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MORTGAGE AND SECURITY AGREEMENT

THIS MORTGAGE is made as of October 18, 1985, by and between ANDREW M. LIND (the "Mortgagor"), and MARINA BANK, an Illinois banking corporation (the "Mortgagee").

R E C I T A L S:

Mortgagor has concurrently executed and delivered to Mortgagee a Mortgage Note dated this day in the original principal sum of Two Hundred Twenty Thousand Dollars (\$220,000.00), made payable to the Mortgagee ("the Note") in and by which the Mortgagor promises to pay the principal sum stated in the Note together with unpaid interest on or before January 31, 1985, with interest payable on the principal sum at the rate and on the dates as are made and provided in the Note; all of the principal and interest being payable at such place as the holders of the Note may, from time to time, in writing appoint, and in absence of such appointment, then at the office of Marina Bank at 307 N. Michigan Avenue, Chicago, Illinois 60601.

NOW, THEREFORE to secure (1) the payment of the principal of and interest on the Note; (2) the payment of any and all other indebtedness and liabilities, now or at any time in the future owing or to become due from Mortgagor to Mortgagee, whether under this Mortgage or otherwise, however evidenced, created or incurred, whether direct, indirect, primary, secondary, fixed or contingent, including future advances, the aggregate of which shall not exceed 50% of the original principal amount of the Note; and (3) the performance and observance of all terms, conditions and provisions of this Mortgage, the Note, and any other agreement or instrument concurrently or subsequently executed by Mortgagor and delivered to Mortgagee (all of the above being collectively referred to as the "Mortgagor's Obligations"):

Grant of Mortgage

Mortgagor GRANTS, REMISES, RELEASES, ASSIGNS, ALIENS and CONVEYS to the Mortgagee, its successors and assigns, the real estate and all of its estate, right, title and interest in the real estate described on Exhibit "A" (which real estate, together with the other property described in this Mortgage, is referred to as the "premises" or the "mortgaged premises");

This instrument was prepared by  
and should be mailed to:

Larry H. Pachter  
Much Shelist Freed Denenberg Ament & Eiger, P.C.  
135 South LaSalle Street - Suite 2323  
Chicago, Illinois 60603

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Other Assets

TOGETHER with all improvements, tenements, easements, fixtures, and appurtenances relating to the premises, and all rents, issues and profits from the premises for so long and during all such times as Mortgagor may be entitled to them (which are pledged primarily and on a parity with the premises and not secondarily), and all shades, awnings, venetian blinds, screens, screen doors, storm doors and windows, stoves and ranges, curtain fixtures, partitions, attached floor covering, now or subsequently located in or on the premises and all fixtures, apparatus, equipment or articles now or subsequently located in or on the premises used to supply heat, gas, air conditioning, water, light, power, sprinkler protection, waste removal, refrigeration (whether single units or centrally controlled), and ventilation, including (without restricting the foregoing) all fixtures, apparatus, equipment and articles, other than such as constitute trade fixtures used in the operation of any business conducted upon the premises as distinguished from fixtures which relate to the use, occupancy and enjoyment of the premises, it being understood that the enumeration of any specific articles of property shall not exclude or be held to exclude any items of property not specifically mentioned. To the fullest extent permitted by law, all of the land, estate and property described above, whether affixed or annexed or not (except where otherwise specified above) and all rights conveyed and mortgaged are intended so to be as a unit and are understood, agreed and declared to form a part and parcel of the real estate and to be appropriated to the use of the real estate, and shall for the purposes of this Mortgage be deemed to be real estate and conveyed and mortgaged by this Mortgage.

Grant of Security Interest

As to any of the above items which are not part of the real estate, this Mortgage is deemed to be a Security Agreement for the purpose of creating a security interest in such items, whether now existing or subsequently acquired, which security interest Mortgagor grants for the purpose of securing the payment and performance of obligations under this Mortgage.

The Mortgagee and its successors and assigns SHALL HAVE AND HOLD the premises forever for the purposes and uses set forth in this Mortgage.

IT IS FURTHER UNDERSTOOD AND AGREED THAT:

Covenants, Warranties and Representations

1. Mortgagor covenants with and represents to Mortgagee as follows:

(a) Mortgagor promptly will pay, or cause to be paid, when due, Mortgagor's liabilities under the Note and this Mortgage and promptly, fully and faithfully will perform, discharge, observe and comply with each and every of Mortgagor's Obligations.

