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MORTGAGE, SECURITY AGREEMENT AND ASSIGNMENT OF RENTS

Doc#: 1510719040 Fee: \$56.25
RHSP Fee: \$9.00 RPRF Fee: \$1.00
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 04/17/2015 09:47 AM Pg: 1 of 9

Prepared by and mail to:
Wade R. Joyner
Lorenzini & Associates, Ltd.
1900 Spring Road, Suite 501
Oak Brook, Illinois 60523

THIS SPACE FOR RECORDER'S USE ONLY

THIS MORTGAGE, SECURITY AGREEMENT AND ASSIGNMENT OF RENTS ("Mortgage") is executed, made and given this 17th day of January, 2015, by Douglas Sale ("Mortgagor"), an individual residing at 119 Lemoyne Pkwy, Oak Park, IL 60302, to and for the benefit of Cheryl Holtz, an individual residing at 375 Oak Park Ave, Oak Park, IL 60304 ("Mortgagee").

WITNESSETH:

WHEREAS, Mortgagor is indebted to Mortgagee pursuant to that certain Marital Settlement Agreement in the principal sum of **\$20,800.00** (the "Indebtedness"), evidenced by that certain Promissory Note (as amended, renewed, or replaced from time to time, the "Note"), dated of even date herewith made and delivered to Mortgagee by Mortgagor in the amount of said principal sum;

WHEREAS, to secure the Note, Mortgagor hereby mortgages, hypothecates, conveys, transfers and grants unto Mortgagee, their successors and assigns forever, the Mortgaged Property, and all improvements thereon and therein, legally described as follows:

Legal: LOT 4 IN BLOCK 8 IN FAIR OAKS TERRACE A SUBDIVISION OF THE EAST 50 ACRE OF THE NORTH 75 ACRES OF THE NORTH WEST 1/4 OF SECTION 5, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPLE MERIDIAN IN COOK COUNTY, ILLINOIS

Pin: 16-05-111-005-0000

Address: 109 Lemoyne Parkway, Oak Park, Illinois 60302 (the "Mortgaged Property" or "Premises")

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TOGETHER, with all improvements now or hereafter thereto belonging upon the Mortgaged Property or any part thereof and all of Mortgagor' owned fixtures now or hereafter installed together with the rents, issues, profits and leases of the Mortgaged Property;

NOW, THEREFORE, for good and valuable consideration the sufficiency of which is hereby acknowledged and in consideration of the recitals above mentioned which are incorporated herein as thought set forth, Mortgagor hereby mortgages, hypothecates, conveys, transfers and grants a security interest in and unto Mortgagee, their successors and assigns forever, the Mortgaged Property;

MAXIMUM LIEN. At no time shall the principal amount of Indebtedness secured by the Mortgage, not including sums advanced to protect the security of the Mortgage, exceed \$41,600.00.

I. MORTGAGOR COVENANTS

Mortgagor represent to and covenants with Mortgagee that Mortgagor are the sole owners of the Mortgaged Property and have the power and authority to mortgage the Mortgaged Property.

Mortgagor shall maintain or cause to be maintained the Mortgaged Property in good repair, working order, and condition and make or cause to be made, when necessary, all repairs, renewals, and replacements, structural, non-structural, exterior, interior, ordinary and extraordinary. Mortgagor shall refrain from and shall not permit the commission of waste in or about the Mortgaged Property and shall not remove, demolish, alter, change or add to the structural character of any improvement at any time erected on the Mortgaged Property without the prior written consent of Mortgagee, except as hereinafter otherwise provided. Mortgagor covenants and agrees that in the ownership, operation and management of the Mortgaged Property Mortgagor will observe and comply with all applicable federal, state and local statutes, ordinances, regulations, orders and restrictions. If this Mortgage is on a condominium or a planned unit development, Mortgagor shall perform all of Mortgagor' obligations under the declaration of covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents. Mortgagee shall have the right at any time, and from time to time, to enter the Mortgaged Property for the purpose of inspecting the same.

