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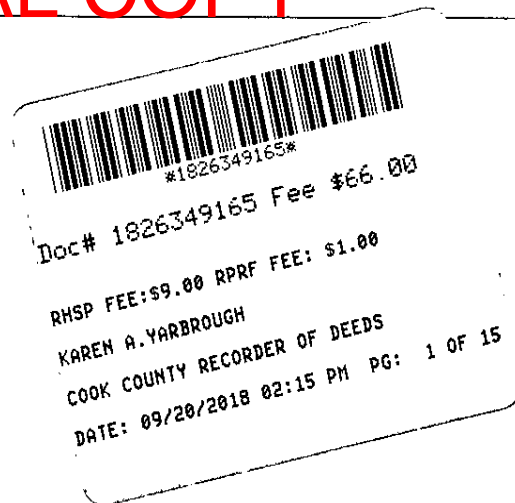
Illinois Anti-Predatory
Lending Database
Program

Certificate of Exemption



Report Mortgage Fraud

844-768-1713



POA 18-1

The property identified as: **PIN:** 10-36-114-023-0000

Address:

Street: 2918 W. Farwell Ave

Street line 2:

City: Chicago

State: IL

ZIP Code: 60645

Lender: American Enterprise Bank

Borrower: Joseph & Ayelet Knopf

Loan / Mortgage Amount: \$5,829,334.00

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: 303141F7-38F2-4A96-9787-188C0C738693

Execution date: 9/13/2018

PRECISION TITLE ACCOMMODATION

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After Recording Return To:
 Aaron B. Zarkowsky
 Howard & Howard Attorneys
 200 S. Michigan Ave. #1100
 Chicago, IL 60604

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JUNIOR MORTGAGE, SECURITY ASSIGNMENT OF RENTS AND LEASES AND FIXTURE FILING

DEFINITIONS

- (A) **"Security Instrument"** means this document, which is dated as of 9/13, 2018.
- (B) **"Lender"** is American Enterprise Bank, an Illinois chartered bank, its successors and/or assigns as their interests may appear, located at 600 N. Buffalo Grove Road, Buffalo Grove, Illinois 60089. Lender is the mortgagee under this Security Instrument.
- (C) **"Note"** means that certain Fourth Amended and Restated Promissory Note from Y & S Tickets, Inc. ("**Borrower**") and dated as of August 20, 2017. Pursuant to that certain First Modification of Third Amended and Restated Loan and Security Agreement and Other Loan Documents dated as of even date herewith, the Note states that the Borrower owes Lender the maximum principal amount of \$5,829,334 plus interest.
- (D) **"Property"** means the property that is described below under the heading "Transfer of Rights in the Property."
- (E) **"Loan"** means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.
- (F) **"Applicable Law"** means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.
- (G) **"Electronic Funds Transfer"** means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.
- (H) **"Miscellaneous Proceeds"** means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in in this Mortgage) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.
- (I) **"Payment"** means the scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.
- (J) **"Successor in Interest of Mortgagor"** means any party that has taken title to the Property, whether or

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not that party has assumed Mortgagor's obligations under the Note and/or this Security Instrument.

(K) "**Personal Property**" are Goods (as defined in the Code) used in connection with the property or improvements on the Property but may not constitute a "Fixture" within the meaning of Section 9-102(41) of the Code, but that as a result of their annexation to the property or improvements a specific use related to the property or improvements are intended to be a part of the property or improvements. Solely for purposes of illustration only, Personal Property shall include appliances (refrigerator, oven/range/stove, dishwasher, garbage disposal, washer dryer), central and/or window air conditioning units, ceiling fans, sump pumps, tacked down carpeting, light fixtures, built-in or attached shelving, window treatments and hardware, existing storms and screens, and fireplace screens/doors/grates.

(L) "**Mortgagor**" means JOSEPH KNOFF AND AYELET KNOFF, HUSBAND AND WIFE, AS TENANTS BY THE ENTIRETY, its successors and/or assigns.

(M) "**Obsolete Collateral**" means Collateral no longer useful in connection with the operation of the Property.

(N) "**Guaranty**" means that certain Third Amended and Restated Continuing Unconditional Guarantees given by the Guarantor to and for the benefit of the Lender dated as of August 20, 2017.