(b) Mortgagor now has and shall maintain the standing, right, power and lawful authority to own the mortgaged premises, and Mortgagor has the right, power and lawful authority to carry on the business of and

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operate the mortgaged premises, to enter into, execute and deliver this Mortgage, the Note and the other agreements to Mortgagee, to encumber the mortgaged premises to Mortgagee and to perform all of Mortgagor's Obligations and to consummate all of the transactions described in or contemplated by this Mortgage and the Note.

(c) The execution, delivery and performance by Mortgagor of and under this Mortgage and the Note does not and will not constitute a violation of any applicable law and does not and will not conflict with or result in a default or breach of or under or an acceleration of any obligation arising, existing or created by or under any agreement, instrument, document, mortgage, deed, trust deed, note, judgment, order, award, decree or other restriction to which Mortgagor or any of the mortgaged premises is or subsequently shall become a party or by which Mortgagor or any of the mortgaged premises is or shall become bound, or any law or regulatory provision now or subsequently affecting Mortgagor or any of the mortgaged premises.

(d) The various data and information relating to the mortgaged premises delivered and to be delivered by or for Mortgagor and beneficiary of Mortgagor to Mortgagee are and shall be correct, complete and accurate in all respects.

(e) Mortgagor or the beneficiary of Mortgagor has duly filed and shall continue timely to file all federal, state and other governmental tax and similar returns which are required by law to be filed with respect to the mortgaged premises. All taxes and other sums which are shown to be payable under such returns have been and shall be timely and fully paid and Mortgagor or beneficiary shall maintain adequate reserves in amount to fully pay all such liabilities which subsequently may accrue.

(f) There is no litigation, action, claim or proceeding pending or threatened which might, in any way, manner or respect, materially or adversely affect the mortgaged premises, the collectibility of the Note, the lien of this Mortgage, the ability of Mortgagor or the beneficiary of Mortgagor to repay the Note or the financial condition of the mortgaged premises.

(g) Mortgagor will save and hold Mortgagee harmless of and from any and all damage, loss, cost and expense, including, but not limited to, reasonable attorneys' fees, costs and expenses, incurred by reason of or arising from or on account of or in connection with any suit or proceeding, threatened, filed and/or pending, in or to which Mortgagee is or may become or may have to become a party by reason of or arising from or on account of or in connection with Mortgagor's Obligations, this Mortgage, the Note or any other agreements.

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(h) Mortgagor is lawfully seized, possessed and the owner of and has good and indefeasible, marketable fee-simple title to the mortgaged premises, free and clear of all liabilities, claims, debts, exceptions, security interests, assessments, charges, impositions, levies, taxes, liens and all other types of encumbrances except (i) the lien of this Mortgage, (ii) existing leases to tenants in possession of portions of the premises, and (iii) such other encumbrances or title exceptions which Mortgagee specifically approves in writing ("Permitted Exceptions").

Maintenance, Repair and Restoration of Improvements, Payment of Prior Liens, Etc.

2. Mortgagor shall not change the use or character of the mortgaged premises and shall:

(a) promptly repair, restore or rebuild any buildings or improvements now or subsequently located on the premises which may become damaged or be destroyed;

(b) keep the premises in good condition and repair, without waste, and free from mechanics' liens or other liens or claims for lien not expressly subordinated to the lien of this Mortgage;

(c) pay when due any indebtedness which may be secured by a lien or charge on the premises superior to the lien of this Mortgage, and upon request exhibit satisfactory evidence of the discharge of such prior lien to Mortgagee;

(d) complete within a reasonable time any building or buildings now or at any time in the process of erection upon the premises;

(e) comply with all requirements of law, municipal ordinances, or restrictions of record with respect to the premises and the use of the premises;

(f) make no material alterations in the premises except as required by law or municipal ordinance;

(g) suffer or permit no change in the general nature of the occupancy of the premises, without Mortgagee's written consent;

(h) initiate or acquiesce in no zoning reclassification, annexation, subdivision, dedication, vacation relating to all or any part of the premises, without Mortgagee's written consent, which consent shall not reasonably be withheld; and

(i) pay each item of indebtedness secured by this Mortgage when due according to the terms of this Mortgage or of the Note.

