeast ¼ of Section 28, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois (hereinafter referred to as the "Real Estate") which Real Estate commonly known as 125 West 75th Street, Chicago, IL 60620, and with the property hereinafter described are referred to herein as the "Premises":

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- (a) All of the Real Estate;
- (b) All buildings and other improvements now or at any time hereafter constructed or erected upon or located at the Real Estate, and all materials located on the Real Estate intended for construction, reconstruction, alteration and repairs of such improvements now or hereafter erected thereon, together with and including, but not limited to, all fixtures, equipment, machinery, appliances and other articles and attachments now or hereafter forming part of, attached to or incorporated in any such buildings or improvements and used in the operation of the Premises (all hereinafter referred to as the "Improvements");
- (c) All privileges, reservations, allowances, hereditaments, tenements and appurtenances now or hereafter belonging or pertaining to the Real Estate or Improvements;
- (d) All the estate, interest, right, title or other claim or demand which Mortgagor now has or may hereafter have or acquire with respect to (i) the proceeds of insurance in effect with respect to the Premises, and (ii) any and all awards, claims for damages and other compensation made for or consequent upon the taking by condemnation, eminent domain or any like proceeding, or by any proceeding or purchase in lieu thereof, of the or any part of the Premises, including, without limitation, any awards and resulting from a change of grade of streets and awards and compensation severance damages (all hereinafter generally referred to as "Awards").

MORTGAGOR COVENANTS that Mortgagor is lawfully seized of the real estate hereby conveyed and has the right to mortgage, warrant, grant and convey the Premises, that the Premises are unencumbered, except for that certain mortgaged dated July 27, 2004 and recorded on August 10, 2004 with the Cook County Recorder as Document No. 0422342126 (the "First Mortgage") as modified by that Modification of Mortgage dated April 14, 2010 and recorded on June 11, 2010 as Document No. 1016247121 ("Modification") (the First Mortgage and Modification hereinafter collectively referred to as the "First Mortgage") and that Mortgagor will warrant and defend generally the title to the Premises against all claims and demands and further that the Premises hereby mortgaged and conveyed or intended so to be, together with the rents, issues and profits thereof, are hereby conveyed unto the Mortgagee forever, free from all rights and benefits under and by virtue of the Homestead Exemption Laws of the State of Illinois (which rights and benefits are hereby expressly released and waived), for the uses and purposes herein set forth;

AND IT IS FURTHER AGREED THAT:

1. **Payment of Indebtedness.** This Mortgage is granted to secure, in part, the Note, any and all renewals and extensions of the Note, which Mortgagor acknowledges evidences a debt owed by Mortgagor to Mortgagee. Mortgagor will comply with and duly perform and observe all of the terms, provisions, conditions, agreements, and covenants herein on the part of the Mortgagor to be performed and observed.

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2. **Maintenance, Repair, Restoration, Prior Liens, Parking.** In addition, Mortgagor will:

- (a) Promptly repair, restore or rebuild any Improvements now or hereafter on the Premises that may become damaged or be destroyed;
- (b) Keep the Premises in good condition and repair, without waste, and free from mechanics, materialmen's or like liens or claims, or other liens or claims for lien;
- (c) Except for the First Mortgage, pay when due any indebtedness which may be secured by a lien or charge on the Premises on parity with or superior to the lien hereof, and upon request exhibit satisfactory evidence of the discharge of such lien to the Mortgagee;
- (d) Comply with all requirements of law, municipal ordinances or restrictions and covenants of record with respect to the Premises and the use thereof;
- (e) Make no material alterations in the Premises, except as required by law or municipal ordinance, or except which Mortgagee consents to, in writing;
- (f) Pay all utility charges incurred in connection with the Premises and all improvements thereon and maintain all utility services now or hereafter available for use at the Premises.

3. **Taxes.** Mortgagor will pay when due and before any penalty attaches, all general and special taxes, assessments, water charges, sewer charges, and other fees, taxes, charges and assessments of every kind and nature whatsoever (all hereinafter referred to as "Taxes"), whether or not assessed against the Mortgagor, if applicable to the Premises or any interest therein, or the Indebtedness, or any obligation or agreement secured hereby; and Mortgagor will furnish to the Mortgagee duplicate receipts therefore.