(O) "**Guarantor**" means Joseph Knopf.

(O) "**Senior Mortgage**" means that certain prior recorded mortgage lien dated as of February 4, 2014, and recorded February 19, 2014, as Document No. 1405019016, made by JOSEPH KNOFF AND AYELET KNOFF, HUSBAND AND WIFE, To EVERGREEN BANK GROUP, to secure an indebtedness in the amount of \$225,000.00, and that certain prior recorded mortgage lien dated as of March 16, 2016 and recorded April 12, 2016, as Document No. 1610356084, made by JOSEPH KNOFF AND AYELET KNOFF, HUSBAND AND WIFE, AS TENANTS BY THE ENTIRETY, To MERS as nominee for GUARANTEED RATE, INC., to secure an indebtedness in the amount of \$401,500.00 (together the "Senior Mortgage"). The Senior Mortgage, and the other documents evidencing and/or securing the indebtedness recited in the Senior Mortgage are collectively, the "Senior Loan Documents".

(P) "**Prohibited Transfer**" means the conveyance, sale, assignment, transfer, lien, pledge, mortgage, security interest or other encumbrance or alienation (or any agreement to do any of the foregoing) of any of the following properties or interests:

(i) The Property or any part thereof or interest therein, excepting only sales or other dispositions of Obsolete Collateral;

(ii) All or any part of the beneficial interest in the trust constituting the Mortgagor;

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; (ii) the performance of Mortgagor's covenants and agreements under this Security Instrument; and (iii) the payment and performance of the Guarantor's obligations under the Guaranty. For this purpose, Mortgagor does hereby mortgage, grant and convey to Lender and Lender's successors and assigns the following described property located in Cook County, Illinois which currently has the address of 2918 W FARWELL AVE, CHICAGO, ILLINOIS 60645 ("Property Address") and is legally described as follows:

LOT 88 AND THE EAST 32 FEET OF LOT 89 IN DEER PARK, BEING A RESUBDIVISION OF LOT 2 AND PART OF LOTS 1 AND 3 IN CIRCUIT COURT PARTITION OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 36, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PIN: 10-36-114-023-0000 and 10-36-114-027-0000

(page 2 of 14 pages)

4813-4116-5935, v. 5

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Commonly known as: 2918 W FARWELL AVE, CHICAGO, ILLINOIS 60645

TOGETHER WITH (i) all the improvements now or hereafter erected on the property, and all easements, appurtenances, and Fixtures (as defined in the Code) and Personal Property of every nature whatsoever now or hereafter owned by the Mortgagor and used in connection with the property or the improvements thereon, or in connection with any construction thereon, including all extensions, additions, improvements, betterments, renewals, substitutions and replacements to any of the foregoing and all of the right, title and interest of the Mortgagor in and to any such Personal Property or Fixtures used in connection with the property or improvements thereon, together with the benefit of any deposits or payments now or hereafter made on such Personal Property or Fixtures used in connection with the property or improvements thereon, by the Mortgagor or on its behalf; (ii) all rents, revenues, issues, profits, proceeds, income, royalties, Letter of Credit Rights (as defined in the Uniform Commercial Code of the State of Illinois (the "Code") in effect from time to time), escrows, security deposits, impounds, reserves, tax refunds and other rights to monies from the property, improvements or Collateral; (iii) all interest of the Mortgagor in all leases now or hereafter on the property, improvements or collateral, whether written or oral (each, a "Lease", and collectively, the "Leases"), together with all security therefor and all monies payable thereunder; (iv) all proceeds of the foregoing, including, without limitation, all judgments, awards of damages and settlements hereafter made resulting from condemnation proceeds or the taking of the Property or Collateral or any portion thereof under the power of eminent domain, any proceeds of any policies of insurance, maintained with respect to the property, improvements or Collateral or proceeds of any sale, option or contract to sell the property, improvements or Collateral or any portion thereof (. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

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

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

COVENANTS. Mortgagor covenants and agrees with the Lender as follows:

