



RHSP FEE:\$9.00 RPRF FEE: \$1.00

KAREN A. YARBROUGH

LOAN SECURITY AGREEMENT

COOK COUNTY RECORDER OF DEEDS

DATE: 02/14/2017 11:50 AM PG: 1 OF 9

THIS LOAN SECURITY AGREEMENT (this "Agreement"), is made as of the 12<sup>th</sup> day of December, 2016, by and among BANK OF AMERICA, N.A. (the "Lender") and JOHN L. SIMMONS AND ADELE SMITH SIMMONS, residing at 2440 N. LAKEVIEW AVE., UNIT 14A, CHICAGO, ILLINOIS 60614 (the "Borrower") and BANK OF AMERICA, N.A., AS TRUSTEE OF THE ADELE SMITH SIMMONS TRUST U/T/A DATED APRIL 6, 1978, AS AMENDED AND RESTATED ("Grantor").

I. REPRESENTATIONS OF BORROWER:

1. Grantor owns two hundred fifteen and one-half (215.5) shares of common stock of CHICAGO RESIDENTIAL INCORPORATED (the "Corporation"), as evidenced by Certificate number \_\_\_\_\_ (\_\_\_\_\_) of the Corporation (the "Certificate").

2. Grantor is exclusively entitled to all rights as lessee under that certain proprietary lease originally dated May 1, 1950, by and between CHICAGO RESIDENTIAL INCORPORATED as Lessor, and B. Alexander Singer and Mrs. Ellie Seay Singer, as Joint Tenants and not as Tenants in Common, as Lessee, demising that certain apartment commonly known as Apartment No. 14A, being the A apartment on the 14<sup>th</sup> floor of apartment building known as 2440 N. Lakeview Avenue, Chicago, Illinois, located on the real property described in Exhibit A attached hereto, which lease was assigned unto Charles Counar Hopkinson and Mrs. Florence Glader Hopkinson, as Joint Tenants with Right of Survivorship and not as Tenants in Common on May 1, 1952, which lease was next assigned unto Robert M. Redinger on August 31, 1967, which lease was next assigned unto Drucilla H. Redinger on December 31, 1969, which lease was amended by Resolution of the Members of CHICAGO RESIDENTIAL INCORPORATED on May 3, 1975, which lease was next assigned unto Drucilla H. Redinger and Robert M. Redinger, as Tenants in Common on April 4, 1986, which lease was next assigned unto one-half interest to the Family Trust under the Drucilla H. Redinger Trust and one-half interest to the Robert M. Redinger Trust dated September 26, 1985 on September 1, 2002, which lease was next assigned unto Julianna S. and Kenneth A. Harris Jr. on August 6, 2003, and which lease has next been assigned to Grantor (the "Lease").

3. Borrower has executed and delivered to Lender a note (the "Note"), dated simultaneously with this agreement, in the original principal amount of \$616,000.00.

4. Grantor has executed and delivered to Lender that certain Pledge Agreement, dated of even date herewith, granting to Lender a security interest in the Certificate (the "Pledge Agreement").

5. Grantor has executed and delivered to Lender that certain Assignment of Proprietary Lease, assigning to Lender all of Grantor's interest in and to the Lease (the "Assignment," together with this Agreement, the Note, the Pledge Agreement and all other documents executed in connection therewith, the "Loan Documents").

Borrower and Grantor hereby covenant and agree as follows:

II. COLLATERAL

Grantor has simultaneously, with this Agreement, deposited with the Lender the Certificate and the Lease and as security for the payment of the debt, Grantor hereby grants to the Lender a security interest in, and a general lien upon, said Certificate and Lease and all personal property and fixtures (other than household furniture and furnishings) of the debtor now or hereafter attached to, or used in connection with, the Apartment (collectively called the "Collateral").

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### III. ESCROW ITEMS

**Funds for Escrow Items.** Borrower or Grantor shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees and Assessments, if any, be escrowed by Borrower or Grantor, and such dues, fees and assessments shall be an Escrow Item. Grantor shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower or Grantor shall pay Lender the Funds for Escrow Items unless Lender waives the obligation to pay the Funds for any or all Escrow Items. Lender may waive the obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower or Grantor shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. The obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument. If Grantor is obligated to pay Escrow Items directly, pursuant to a waiver, and Grantor fails to pay the amount due for an Escrow Item, Lender may exercise its rights under the Loan Documents and pay such amount and Borrower shall then be obligated under the Loan Documents to repay to Lender any such amount, Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with the Loan Documents and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section.