4. **Insurance Coverage.** The Mortgagor will insure and keep insured the Premises and each and every part and parcel thereof against such perils and hazards as the Mortgagee may from time to time require and in any event will continuously maintain the following described policies of insurance:

- (a) Casualty insurance against loss and damage by all risks of physical loss or damages, including fire, windstorm, and all other risks covered by the so-called extended coverage endorsement in amounts not less than the full insurable replacement value of all improvements, fixtures and equipment from time to time on the Premises and bearing a replacement cost agreed amount endorsement;
- (b) Comprehensive public liability against death, bodily injury and property damage in an amount not less than One Million and no/100 Dollars (\$1,000,000.00);
- (c) If the Premises are in a flood hazard area, flood insurance when and as available.

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5. **Insurance Policies.** All policies of insurance to be maintained and provided as required by Section 4 hereof shall:
- (a) Be in forms, companies and amounts reasonably satisfactory to Mortgagee (but at least the amount of the Mortgage), and all policies of casualty insurance shall have attached thereto mortgagee clauses or endorsements in favor of and with loss payable to Mortgagee;
 - (b) Be written in amounts sufficient to prevent Mortgagor from becoming a co-insurer;
 - (c) Provide for thirty (30) days' prior written notice of cancellation to Mortgagee;

and Mortgagor will deliver all policies, including additional and renewal policies, to Mortgagee, and in case of insurance policies about to expire, the Mortgagor will deliver renewal policies not less than thirty (30) days prior to the respective dates of expiration.

6. **Proceeds of Insurance.** The Mortgagor will give the Mortgagee prompt notice of any damage to or destruction of the Premises; and

- (a) In case of loss covered by policies of insurance, the Mortgagee (or, after entry of decree of foreclosure, the purchaser at the foreclosure sale or decree creditor, as the case may be) is hereby authorized at its option either (i) to settle and adjust any claim under such policies without consent of the Mortgagor provided however so long as no Event of Default shall have occurred and be continuing, the settlement and adjustment of any such claims shall be made with the mutual consent of the Mortgagor, or (ii) allow the Mortgagor to agree with the insurance company or companies on the amount to be paid upon the loss; provided that in any case the Mortgagee shall, and is hereby authorized to, collect and receipt for any such insurance proceeds; and the expenses incurred by the Mortgagee in the adjustment and collection of insurance proceeds shall be so much additional Indebtedness, and shall be reimbursed to the Mortgagee upon demand;
- (b) Mortgagee shall apply the proceeds of insurance consequent upon any Insured Casualty upon the Indebtedness, in such order or manner as the Mortgagee may elect.

7. **Mortgagee's Performance of Mortgagor's Obligations.** The Mortgagee either before or after acceleration of the Indebtedness or the foreclosure of the lien hereof, and during the period of redemption, if any, may, but shall not be required, to make any payment or perform any act herein which is required of the Mortgagor (whether or not the Mortgagor is personally liable therefor), in any form and manner, in whole or in part, and by any means deemed expedient to the Mortgagee, and all monies paid for any of the purposes herein authorized or authorized by any other instrument evidencing or securing the Indebtedness, and all expenses paid or incurred in connection therewith, including reasonable attorney's fees and any other monies advanced by the Mortgagee to protect the Premises and the lien hereof, shall be so much additional Indebtedness, whether or not

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they exceed the amount of the Note, and shall become immediately due and payable without notice, and with interest thereon at the Default Rate specified in the Note (herein called the "Default Rate");

8. **Inspection of Premises.** Mortgagee, its agents and designees shall have the right to inspect the Premises at all reasonable times and upon reasonable advance notice and access thereto shall be permitted for that purpose.

9. **Restrictions on Transfer.** It shall be an immediate Event of Default hereunder if, without the prior written consent of the Mortgagee, the Mortgagor shall create, effect, or consent to or shall suffer or permit any conveyance, sale, assignment, transfer, assignment of beneficial interest or a sale, conveyance or transfer of any nature whatsoever of any interest in any entity holding such beneficial interest (if title is held in a land trust), lien (other than mechanics' liens), pledge, mortgage, security interest or other encumbrance or alienation of the Premises or any part thereof, or interest therein. The provisions of this Section 11 shall not apply to liens securing the Indebtedness or the lien of current real estate taxes and assessments not in default.