1. Payment of Principal, Interest, Prepayment Charges, and Late Charges. The Guarantor shall pay when due the principal of, and interest on, the debt evidenced by the Guaranty and any prepayment charges and late charges due under the Guaranty. Payments due under the Guaranty and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Guaranty or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Guaranty and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Guaranty or at such other location as may be designated by Lender in accordance with the notice provisions in this Mortgage. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment

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insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. No offset or claim which Mortgagor might have now or in the future against Lender shall relieve Mortgagor from making payments due under the Guaranty and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: first toward payment of interest due on the unpaid principal balance hereof, next, to principal due hereunder; and the remainder, if any, to the payment of escrows, fees, charges and expenses, including without limitation, late charges, due to the Lender hereunder or under the other Related Documents, provided that from and after the occurrence of an Event of Default that is continuing (as hereinafter defined), the Lender or the then-holder hereof shall have the right and is authorized to apply payments made hereunder against any or all amounts payable hereunder or under the Related Documents, in such order or manner as the Lender or the then-holder hereof may in its discretion elect. Such Payment shall be applied in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Guaranty.

If Lender receives a payment from Mortgagor for a delinquent Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. To the extent that any excess exists after the payment is applied to the full payment of one or more Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Guaranty.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Guaranty shall not extend or postpone the due date, or change the amount, of the Payments.

3. Charges; Liens. Mortgagor shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any.

Mortgagor shall promptly discharge any lien which has priority over this Security Instrument unless Mortgagor: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Mortgagor is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Mortgagor a notice identifying the lien. Within 10 days of the date on which that notice is given, Mortgagor shall satisfy the lien or take one or more of the actions set forth above in this Section 3.

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

4. Property Insurance. Mortgagor shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Mortgagor subject to Lender's right to disapprove Mortgagor's choice, which right shall not be exercised unreasonably. Lender may require Mortgagor to pay, in connection with this Loan, either: (a) a one-time

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charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Mortgagor shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Mortgagor.

If Mortgagor fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Mortgagor's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Mortgagor, Mortgagor's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Mortgagor acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Mortgagor could have obtained. Any amounts disbursed by Lender under this Section 4 shall become additional debt of Mortgagor secured by this Security Instrument. These amounts shall bear interest at the Default Rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Mortgagor requesting payment.

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

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

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

5. Preservation, Maintenance and Protection of the Property; Inspections. Mortgagor

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shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Mortgagor is residing in the Property, Mortgagor shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to this Mortgage that repair or restoration is not economically feasible, Mortgagor shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Mortgagor shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Mortgagor is not relieved of Mortgagor's obligation for the completion of such repair or restoration.

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

6. Mortgagor's Information. Mortgagor shall be in default if Mortgagor or any persons or entities acting at the direction of Mortgagor or with Mortgagor's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan.

7. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Mortgagor fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Mortgagor has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 7, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 7.

Any amounts disbursed by Lender under this Section 7 shall become additional debt of Mortgagor secured by this Security Instrument. These amounts shall bear interest at the Default Rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Mortgagor requesting payment.

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

8. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous

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

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

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

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

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

Mortgagor shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

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

9. Mortgagor Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Mortgagor or any Successor in Interest of Mortgagor shall not operate to release the liability of Mortgagor or any Successors in Interest of Mortgagor. Lender shall not be required to commence proceedings against any Successor in Interest of Mortgagor or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Mortgagor or any Successors in Interest of Mortgagor. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Mortgagor or in amounts less than the amount then due,

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shall not be a waiver of or preclude the exercise of any right or remedy.

10. Successors and Assigns Bound. Subject to the provisions of this Mortgage, any Successor in Interest of Mortgagor who assumes Mortgagor's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Mortgagor's rights and benefits under this Security Instrument. Mortgagor shall not be released from Mortgagor's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided specifically) and benefit the successors and assigns of Lender.