Payment of Taxes

3. Mortgagor shall pay before any penalty attaches all general taxes, and shall pay special taxes, special assessments, water charges, sewer service charges, and other charges against the premises when due, and shall, upon written request, furnish to Mortgagee duplicate receipts for such taxes, assessments and charges. Mortgagor may, in good faith and with reasonable diligence, contest the validity or amount of any such taxes or assessments provided: (1) that such contest shall have the effect of preventing the collection of the tax or assessment so contested and the sale or forfeiture of the premises or any part of the premises or any interest in the premises, to satisfy the same; (2) that Mortgagor has, before such taxes or assessments shall have been increased by any interest, penalties or costs, notified Mortgagee in writing of the intention of Mortgagor to contest the same, and; (3) that Mortgagor shall have deposited with Mortgagee a sum of money which (when added to funds, if any, then on deposit for such taxes) shall be sufficient in the judgment of the Mortgagee to pay in full such contested taxes and assessments and all penalties and interest that might become due on such taxes and assessments, and shall keep on deposit an amount so sufficient at all times, increasing such amount to cover additional penalties and interest whenever, in the judgment of the Mortgagee, such increase is advisable. In case the Mortgagor shall fail to prosecute such objections with reasonable diligence or shall fail to maintain sufficient funds on deposit as provided, the Mortgagee may at its option apply the money so deposited in payment of or on account of such taxes and assessments, or that part then unpaid, together with all penalties and interest. If the amount of the money so deposited shall be insufficient for the payment in full of such taxes and assessments, together with all penalties and interest, the Mortgagor shall upon demand either (a) deposit with the Mortgagee a sum which when added to the funds then on deposit shall be sufficient to make such payment in full, or (b) in case the Mortgagee shall have applied funds on deposit on account of such taxes and assessments, restore the deposit to a sufficient amount. The Mortgagee shall, upon the final disposition of such contest, apply the money so deposited in full payment of such taxes and assessments or that part then unpaid, together with all penalties and interest (provided the Mortgagor is not then in Default) when so requested in writing by the Mortgagor and furnished with sufficient funds to make such payment in full with an official bill for such taxes.

Tax and Insurance Escrows

4. Only in the event Mortgagor is in default of this Mortgage, Mortgagor shall deposit with Mortgagee on the first day of each month amounts sufficient in the opinion of Mortgagee to create and maintain an adequate reserve fund from which to pay all taxes, assessments and other charges involving the mortgaged premises and all insurance premiums for the insurance policies specified in paragraph 7 as they become due. Upon the occurrence of an Event of Default in Mortgagor's Obligations, the Mortgagee may, but shall not be obligated, to make such payments.

Such amounts shall be held by Mortgagee without liability for the payment of interest and may be commingled with other assets of the Mortgagee. If the Mortgagee retains such reserve funds, then Mortgagor shall deliver to the Mortgagee all bills for

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such taxes, assessments or other charges and insurance premiums received by Mortgagor and the Mortgagee, upon receipt of the bills, shall pay from such fund all taxes, assessments and other charges and insurance premiums as they become due. The Mortgagee shall not be required to determine the accuracy of any bill or the validity of any such taxes, assessments, other charges and insurance premiums. To the extent such fund is insufficient, Mortgagor shall pay before any penalty or interest accrues all such taxes, assessments, other charges and insurance premiums and deliver to Mortgagee at least ten days prior to the due dates of such taxes, assessments and other charges and twenty days prior to the due date of such insurance premiums receipts evidencing such payments. Nothing contained in this Mortgage shall prevent Mortgagor, so long as there has been no Event of Default (as defined below) under the Mortgagor's Obligations from contesting the amount of any such taxes, assessments and other charges, provided Mortgagor deposits with Mortgagee an amount which, in the sole discretion of Lender, is sufficient to pay the entire amount of such contested taxes, assessments and other charges plus any and all penalties or interest which may be added.