10. **Events of Default.** If one or more of the following events (hereinafter referred to as "Events of Default") shall occur:

- (a) Any default shall occur in the due and punctual payment of the principal, or any portion thereof, or interest on the Note, or any other indebtedness of the Mortgagor to the Mortgagee;
- (b) Any failure of Mortgagor to observe, comply with, or perform any of the terms, provisions, conditions, agreements, or covenants of this Mortgage, except payment of the Note;
- (c) If a notice of lien, levy or assessment is filed of record with respect to all or any part of the Premises by the United States, or any other governmental authority, unless contestable and actually and diligently contested in accordance herewith;
- (d) If Mortgagor:
 - (i) Shall file a voluntary petition in bankruptcy or for arrangement, reorganization or other relief under any chapter of the Federal Bankruptcy Code or any similar law, state or federal, now or hereafter in effect;
 - (ii) Shall file an answer or other pleading in any proceedings admitting insolvency, bankruptcy, or inability to pay its debts as they mature;
 - (iii) Within sixty (60) days after the filing against it of any involuntary proceedings under the Federal Bankruptcy Act or similar law, state or federal, now or hereafter in effect, such proceedings shall not have been vacated;

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- (iv) Any order appointing a receiver, trustee or liquidator for it or for all or a major part of its property or the Premises shall not be vacated within thirty (30) days following entry thereof;
 - (v) Shall be adjudicated a bankrupt;
 - (vi) Shall make an assignment for the benefit of creditors or shall admit in writing its inability to pay its debts generally as they become due or shall consent to the appointment of a receiver or trustee or liquidator of all or the major part of its property, or the Premises.
- (e) If default is made in the maintenance and delivery to Mortgagee of insurance required to be maintained and delivered hereunder, for a period of fourteen (14) days after notice; or

then the Mortgagee is hereby authorized and empowered, at its option, and without affecting the lien hereby created or the priority of said lien or any right of the Mortgagee hereunder, to declare, without notice all Indebtedness to be immediately due and payable, whether or not such default is thereafter remedied by the Mortgagor, and the Mortgagee may immediately proceed to foreclose this Mortgage and exercise any right, power or remedy provided by this Mortgage, the Note, or by law or in equity conferred, all rights and remedies being cumulative and not exclusive.

11. **Foreclosure.** When the Indebtedness, or any part thereof, shall become due, whether by acceleration or otherwise, the Mortgagee shall have the right to foreclose the lien hereof for such Indebtedness or part thereof and in connection therewith:

- (a) In any suit or proceeding to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale, all expenditures and expenses which may be paid or incurred by or on behalf of the Mortgagee for reasonable attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, and similar data and assurances with respect to title, as the Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidder at sales which may be had pursuant to such decree the true conditions of the title to or the value of the Premises.
- (b) In the event of a deficiency upon a sale of the Premises pledged hereunder by Mortgagor, then Mortgagor shall forthwith pay such deficiency including all expenses and fees that may be incurred by the holder of the Note secured by this Mortgage in enforcing any of the terms and provisions of this Mortgage.

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12. **Proceeds of Foreclosure Sale.** The proceeds of any foreclosure sale of the Premises shall be distributed and applied in the following order of priority: First, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in Section 11 hereof; Second, all other items which, under the terms hereof, constitute Indebtedness additional to that evidenced by the Note, with interest on such items as herein provided; Third, to interest remaining unpaid upon the Note; Fourth, to the principal remaining unpaid upon the Note; and lastly, any overage to the Mortgagor, and its successors or assigns, as their rights may appear.

13. **Receiver.** Mortgagor consents and agrees that:

- (a) Upon, or at any time after, the filing of a complaint to foreclose this Mortgage, the court in which such complaint is filed may appoint a receiver of the Premises;
- (b) Such receiver shall have the power to collect the rents, issues and profits of the Premises during the pendency of such foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, if any, whether there be a redemption or not, as well as during any further times when the Mortgagor, except for the intervention of such receiver, would be entitled to collection of such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Premises during the whole of said period;
- (c) The court may, from time to time, authorize the receiver to apply the net income from the Premises in his hands in payment in whole or in part of:
 - (i) The Indebtedness or the indebtedness secured by a decree foreclosing this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or such decree, provided such application is made prior to the foreclosure sale; or
 - (ii) The deficiency in case of a sale and deficiency.

14. **Insurance Upon Foreclosure.** In case of an insured loss after foreclosure proceedings have been instituted, the proceeds of any insurance policy or policies, if not applied in Restoring the Improvements, as aforesaid, shall be used to pay the amount due in accordance with any decree of foreclosure that may be entered in any such proceedings, and the balance, if any, shall be paid as the court may direct.