Lender may, at any time, collect and hold Funds in an amount (1) sufficient to permit Lender to apply the Funds at the time specified under RESPA and (2) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Item or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay any interest or earnings on the Funds. Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Grantor for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Grantor as required by RESPA, and Borrower or Grantor shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than twelve monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Grantor as required by RESPA, and Borrower or Grantor shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than twelve monthly payments.

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Upon payment in full of all sums secured by the Loan Documents, Lender shall promptly refund to Borrower or Grantor, as applicable, any Funds held by Lender.

## IV. DEFAULTS

The whole of the principal sum and interest shall become due at the option of the Lender upon the occurrence of any of the following events of default (each, an "Event of Default"):

1. **FAILURE TO PAY.** Borrower fails to make any payments required under the Note within thirty (30) days after the date the payment becomes due; or

2. **DEFAULT UNDER LEASE.** Grantor does not cure any default under the Lease within the time periods, if any, specified in the Lease or, if no time so specified, within a reasonable time, or Corporation takes any action with or without the consent of Grantor that adversely changes or alters Grantor's rights under the Lease; or

3. **CANCELLATION, SURRENDER OR ASSIGNMENT OF LEASE.** Grantor attempts to cancel, surrender or assign the Lease prior to maturity of the Note or notice is given by the Corporation that the Lease is to be cancelled or terminated; or

4. **FAILURE TO DELIVER SECURITY INSTRUMENTS.** Grantor fails to execute and deliver any instrument required by the Lender to perfect or protect its security interest in the Collateral or to pay any filing or recording fees owing in connection with the perfection of the security interest; or

5. **CONFLICTING SECURITY INTEREST.** Any other party establishes a security interest in the Collateral; or

6. **INSOLVENCY, BANKRUPTCY, ETC.** Borrower shall become insolvent (however such insolvency may be evidenced), commit any act of bankruptcy, or make a general assignment for the benefit of creditors, or any person shall attempt to enforce a judgment against Borrower or Borrower's property, or an insolvency proceeding under any bankruptcy or insolvency law shall be instituted against Borrower and such proceedings shall not be dismissed or vacated within thirty (30) days after its commencement; or any governmental authority or any court at the instance of any governmental authority shall take possession of, or assume control over, any substantial part of the property of Borrower, or a receiver shall be appointed of, or of a substantial part of, the property of the Borrower, or a writ or order of attachment or garnishment shall be issued or made against any of the property of the Borrower.

## V. REMEDIES OF LENDER

**SALE OF COLLATERAL.** If an Event of Default has occurred, and is continuing, the Lender may, in addition to any rights and remedies of a secured party under the Uniform Commercial Code, as in effect at the time in the state of Illinois, sell the Collateral at public or private sale for cash, upon credit or for future delivery and at such price or prices as the Lender may deem satisfactory, and the Lender may be the purchaser of the Collateral and the Lender or any purchaser of the Collateral upon any such sale shall thereafter hold the same, absolutely, free from any claim or right of whatsoever kind (including any equity or right of redemption) of Grantor or Borrower, who hereby specifically waives all rights of redemption, stay or appraisal which he has or may have under any rule of law or statute now existing or hereafter adopted. The Lender shall give Grantor thirty (30) days written notice of its intention to make any such public or private sale, which notice shall state the time and place fixed for the sale. Any sale shall be held at such time or times within the ordinary business hours and at such place or places in the state of Illinois, as the Lender may fix in the notice, provided that the Lender shall not be obligated to

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make any sale pursuant to any such notice. The Lender may, without notice or publication, adjourn any sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for the sale, and such sale may be made at any time or place to which it may be so adjourned. In case of any sale of the Collateral on credit or for future delivery, the Collateral may be retained by the Lender until the selling price is paid by the purchaser, but the Lender shall not incur any liability in case of the failure of the purchaser to take up and pay for the Collateral and, in case of any such failure, the Collateral may again be sold. The Lender, however, instead of exercising the power of sale conferred upon it by the Agreement, may proceed by a suit or suits at law or in equity to foreclose the pledge and sell the Collateral. In case of any sale, the Lender may first deduct all expenses of sale and delivery of the Collateral, including, but not limited to, reasonable attorneys' fees, brokerage commissions and transfer taxes, and also all sums paid to the Corporation pursuant to the terms of the Lease or, upon termination of the Lease, pursuant to any new lease issued in replacement of the Lease, and may then apply the remainder to any liability of Borrower and Grantor under the Note and this Agreement, and shall return the surplus, if any, to Borrower. Grantor agrees that the Lender shall have the right to continue to retain the Collateral until such time as the Lender in its reasonable judgment believes that an advantageous price can be secured for the Collateral and the Lender shall not be liable to Grantor for any loss in the value of the Collateral by reason of any delay in its sale.