## Mortgagee's Interest in and Use of Deposits

5. In the event of a default under any of Mortgagor's Obligations, the Mortgagee may at its option, without being required to do so, apply any moneys at the time on deposit with Mortgagee as any one or more of the same may be applicable, on any of Mortgagor's Obligations, in such order and manner as the Mortgagee may elect, and, to the extent such funds are insufficient, the Mortgagee may at its sole discretion advance funds to pay any of Mortgagor's Obligations, including tax and insurance payments, and the amounts so advanced shall be due and payable immediately upon notice and shall bear interest at the rate provided in the Note as the rate applicable after maturity or default. When the indebtedness secured by this Mortgage has been fully paid, any remaining deposits shall be paid to Mortgagor or to the then owner or owners of the premises. Such deposits are pledged as additional security for the performance of Mortgagor's Obligations and shall not be subject to the direction or control of the Mortgagor; provided, however, that the Mortgagee shall not be liable for any failure to apply to the payment of taxes and assessments any amount so deposited unless Mortgagor, while not in default, shall have requested Mortgagee in writing to make application of such funds to the payment of the particular taxes or assessments for payment of which they were deposited, accompanied by the bills for such taxes and assessments, in ample time before the scheduled due date for payment.

## Insurance

6. Mortgagor shall keep all buildings and improvements now or subsequently situated on the premises insured against loss or damage by fire, tornado, windstorm and extended coverage perils and such other hazards as may reasonably be required by Mortgagee, including, without limitation on the generality of the foregoing, war damage insurance whenever in the opinion of the Mortgagee such protection is necessary and is available from an agency of the United States of America. Mortgagor shall also provide liability insurance with such limits for personal injury and death and property damage as Mortgagee may require. All policies of insurance to be furnished under this Mortgage (the "Policies") shall be in

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forms, companies and amounts satisfactory to Mortgagee, with standard mortgagee clauses attached to all policies in favor of and in form satisfactory to Mortgagee, containing a standard waiver of subrogation clause, including a provision requiring that the coverage evidenced by such Policies shall not be terminated or materially modified without ten (10) days prior written notice to the 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 ten (10) days prior to their respective dates of expiration.

Adjustment of Losses with Insurer and Application of Proceeds of Insurance

7. In case of loss, the Mortgagee (or after entry of decree of foreclosure, purchaser at the same, or the decree creditor, as the case may be) is authorized either (a) to settle and adjust any claim under such insurance Policies without consent of Mortgagor, or (b) to allow Mortgagor to agree with the insurance company or companies on the amount to be paid upon the loss. In either case Mortgagee is authorized to collect and receipt for any such insurance money. If (a) Mortgagor is obligated to restore or replace the damaged or destroyed buildings or improvements under the terms of any lease or leases which are or may be prior to the lien of the Mortgage, (b) such damage or destruction does not result in cancellation or termination of such lease, and (c) the insurers do not deny liability as to the insureds, such proceeds, after deducting any expenses incurred in their collection, shall be used to reimburse Mortgagor for the cost of rebuilding or restoration of buildings and improvements on the premises.

In all other cases, such insurance proceeds may, at the option of Mortgagee, either be applied in reduction of the indebtedness secured by this Mortgage, whether due or not, or be held by the Mortgagee and used to reimburse Mortgagor for the cost of the rebuilding or restoration of buildings or improvements on the premises. The buildings and improvements shall be so restored or rebuilt as to be of at least equal value and substantially the same character as prior to such damage or destruction. In the event Mortgagor is entitled to reimbursement out of insurance proceeds, such proceeds shall be made available, from time to time, upon the Mortgagee being furnished with satisfactory evidence of the estimated cost of completion and with such architect's certificates, waivers of lien, contractors' sworn statements and other evidence of cost and of payments as the Mortgagee may reasonably require and approve, and if the estimated cost of the work exceeds ten percent (10%) of the original principal amount of the indebtedness secured by this Mortgage, with all plans and specifications for such rebuilding or restoration as the Mortgagee may reasonably require and approve. No payment made prior to the final completion of the work shall exceed ninety percent (90%) of the value of the work performed, from time to time, and at all times the undisbursed balance of such proceeds remaining in the hands of the Mortgagee shall be at least sufficient to pay for the cost of completion of the work free and clear of liens.