15. **Compliance With Illinois Mortgage Foreclosure Law.**

- (a) In the event that any provision in this Mortgage shall be inconsistent with any provision of the Illinois Mortgage Foreclosure Law (Chapter 735 ILCS 5/15-1101 et seq., Illinois Statutes) (hereinafter referred to as the "Act") the provisions of the Act shall take precedence over the provisions of this

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Mortgage, but shall not invalidate or render unenforceable any other provision of this Mortgage that can be construed in a manner consistent with the Act.

- (b) All expenses incurred by Mortgagee to the extent reimbursable under Sections 5/15-1510 and 5/15-1512 of the Act, whether incurred before or after any decree or judgment of foreclosure, and whether enumerated in any paragraph of this Mortgage, shall be added to the indebtedness secured by this Mortgage or by the judgment of foreclosure.

16. **Forbearance.** Any forbearance by Mortgagee in exercising any right or remedy hereunder or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Mortgagee shall not be a waiver of Mortgagee's right to accelerate the indebtedness secured by this Mortgage.

17. **Waiver.** No act of omission or commission of the Mortgagee, including, but not limited to, the failure to exercise any right, shall be deemed to be a waiver, release, or modification of the same and any such waiver, release, or modification may be effected only through a written document executed by the Mortgagee and then only to the extent specifically recited therein.

18. **Mortgagee In Possession.** Nothing herein contained shall be construed as constituting the Mortgagee a mortgagee in possession in the absence of the actual taking of possession of the Premises by the Mortgagee. Upon the occurrence of an Event of Default, Mortgagee may, in accordance with the Act, apply to the court in which the complaint to foreclose the Mortgage is filed to place the Mortgagee in possession of the Premises.

19. **Subrogation.** To the extent that Mortgagee, on or after the date hereof, elects, at its sole discretion, to pay any sum due under or secured by any Senior Lien as hereinafter defined, Mortgagee shall have and be entitled to a lien on the Premises equal in priority to the Senior Lien discharged, and Mortgagee shall be subrogated to the rights and liens of all mortgages (including the First Mortgage), trust deeds, superior titles, vendors' liens, mechanics liens, or liens, charges, encumbrances, rights and equities on the Premises having priority to the lien of the Mortgage (hereinafter referred to as "Senior Liens"), and receive and enjoy all rights and liens possessed, held or enjoyed by, the holder of such Senior Lien, which shall remain in existence and benefit Mortgagee in securing the Indebtedness, notwithstanding any release of such Senior Lien.

20. **Rights Cumulative.** Each right, power and remedy herein conferred upon the Mortgagee is cumulative and in addition to every other right, power or remedy, express or implied, given now or hereafter existing, at law or in equity, and each and every right, power and remedy herein set forth or otherwise so existing may be exercised from time to time as often and in such order as may be deemed expedient by the Mortgagee, and the exercise or the beginning of the exercise of one right, power or remedy shall not be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy; and no delay or omission of the Mortgagee in the exercise of any right, power or remedy accruing hereunder or arising otherwise shall impair any such right, power or remedy, or be construed to be a waiver of any default or acquiescence therein.

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21. **Successors and Assigns.** This Mortgage and each and every covenant, agreement and other provision hereof shall be binding upon the Mortgagor and its successors and assigns (including, without limitation, each and every from time to time record owner of the Premises or any other person having an interest therein) and shall inure to the benefit of the Mortgagee and its successors and assigns and (a) wherever herein the Mortgagee is referred to, such reference shall be deemed to include the holder of from time to time of the Note, whether so expressed or not; and (b) each such from time to time holder of the Note shall have and enjoy all of the rights, privileges, powers, options, benefits and security afforded hereby and hereunder, and may enforce every and all of the terms and provisions hereof, as fully and to the same extent and with the same effect as if such from time to time holder was herein by name specifically granted such rights, privileges, powers, options, benefits and security and was herein by name designated the Mortgagee.

22. **Provisions Severable.** The enforceability of any provision or provisions hereof shall not render any other provision or provisions herein contained unenforceable or invalid.

23. **Captions and Pronouns.** The captions and headings of the various sections of this Mortgage are for convenience only, and are not to be construed as confining or limiting in any way the scope or intent or the provisions hereof. Whenever the context requires or permits, the singular number shall include the plural, the plural shall include the singular and the masculine, feminine and neuter genders shall be freely interchangeable.