II. INSURANCE

Mortgagor shall at all times keep the Mortgaged Property insured against loss or damage by fire and such other hazards as may reasonably be required by Mortgagee, including without limitation: (a) all-risk fire and extended coverage insurance, with vandalism and malicious mischief endorsements, for the full replacement value of the Mortgaged Property; in an agreed amount, with inflation guard endorsement; (b) if there are tenants under leases at the Mortgaged Property, rent or business loss insurance for the same perils described in (a) above payable at the rate per month and for the period specified from time to time by Mortgagee; (c) boiler and sprinkler damage insurance in an amount reasonably satisfactory to Mortgagee, if and so long as the Mortgaged Property shall contain a boiler and sprinkler system, respectively; (d) if the

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Mortgaged Property is located in a flood hazard district, flood insurance whenever in the opinion of the Mortgagee such protection is necessary and available; and (e) such other insurance as Mortgagee may from time to time reasonably require. All policies of insurance to be furnished hereunder shall be in forms, companies, amounts and deductibles reasonably satisfactory to Mortgagee, with mortgage clauses attached to all policies in favor of and in form satisfactory to Mortgagee, including a provision requiring the coverage evidenced thereby shall not be terminated or materially modified without thirty (30) days prior written notice to Mortgagee. Mortgagor shall deliver all policies, including additional and renewal policies, to Mortgagee, and, in the case of insurance about to expire, shall deliver renewal policies not less than thirty (30) days prior to their respective dates of expiration.

In the event of loss, Mortgagor will give immediate notice to Mortgagee, who may make proof of loss if not made promptly by Mortgagor, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Mortgagee instead of to Mortgagor and Mortgagee jointly, and the insurance proceeds, or any part thereof, shall be applied by Mortgagee to the restoration or repair of the property damaged. In the event of foreclosure of this Mortgage, all right, title and interest of Mortgagor in and to any insurance policies then in force shall pass to the purchaser at the foreclosure sale. Mortgagor shall furnish Mortgagee, without cost to Mortgagee, at the request of Mortgagee, from time to time, evidence of the replacement value of the Mortgaged Property.

If Mortgagor fails to keep the Mortgaged Property insured in accordance with this Mortgage, the Mortgagee shall have the right, at their option, to provide for such insurance and pay the premiums thereof, and any amounts paid thereon by the Mortgagee shall bear interest at the default rate of interest provided for in the Note from the date of payment.

III. PAYMENT OF TAXES AND ASSESSMENTS

Mortgagor shall pay before any penalty or interest attaches all general taxes, special taxes, special assessments, water charges, sewer service charges, and all other liens or charges levied or assessed against the Mortgaged Property of any nature whatsoever when due, and shall furnish to Mortgagee duplicate receipts of payment therefor. If any special assessment is permitted by applicable law to be paid in installments, Mortgagor shall have the right to pay such assessment in installments, so long as all such installments are paid prior to the due date thereof. With respect to any tax or assessment which Mortgagor may desire to contest, Mortgagor shall pay such tax or assessment in full under protest in order to prevent a default under this Mortgage on account thereof.

IV. PROTECTION OF MORTGAGEE'S SECURITY

If an Event of Default shall occur in the payment of any of the aforesaid taxes or assessments or in making repairs or replacements or in procuring and maintaining insurance and paying the premiums therefore, or in keeping or performing any other covenant of Mortgagor herein, Mortgagee may, at their option and without any obligation on their part so to do, pay said taxes and assessments, make such repairs and replacements, effect such insurance, pay such premiums, and perform any other covenant of Mortgagor herein. All amounts expended by

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Mortgagee hereunder shall be secured hereby and shall be due and payable by Mortgagor to Mortgagee forthwith on demand with interest thereon at the default rate of interest provided for in the Note from the date of such expenditure.