11. Notices. All notices given by Mortgagor or Lender in connection with this Security Instrument must be in writing. Any notice to Mortgagor in connection with this Security Instrument shall be deemed to have been given to Mortgagor when mailed by first class mail or when actually delivered to Mortgagor's notice address if sent by other means. Notice to any one Mortgagor shall constitute notice to all Mortgagors unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Mortgagor has designated a substitute notice address by notice to Lender. Mortgagor shall promptly notify Lender of Mortgagor's change of address. If Lender specifies a procedure for reporting Mortgagor's change of address, then Mortgagor shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Mortgagor. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

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

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

13. Mortgagor's Copy. Mortgagor shall be given one copy of the Guaranty and of this Security Instrument.

14. Transfer of the Property or a Beneficial Interest in Mortgagor. As used in this Section 14, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Mortgagor at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Mortgagor is not a natural person and a beneficial interest in Mortgagor is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this

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Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

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

15. Defaults. The Mortgagor shall be in default of this Mortgage as a result of (a) a default under the Note, the Guaranty or the other documents relating thereto or (b) the failure of Mortgagor to pay when due any monetary obligation or to timely perform any other obligation and/or covenant under the Senior Loan Documents.

16. Hazardous Substances. As used in this Section 16: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

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

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

17. Acceleration; Remedies. Lender shall give notice to Mortgagor prior to acceleration following Mortgagor's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Mortgagor, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. If the default is not cured on or before the date specified in the notice, Lender at its option may

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require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 17, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

18. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument. Mortgagor shall pay any recordation costs. Lender may charge Mortgagor a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.

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

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

21. Assignment of Rents and Leases. The Mortgagor acknowledges that as additional security for the repayment of the Loan, the Mortgagor has assigned to the Lender interests in the leases of the Property and the rents and income from the Property.

22. Security Agreement. The Mortgagor and the Lender agree that this Mortgage shall constitute a Security Agreement within the meaning of the Code with respect to (a) all sums at any time on deposit for the benefit of the Mortgagor or held by the Lender (whether deposited by or on behalf of the Mortgagor or anyone else) pursuant to any of the provisions of this Mortgage or the other Loan Documents, and (b) with respect to any Personal Property included in the granting clauses of this Mortgage, and all replacements of, substitutions for, additions to, and the proceeds thereof, and (c) the "Supporting Obligations" (as defined in the Code) (all of said Fixtures, Personal Property and Supporting Obligations referenced in this Section 22, and the replacements, substitutions and additions thereto and the proceeds thereof being sometimes hereinafter collectively referred to as "Collateral"), and that a security interest in and to the Collateral is hereby granted to the Lender, and the Collateral and all of the Mortgagor's right, title and interest therein are hereby assigned to the Lender, all to secure payment of the Loan. All of the provisions contained in this Mortgage pertain and apply to the Collateral as fully and to the same extent as to any other property comprising the Property; and the following provisions of this section shall not limit the applicability of any other provision of this Mortgage but shall be in addition thereto:

(a) The Mortgagor (being the Debtor as that term is used in the Code) is and will be the true and lawful owner of the Collateral, subject to no liens, charges or encumbrances other than the lien hereof, other liens and encumbrances benefiting the Lender and no other party, and liens and encumbrances, if any, expressly permitted by the other Loan Documents.

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(b) Intentionally Omitted.

(c) The Collateral will be kept at the Real Estate and, except for Obsolete Collateral, will not be removed therefrom without the consent of the Lender (being the Secured Party as that term is used in the Code). The Collateral may be affixed to the Real Estate but will not be affixed to any other real estate.

(d) The only persons having any interest in the Property are the Mortgagor, the Lender and holders of interests, if any, expressly permitted hereby.