## VI. PRESERVATION AND MAINTENANCE OF APARTMENT; LEASEHOLDS

Grantor shall not destroy, damage or substantially change the Apartment, allow the Apartment to deteriorate or commit waste. Grantor shall comply with the provisions of the Lease, and if Grantor acquires fee title to the Apartment, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

## VII. PROTECTION OF LENDER'S RIGHTS IN THE APARTMENT; MORTGAGE INSURANCE

If Borrower or Grantor fails to perform the covenants and agreements contained in the Loan Documents, or there is a legal proceeding that may significantly affect Lender's rights in the Collateral (such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Collateral and Lender's rights in the Collateral. Lender's actions may include paying any sums secured by a lien which has priority over the security interest granted and recognized by the Loan Documents, appearing in court, paying reasonable attorney's fees and entering on the Apartment to make repairs. Although Lender may take action under this paragraph VI, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph VI shall become additional debt of Borrower secured by the Loan Documents. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

If Lender required mortgage insurance as a condition of making the loan secured by the Loan Documents, Borrower or Grantor shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the insurance terminates in accordance with Borrower's/Grantor's and Lender's written agreement or applicable law.

## VIII. INSPECTION

Lender or its agent may make reasonable entries upon and inspections of the Apartment. Lender shall give Grantor notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

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## IX. BORROWER NOT RELEASED; FOREBEARANCE BY LENDER NOT A WAIVER

Extension of the time for payment or modification of amortization of the sums secured by the Loan Documents granted by Lender to any successor in interest of Borrower shall not operate to release liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by the Loan Documents by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

## X. LOAN CHARGES

If the loan secured by the Loan Documents is subject to a law which sets maximum loan charges, and that law is (initially) interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

## XI. LEGISLATION AFFECTING LENDER RIGHTS

If enactment or expiration of applicable law has the effect of rendering any provision of the Note or the other Loan Documents unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by the Loan Documents and may invoke any remedies permitted by paragraph IV. If Lender exercises this option, Lender shall take the steps specified in paragraph IV.

## XII. NOTICES

All notices and other communications provided for herein shall, unless otherwise stated herein, be in writing and shall be personally delivered or sent by certified mail, postage prepaid, by prepaid overnight nationally recognized courier, or by facsimile, to the intended party at the address or facsimile number of such party set forth as follows:

If to Lender:

Bank of America, N.A.  
700 Louisiana, 4th Floor  
TX4-213-04-05  
Houston, Texas 77002  
Attention: Arlene Mercado  
Facsimile No. 866-725-9586

If to Grantor:

Bank of America, N.A., as Trustee of the  
Adele Smith Simmons Trust u/t/a dated  
April 6, 1978, as amended and restated  
2440 N. Lakeview Ave., Unit 14A  
Chicago, Illinois 60614

or at such other address or facsimile number as shall be designated by such party in a written notice to the other parties hereto. All such notices and communications shall be effective (1) if personally delivered, when delivered, (2) if sent by certified mail, three (3) days after having been deposited in the mail, postage prepaid, (3) if sent by overnight courier, one business day after having been given to such courier, or (4) if transmitted by facsimile, when sent.

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## XIII. GOVERNING LAW; SEVERABILITY

This Security Instrument shall be governed by federal law and the law of the State of Illinois. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provisions. To this end, the provision of this Security Instrument and the Note are declared to be severable.

## XIV. MISCELLANEOUS

1. **COSTS AND EXPENSES.** Borrower agrees to pay to the Lender, on demand, all costs expended for collection of any payment due under the Note and all costs incurred by the Lender in connection with a suit to foreclose a pledge and sell the Collateral, whether or not such suit shall have proceeded to judgment (including reasonable attorney's fees) together with interest on those costs at the rate specified in the Note, and the costs shall be considered to be part of the debt and entitled to the benefit of the Collateral.