V. REIMBURSEMENT FOR MORTGAGEE'S LEGAL EXPENSE

In the event Mortgagee are made a party to any suit or proceedings by reason of the interest of Mortgagee in the Mortgaged Property, or in the event of enforcement by Mortgagee of any of the terms and provisions of this Mortgage or any other Loan Document, Mortgagor shall reimburse Mortgagee for all costs and expenses, including reasonable attorney's fees, incurred by Mortgagee in connection therewith, whether or not said proceeding or suit ever goes to trial. All amounts incurred by Mortgagee hereunder shall be secured hereby and shall be due and payable by Mortgagor to Mortgagee forthwith on demand with interest thereon at the default rate of interest provided for in the Note from the date of such expenditure.

VI. CONDEMNATION

If all or any part of the Mortgaged Property is damaged, taken or acquired, either temporarily or permanently, in any condemnation proceeding, or by exercise of the right of eminent domain, the amount of any award or other payment for such taking or damages made in consideration thereof, to the extent of the full amount of the remaining unpaid indebtedness secured by this instrument, is hereby assigned to Mortgagee, who is empowered to collect and receive the same and to give proper receipts therefor in the name of Mortgagor and the same shall be paid forthwith to Mortgagee, who shall release any such award or monies so received or apply the same in whole or in part, after the payment of all expenses, including reasonable costs and attorney's fees, to the restoration or repair of the property damaged, if the property can be restored or repaired to constitute a complete architectural unit. In the event the said property cannot be restored or repaired to constitute a complete architectural unit, then such award or monies received after the payment of expenses of Mortgagee as aforesaid shall be applied on account of the unpaid principal balance of the Note, irrespective of whether such principal balance is then due and payable. Furthermore, in the event such award or monies so received shall exceed the cost of restoration or repair of the property and expenses of Mortgagee as aforesaid, then such excess monies shall be applied on account of the unpaid principal balance of the Note, irrespective of whether such principal balance is then due and payable.

VII. ASSIGNMENT OF RENTS

Mortgagor does hereby sell, assign, transfer and set over unto Mortgagee, all rights, title and interest of Mortgagor in and to all rents, issues and profit thereof of the Mortgaged Property, including but not limited to all right, title and interest of Mortgagor and in and to those leases of all portions of the Mortgaged Property and any leases which may be hereafter entered into for all or any portion of the Mortgaged Property (the "Leases"), and any and all extensions and renewals thereof, and including any security deposit or interest therein now or hereafter held by Mortgagor and the benefit of any guarantees executed in connection with any of the Leases. Mortgagor covenants with Mortgagee that he will not amend any of the Leases or enter into new Leases without the prior written consent of Mortgagee. This Assignment is absolute and is effective

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immediately. However, until notice is sent by Mortgagee to Mortgagor that an Event of Default has occurred hereunder or under the Note, Mortgagee shall not exercise any rights granted to it hereunder and Mortgagor may receive, collect and enjoy the rents and command profit their accruing from the Mortgaged Property.

VIII. EVENTS OF DEFAULT

Each of the following shall also constitute an "Event of Default" for purpose of this Mortgage:

(A) Mortgagor's failure to make prompt payment, within five (5) days of when due, of any payment of principal or interest under the Note or Mortgage.

(B) Failure of Mortgagor to promptly perform or observe any other covenant, promise, term or agreement contained in this Mortgage or the Note and such failure shall continue beyond the grace period, if any.

(C) Any sale, agreement, transfer, lease, agreement to transfer, grant of security interest, mortgage, or other encumbrance or alienation of any interest in the Mortgaged Property without the prior written consent of Mortgagee.

(D) The commencement of any petition in bankruptcy, whether voluntary or involuntary by or against Mortgagor or if Mortgagor is adjudicated bankrupt or insolvent or files any petition or answer seeking restoration, assignment, composition, liquidation or similar relief under the present or any future federal or state law or seeks or covenants to acquiesce in the appointment of any trustee, receiver, or similar officer of Mortgagor, regarding the property or assets of Mortgagor or the Mortgaged Property. In the case of such involuntary petition, Mortgagor shall have thirty (30) days within which to dismiss or otherwise dispose of such involuntary petition, to Mortgagee's satisfaction.

(E) Any default in any document having superiority over the lien of this Mortgage.