(e) No Financing Statement (other than Financing Statements showing the Lender as the sole secured party, or with respect to liens or encumbrances, if any, expressly permitted hereby) covering any of the Collateral or any proceeds thereof is on file in any public office except pursuant hereto, and the Mortgagor, at its own cost and expense, upon demand, will furnish to the Lender such further information and will execute and deliver to the Lender such financing statements and other documents in form satisfactory to the Lender and will do all such acts as the Lender may request at any time or from time to time or as may be necessary or appropriate to establish and maintain a perfected security interest in the Collateral as security for the Loan, subject to no other liens or encumbrances, other than liens or encumbrances benefiting the Lender and no other party, and liens and encumbrances (if any) expressly permitted hereby; and the Mortgagor will pay the cost of filing or recording such financing statements or other documents, and this instrument, in all public offices wherever filing or recording is deemed by the Lender to be desirable. The Mortgagor hereby irrevocably authorizes the Lender at any time, and from time to time, to file in any jurisdiction any initial financing statements and amendments thereto, without the signature of the Mortgagor that (i) indicate the Collateral as being of an equal or lesser scope or within greater detail as the grant of the security interest set forth herein, and (ii) contain any other information required by Section 5 of Article 9 of the Uniform Commercial Code of the jurisdiction wherein such financing statement or amendment is filed regarding the sufficiency or filing office acceptance of any financing statement or amendment, including (A) whether the Mortgagor is an organization, the type of organization and any organizational identification number issued to the Mortgagor, and (B) in the case of a financing statement filed as a fixture filing or indicating Collateral as as-extracted collateral or timber to be cut, a sufficient description of the real property to which the Collateral relates. The Mortgagor agrees to furnish any such information to the Lender promptly upon request. The Mortgagor further ratifies and affirms its authorization for any financing statements and/or amendments thereto, executed and filed by the Lender in any jurisdiction prior to the date of this Mortgage. In addition, the Mortgagor shall make appropriate entries on its books and records disclosing the Lender's security interests in the Collateral.

(f) Upon an Event of Default hereunder, the Lender shall have the remedies of a secured party under the Code, including, without limitation, the right to take immediate and exclusive possession of the Collateral, or any part thereof, and for that purpose, so far as the Mortgagor can give authority therefor, with or without judicial process, may enter (if this can be done without breach of the peace) upon any place which the Collateral or any part thereof may be situated and remove the same therefrom (provided that if the Collateral is affixed to real estate, such removal shall be subject to the conditions stated in the Code); and the Lender shall be entitled to hold, maintain, preserve and prepare the Collateral for sale, until disposed of, or may propose to retain the Collateral subject to the Mortgagor's right of redemption in satisfaction of the Mortgagor's obligations, as provided in the Code. The Lender may render the Collateral unusable without

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removal and may dispose of the Collateral on the Property. The Lender may require the Mortgagor to assemble the Collateral and make it available to the Lender for its possession at a place to be designated by the Lender which is reasonably convenient to both parties. The Lender will give the Mortgagor at least ten (10) days notice of the time and place of any public sale of the Collateral or of the time after which any private sale or any other intended disposition thereof is made. The requirements of reasonable notice shall be met if such notice is mailed, by certified United States mail or equivalent, postage prepaid, to the address of the Mortgagor hereinafter set forth at least ten (10) days before the time of the sale or disposition. The Lender may buy at any public sale. The Lender may buy at private sale if the Collateral is of a type customarily sold in a recognized market or is of a type which is the subject of widely distributed standard price quotations. Any such sale may be held in conjunction with any foreclosure sale of the Property. If the Lender so elects, the Property and the Collateral may be sold as one lot. The net proceeds realized upon any such disposition, after deduction for the expenses of retaking, holding, preparing for sale, selling and the reasonable attorneys' fees and legal expenses incurred by the Lender, shall be applied against the Loan in such order or manner as the Lender shall select. The Lender will account to the Mortgagor for any surplus realized on such disposition.

(g) The terms and provisions contained in this section, unless the context otherwise requires, shall have the meanings and be construed as provided in the Code.

(h) This Mortgage is intended to be a financing statement within the purview of Section 9-502(b) of the Code with respect to the Collateral and the goods described herein, which goods are or may become Fixtures relating to the Property. The addresses of the Mortgagor (Debtor) and the Lender (Secured Party) are set forth in this Mortgage. This Mortgage is to be filed for recording with the Recorder of Deeds of the county or counties where the Property are located. The Mortgagor is the record owner of the Property.

(i) To the extent permitted by applicable law, the security interest created hereby is specifically intended to cover all Leases between the Mortgagor or its agents as lessor, and various tenants named therein, as lessee, including all extended terms and all extensions and renewals of the terms thereof, as well as any amendments to or replacement of said Leases, together with all of the right, title and interest of the Mortgagor, as lessor thereunder.

(j) The Mortgagor represents and warrants that: (i) the Mortgagor is the record owner of the Property; (ii) the Mortgagor's exact legal name is as set forth on Page 1 of this Mortgage.