2. **OPTIONAL PAYMENTS BY LENDER.** The Lender may, at its option, make any payments or do any acts required to be done to preserve the Grantor's estate under the Lease or under any new lease issued in replacement of the Lease and any amounts expended by the Lender in that connection (including reasonable attorneys' fees) shall be payable by Borrower on demand, together with interest on the amounts at the rate specified in the Note, and those amounts shall be considered to be part of the debt and entitled to the benefit of the Collateral.

3. **NEW LEASE TO LENDER.** If an event of default has occurred and is continuing, the Lender shall have the right to request that the Corporation terminate the Lease and issue a new lease to the Lender or its nominee.

4. **SURRENDER OF APARTMENT.** If the Collateral is sold to a third party, Grantor shall surrender possession of the Apartment upon demand to such purchaser, and such purchaser, as well as the Lender, shall have the right to maintain appropriate proceedings against Grantor to obtain possession of the Apartment.

5. **GRANTOR'S INTEREST IN COLLATERAL.** Until the Lender elects to declare the principal amount of the Note and accrued interest due and payable, the Grantor shall continue to exercise all rights under the Collateral and shall be entitled to all benefits as the owner of the Collateral with the same force and effect as if Grantor had not pledged the Certificate and assigned the Lease to the Lender.

6. **DEFINITIONS.** The term "Lender" includes its successors and any assigns of the Note and the Collateral and the term "Borrower" shall mean "Borrowers" if more than one person is the Borrower. The terms "Borrower" and "Grantor" shall be used interchangeably as and when the context herein may require.

7. **CULMULATIVE REMEDIES.** The rights, remedies, and benefits specified in this Agreement are cumulative and are not exclusive of any rights, remedies or benefits which the Lender may otherwise have and no delay on the part of the Lender in exercising any power or right under this Agreement shall operate as a waiver of such power or right.

8. **WAIVER OR AMENDMENT.** No provision of this Agreement shall be waived, modified or amended except by an agreement in writing.

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9. BINDING EFFECT. This Agreement shall be binding on Borrower, Grantor and their respective legal representatives and shall inure to the benefit of the Lender and its assigns.

*Signature Page Follows*

**COOK COUNTY  
RECORDER OF DEEDS**

**COOK COUNTY  
RECORDER OF DEEDS**

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LENDER:

BANK OF AMERICA, N.A.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

BORROWER:

  
\_\_\_\_\_  
John L. Simmons

  
\_\_\_\_\_  
Adele S. Simmons

GRANTOR:

Bank of America, N.A., as Trustee of the  
Adele Smith Simmons Trust u/t/a dated  
April 6, 1978, as amended and restated

By: \_\_\_\_\_  
George Richardson, Senior Vice President

Property of Cook County Clerk's Office



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## LEGAL DESCRIPTION

Order No.: 16022187LP

For APN/Parcel ID(s): 14-28-322-015-0000

THE ESTATE OR INTEREST IN THE LAND DESCRIBED BELOW AND COVERED HEREIN IS:

THE LEASEHOLD ESTATE (SAID LEASEHOLD ESTATE BEING DEFINED IN PARAGRAPH 1.C. OF THE ALTA LEASEHOLD ENDORSEMENT(S) ATTACHED HERETO), CREATED BY THE INSTRUMENT HEREIN REFERRED TO AS THE MEMORANDUM OF LEASE, EXECUTED BY: CHICAGO RESIDENTIAL INC., AS LESSOR, AND BANK OF AMERICA N.A., AS TRUSTEE OF THE ADELE SMITH SIMMONS TRUST DATED APRIL 6, 1978, AS AMENDED AND RESTATED, AS LESSEE, DATED AUGUST 1, 2011, WHICH MEMORANDUM OF LEASE WAS RECORDED AUGUST 10, 2011 AS DOCUMENT 1122222007, WHICH LEASE DEMISES THE FOLLOWING DESCRIBED LAND FOR A TERM OF YEARS BEGINNING MAY 1, 1950.

APARTMENT 14A, OF THE APARTMENT BUILDING KNOWN AS 2440 LAKEVIEW AVENUE, CHICAGO, ILLINOIS, WHICH IS LOCATED ON THE FOLLOWING DESCRIBED REAL ESTATE:

LOT 4 (EXCEPT THE SOUTH WESTERLY 215 FEET) AND LOT 5 IN BAIRD'S LINCOLN PARK ADDITION TO CHICAGO, A SUBDIVISION IN THE SOUTHEAST CORNER OF THE SOUTHWEST 1/4 OF SECTION 28, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Cook County Clerk's Office