IX. MORTGAGEE'S DETERMINATION OF FACTS

Mortgagee will at all times be free independently to establish to their satisfaction and in their absolute discretion the existence or nonexistence of any fact or facts, the existence or nonexistence of which is a condition, warranty or covenant of this Mortgage or the Note.

X. ACCELERATION AND DEFAULT RATE

If an Event of Default occurs, Mortgagee may, at their option, declare the whole of the indebtedness hereby secured to be immediately due and payable without notice to Mortgagor. Then, at any time thereafter, at the sole option of Mortgagee, the principal balance and accrued interest on the Note shall become immediately due and payable, and any other sums secured hereby shall become immediately due and payable. All sums coming due and payable hereunder shall bear interest, after acceleration, at the default rate of interest provided for in the Note, and

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shall constitute additional indebtedness secured by this Mortgage. After any such Event of Default, Mortgagee may institute or cause to be instituted, proceedings for the realization of their rights under this Mortgage or the Note.

XI. RIGHTS, POWERS AND REMEDIES OF MORTGAGEE

When the indebtedness hereby secured, or any part thereof, shall become due, whether by acceleration or otherwise, Mortgagee may at their election:

(A) Foreclose this Mortgage.

(B) Enter upon and take possession of the Mortgaged Property with the irrevocable consent of Mortgagor as granted and evidenced by execution of this Mortgage. As Mortgagee in possession, Mortgagee may hold, operate, manage and control the Mortgaged Property and conduct business, if any, either personally or by their agents. Mortgagee may collect rents and lease the Mortgaged Property, cancel or modify existing leases and generally exercise all powers and rights customarily incident to ownership. Mortgagee may pay out of any rents collected, taxes, insurance, conversions, fees and any expenses attributable to the Mortgaged Property.

(C) Upon, or at any time after the filing of a complaint or petition to foreclose this Mortgage, Mortgagee may apply to the court for appointment of a receiver of the Mortgaged Property. Such receiver shall have the power to collect the rents, issues and profit of the Mortgaged Property during the pendency of the foreclosure suit up to and after any sale of the Mortgaged Property. The court may authorize the receiver to apply net income from management and control of the Mortgaged Property in whole or in part to the indebtedness secured hereby or to any tax or special assessment which may be or become superior to the lien hereof.

(D) Pursue any other remedies available or afforded to Mortgagee under this Mortgage or the Note.

XII. MORTGAGEE'S RIGHT OF INSPECTION

Upon reasonable prior notice, Mortgagee and/or their representative shall have the right to inspect the Mortgaged Property at all reasonable times and access thereto shall be permitted for that purpose.

XIII. FURTHER INSTRUMENTS

Upon request of Mortgagee, Mortgagor will execute, acknowledge and deliver all such reasonable additional instruments and further assurances of title and will do or cause to be done all such further acts and things as may reasonably be necessary fully to effectuate the intent of this Mortgage.

XIV. NOTICES

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All notices or other communications required or permitted hereunder shall be in made in writing and delivered by one party to the other by certified mail, return receipt requested or by recognized overnight delivery to the respective address identified in the introductory paragraph hereof.

XV. SUCCESSORS AND ASSIGNS

This Mortgage and all provisions hereof shall run with the Mortgaged Property and shall be binding upon and enforceable against Mortgagor and their permitted successors, grantees and assigns, any subsequent owner or owners of the Mortgaged Property who acquire the Mortgaged Property subject to this Mortgage and all persons claiming under or through Mortgagor, and the word "Mortgagor" when used herein shall include all such persons and all persons liable for the payment of the indebtedness secured hereby or any part thereof, whether or not such persons shall have executed the Note or this Mortgage. The obligations of Mortgagor shall be the joint and several obligation of each of the Mortgagor. This Mortgage and all provisions hereof shall inure to the benefit of Mortgagee, their successors and assigns and any holder or holders, from time to time, of the Note.

All of the covenants and conditions hereof shall run with the land and shall be binding upon and inure to the benefit of the successors and assigns of Mortgagor and Mortgagee, respectively, and all persons claiming through or under them. Any reference herein to Mortgagee shall include the successors and assigns of Mortgagee. Mortgagor shall not assign, in whole or in part, their interest in the Mortgaged Property or any portion thereof, without the prior written consent of Mortgagee.