(k) The Mortgagor hereby agrees that: (i) where Collateral is in possession of a third party, the Mortgagor will join with the Lender in notifying the third party of the Lender's interest and obtaining an acknowledgment from the third party that it is holding the Collateral for the benefit of the Lender; (ii) the Mortgagor will cooperate with the Lender in obtaining control with respect to Collateral consisting of: deposit accounts, investment property, letter of credit rights and electronic chattel paper; and (iii) until the Loan is paid in full, Mortgagor will not change the state where it is located or change its name or form of organization without giving the Lender at least thirty (30) days prior written notice in each instance.

23. Appointment of Receiver. Upon or at any time after the filing of a complaint to foreclose this Mortgage, the court in which such complaint is filed shall, upon petition by the Lender, appoint a receiver for the Property in accordance with the Act. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of the Mortgagor at the time of application for such receiver and without regard to the value of the Property or whether the same

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shall be then occupied as a homestead or not and the Lender hereunder or any other holder of the Guaranty may be appointed as such receiver. Such receiver shall have power to collect the rents, issues and profits of the Property (i) during the pendency of such foreclosure suit, (ii) in case of a sale and a deficiency, during the full statutory period of redemption, whether there be redemption or not, and (iii) during any further times when the Mortgagor, but for the intervention of such receiver, would be entitled to collect such rents, issues and profits. Such receiver also shall have all other powers and rights that may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Property during said period, including, to the extent permitted by law, the right to lease all or any portion of the Property for a term that extends beyond the time of such receiver's possession without obtaining prior court approval of such lease. The court from time to time may authorize the application of the net income received by the receiver in payment of (a) the Loan, or by any decree foreclosing this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to foreclosure sale, and (b) any deficiency upon a sale and deficiency. Nothing herein contained shall be construed as constituting the Lender a mortgagee-in-possession in the absence of the actual taking of possession of the Property by the Lender pursuant to this Mortgage

24. Waiver of Rights. The Mortgagor hereby covenants and agrees that it will not at any time insist upon or plead, or in any manner claim or take any advantage of, any stay, exemption or extension law or any so-called "Moratorium Law" now or at any time hereafter in force providing for the valuation or appraisal of the Property, or any part thereof, prior to any sale or sales thereof to be made pursuant to any provisions herein contained, or to decree, judgment or order of any court of competent jurisdiction; or, after such sale or sales, claim or exercise any rights under any statute now or hereafter in force to redeem the property so sold, or any part thereof, or relating to the marshalling thereof, upon foreclosure sale or other enforcement hereof; and without limiting the foregoing:

(a) The Mortgagor hereby expressly waives any and all rights of reinstatement and redemption, if any, under any order or decree of foreclosure of this Mortgage, on its own behalf and on behalf of each and every person, it being the intent hereof that any and all such rights of reinstatement and redemption of the Mortgagor and of all other persons are and shall be deemed to be hereby waived to the full extent permitted by the provisions of Illinois Compiled Statutes 735 ILCS 5/15-1601 or other applicable law or replacement statutes;

(b) The Mortgagor will not invoke or utilize any such law or laws or otherwise hinder, delay or impede the execution of any right, power remedy herein or otherwise granted or delegated to the Lender but will suffer and permit the execution of every such right, power and remedy as though no such law or laws had been made or enacted; and

(c) If the Mortgagor is a trustee, the Mortgagor represents that the provisions of this section (including the waiver of reinstatement and redemption rights) were made at the express direction of the Mortgagor's beneficiaries and the persons having the power of direction over the Mortgagor, and are made on behalf of the trust estate of the Mortgagor and all beneficiaries of the Mortgagor, as well as all other persons mentioned above.

(Signature Page Follows)

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

By: 
Name: JOSEPH KNOPF

By: 
Name: AYELET KNOPF

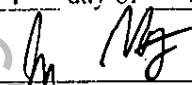
_____[Space Below This Line for Acknowledgment]_____

STATE OF ILLINOIS)
) SS.
COUNTY OF _____)

The undersigned, a Notary Public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that JOSEPH KNOPF AND AYELET KNOPF who ARE personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as his/her own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 13th day of September, 2018.




Notary Public

My Commission Expires: 6/22/2022