24. **Addresses and Notices.** Any notice which any party hereto may desire or may be required to give to any other party shall be in writing, and the personal delivery thereof, by overnight delivery, or the passage of three days after the mailing thereof by registered or certified mail, return receipt requested, to the addresses initially specified in the introductory paragraph hereof, or to such other place or places as any party hereto may by notice in writing designate, shall constitute service of notice hereunder, with copies to:

IF TO MORTGAGEE:

Mr. Frank Gurtz, President
Gurtz Electric Co.
77 West Seegers
Arlington Heights, IL 60005

and

Mr. Sidney E. Morrison
Morrison, Saltz and Davenport
77 West Washington Street
Suite 1611
Chicago, IL 60602

IF TO MORTGAGOR:

Mr. Michael Wheeler
The Foster Electric Group, Inc.
125 West 75th Street
Chicago, IL 60620

and

Mr. Ariel Weissberg
401 South LaSalle Street
Suite 403
Chicago, IL 60605

25. **Hazardous Waste.** The Mortgagor represents and warrants to the Mortgagee that the Mortgagor (a) shall keep or cause the Premises to be kept free of Hazardous Materials except to the

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extent that such Hazardous Materials are stored and/or used in compliance with all applicable federal, state and local laws and regulations; (b) shall notify Mortgagee of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Premises and any hazardous substance; (c) if Mortgagor learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any hazardous Substance affecting the Premises is necessary, Mortgagor shall promptly take all necessary remedial actions and shall indemnify and hold harmless Mortgagee from all claims, demands, suits, actions (whether judicial, administrative, or otherwise), penalties, fines, loss, cost, and expenses, including reasonable attorneys' fees, which result from, arise out of, or are connected with the foregoing (a), (b), and (c), or any one or more of them.

The Mortgagor agrees that in the event this Mortgage is foreclosed or the Mortgagor tenders a deed in lieu of foreclosure, the Mortgagor shall deliver the Premises to the Mortgagee free of any and all Hazardous Materials which are then required to be removed (whether over time or immediately) pursuant to applicable federal, state and local laws, ordinances, rules or regulations affecting the Premises. For purposes of this Mortgage, "Hazardous Materials", includes, without limitation, any flammable explosive, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Section 9601, et. seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Sections 1801, et. seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Section 6901, et. seq.) and in the regulations adopted and publications promulgated pursuant thereto, or any other federal, state or local governmental law, ordinance, rule or regulation.

The provisions of this paragraph shall be in addition to any and all other obligations and liabilities the Mortgagor may have to the Mortgagee under the Indebtedness, any loan document, and in common law, and shall survive (a) the repayment of all sums due for the debt, (b) the satisfaction of all of the other obligations of the Mortgagor in this Mortgage and under any loan document, (c) the discharge of this Mortgage, and (d) the foreclosure of this Mortgage or acceptance of a deed in lieu of foreclosure. Notwithstanding anything to the contrary contained in this Mortgage, it is the intention of the Mortgagor and the Mortgagee that the indemnity provisions of this paragraph shall only apply to an action commenced against any owner or operator of the Premises in which any interest of the Mortgagee is threatened or any claim is made against the Mortgagee for the payment of money.

26. **Interest at the Default Rate.** Without limiting the generality of any provision herein or in the Note contained, from and after the occurrence of any Event of Default hereunder, all of the Indebtedness shall bear interest at the Default Rate as that term is defined in the Note.

27. **Governing Law.** This Mortgage shall be governed by the laws of the State of Illinois. In the event one or more of the provisions contained in this Mortgage shall be prohibited or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Mortgage.

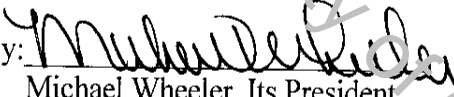
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28. **Waiver.** Mortgagor hereby agrees to and does waive the failure of the Note to comply with the provisions of Section 3 K of the Illinois Securities Law of 1953 (815 ILCS 5/3K. Mortgagor further agrees not to raise or attempt to raise, either as a defense or claim, in connection with any action or proceeding to enforce this Mortgage or the Note, the failure of the Note to comply with the foregoing provision of the Illinois Securities Act.

29. **Limited Liability.** Anything to the contrary contained in this Mortgage notwithstanding, Mortgagor shall have no personal liability under this Mortgage beyond the funds afforded by foreclosure of the Mortgage.

IN WITNESS WHEREOF, this Mortgage is executed and delivered as of the day and year first above written.

The Foster Electric Group, Inc.

By: 
Michael Wheeler, Its President

Property Cook County Clerk's Office