XVI. ENVIRONMENTAL MATTERS

(A) Mortgagor hereby represents and warrants to Mortgagee that neither Mortgagor, nor any of their affiliates or subsidiaries, nor, to the best of Mortgagor' knowledge, any other person or entity, has ever caused or permitted any Hazardous Material to be placed, held, located or disposed of in, under or at the Mortgaged Property or any part thereof and that the Mortgaged Property has never been used by Mortgagor, or any other affiliates or subsidiaries, or, to the best of Mortgagor' knowledge, by any other person or entity, as a temporary or permanent dump or storage site for any Hazardous Material. "Hazardous Material" means any hazardous, toxic, or dangerous waste, substance or material defined as such in (or for purposes of) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, any so-called "Superfund" or "Superlien" law, or any other federal, state or local statute, law, ordinance, code, rule, regulation, order of decree regulating, relating to or imposing liability or standards on conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect.

(B) Without limitation on any other provision hereof, Mortgagor hereby agrees to indemnify and hold Mortgagee harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses and claims of any kind whatsoever including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any of the following (collectively, "Environmental Laws"): The Comprehensive Environmental Response,

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Compensation and Liability Act of 1980, as amended, any so-called "Superfund" or "Superlien" law, or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree, now or hereafter in force, regulating, relating to, or imposing liability or standards on conduct concerning any Hazardous Material paid, incurred, suffered by or asserted against Mortgagee as a direct or indirect result of any of the following regardless of whether or not caused by, or within the control of the Mortgagor: (i) the presence of any Hazardous Material on or under, or the escape, seepage, leakage, spillage, discharge, emission, discharging or release of any Hazardous Material from (a) the Mortgaged Property or any part thereof, or (b) any other real property in which Mortgagor or any of their affiliates or subsidiaries holds any estate or interest whatsoever (including, without limitation, any property owned by a land trust the beneficial interest in which is owned, in whole or in part, by the beneficiary of any of their affiliates or subsidiaries), or (ii) any liens against the Mortgaged Property permitted or imposed by environmental laws, or any actual or asserted liability or obligations of Mortgagor or any of their affiliates or subsidiaries under any environmental laws, or (iii) any actual or asserted liability or obligations of Mortgagor or any of their affiliates or subsidiaries under any environmental law relating to the Mortgaged Property.

(C) Mortgagor hereby agrees to comply with all applicable environmental laws, rules and regulations related to hazardous wastes, materials and substances.

(D) Mortgagor hereby agrees to notify Mortgagee, in writing, immediately after Mortgagor has actual or constructive notice of the release of any hazardous waste, material or substances onto the Mortgaged Property and to take prompt and diligent remedial action as required by Environmental Laws.

XVII. REMEDIES CUMULATIVE

The rights and remedies herein provided are cumulative and Mortgagee may recover judgment on the Note, issue execution therefore, and resort to every other right or remedy available at law or in equity, without first exhausting and without affecting or impairing the security or any right or remedy afforded by this Mortgage and no enumeration of special rights or powers by any provision of this Mortgage shall be construed to limit any grant of general rights or powers, or to take away or limit any and all rights granted to or vested in Mortgagee.

XVIII. INCORPORATION OF UNIFORM COMMERCIAL CODE

This Mortgage is also a security agreement, fixture filing and financing statement under the Uniform Commercial Code and Mortgagee shall have all rights and remedies conferred therein for the benefit of a secured party (as said term is defined in the Uniform Commercial Code).

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IN WITNESS WHEREOF, Mortgagor has caused this Mortgage to be duly executed and delivered as of the day and year first above written.

MORTGAGOR:

Douglas Sale
DOUGLAS SALE

STATE OF ILLINOIS)
) SS:
COUNTY OF COAL)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that Douglas Sale, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered said instrument as his own free and voluntary act for the uses and purposes therein set forth.

Given under my hand and official seal this 17th day of January, 2015.

Christine Mendoza
Notary Public