In case of loss after foreclosure proceedings have been instituted, the proceeds of any such Policies, if not applied in rebuilding or restoring the buildings or improvements, shall be

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used to pay the amount due in accordance with any decree of foreclosure that may be entered in any such proceedings, and the balance, if any, shall be paid to the owner of the equity of redemption if he shall then be entitled to the same or as the court may direct. In case of the foreclosure of this Mortgage, the court in its decree may provide that the Mortgagee's clause attached to each of the insurance Policies may be cancelled and that the decree creditor may cause a new loss clause to be attached to each of the Policies making the loss payable to such decree creditor; and any such foreclosure decree may further provide that in case of one or more redemptions under such decree, pursuant to the statute in such case made and provided, then and in every such case, each successive redelector may cause the preceding loss clause attached to each insurance Policy to be cancelled and a new loss clause to be attached, making the loss thereunder payable to such redelector. In the event of foreclosure sale, Mortgagee is authorized, without the consent of the Mortgagor, to assign any and all insurance Policies to the purchaser at the sale, or to take such other steps as Mortgagee may deem advisable, to cause the interest of such purchaser to be protected by any of the such insurance Policies.

## Restriction on Transfers and Encumbrances

8. Mortgagor shall keep the mortgaged premises free and clear of all liens, claims and encumbrances except for Permitted Exceptions described in paragraph 1(h) ("Encumbrances"), and Mortgagor shall promptly pay or cause to be paid, as and when due and payable or when declared due and payable, any indebtedness which may become or be secured by such an Encumbrance and, immediately upon request by Mortgagee, shall deliver to Mortgagee evidence satisfactory to Mortgagee of the payment and discharge of such indebtedness. To prevent default, Mortgagor or the beneficiary of Mortgagor may indemnify Mortgagee, by a means determined solely by and reasonably acceptable to Mortgagee, against loss by reason of such an Encumbrance which Mortgagor may desire to contest. If, in accordance with the terms of this Mortgage, Mortgagee makes payment of any such Encumbrance, Mortgagee shall be subrogated to the rights of such claimant, notwithstanding that the Encumbrance may be released of record.

Mortgagor shall not, at any time or times after this date, pledge, hypothecate or otherwise encumber all or any portion of the premises or Mortgagor's interest in the premises, nor shall the beneficiary of Mortgagor pledge, hypothecate or otherwise encumber all or any portion of its beneficial interest in Mortgagor. Without the prior written consent of Mortgagee, Mortgagor shall not sell or otherwise transfer or assign all or any portion of the premises or Mortgagor's interest in the premises, nor shall the beneficiary of Mortgagor sell or otherwise transfer all or any portion of its or their beneficial interest in the Mortgagor. If the beneficiary is a partnership or a corporation, there shall be no transfer or assignment of fifty percent (50%) or more of the partnership interests or the voting stock ownership, whichever is applicable, without the prior written consent of Mortgagee.

## Prepayment Privilege

9. The Mortgagor shall not have the privilege of making prepayments on the principal of the Note except as expressly provided in the Note.



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## Effect of Extensions of Time

10. If the payment of all or any part of the indebtedness is extended or varied or if any part of the security is released, all persons now or at any later time liable for the indebtedness, or interested in the premises, shall be held to assent to such extension, variation or release, and their liability and the lien and all provisions of this Mortgage shall continue in full force, the right of recourse against all such persons being expressly reserved by the Mortgagee, notwithstanding such extension, variation or release.

## Effect of Changes in Laws Regarding Taxation

11. In the event of the enactment after this date of any law imposing a tax upon the issuance of the Note or deducting from the value of land for the purpose of taxation any lien on the land, or imposing upon the Mortgagee the payment of the whole or any part of the taxes or assessments or charges or liens required in this Mortgage to be paid by Mortgagor, or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or the Mortgagee's interest in the premises, or the manner of collection of taxes, so as to affect this Mortgage or the debt secured by this mortgage or the holder of this Mortgage, then, and in any such event, the Mortgagor, upon demand by the Mortgagee, shall pay such taxes or assessments, or reimburse the Mortgagee for such taxes and assessments; provided, however, that if in the opinion of counsel for the Mortgagee (a) it might be unlawful to require Mortgagor to make such payment or (b) the making of such payment might result in the imposition of interest beyond the maximum amount permitted by law, then and in such event, the Mortgagee may elect, by notice in writing given to the Mortgagor, to declare all of the indebtedness secured by this Mortgage to be and become due and payable sixty (60) days from the giving of such notice.

## Default

12. The occurrence of any one or more of the following events shall constitute an "Event of Default" under this Mortgage:

(a) Failure of Mortgagor or the beneficiary of Mortgagor to pay, when due, any amounts becoming due and payable under the Note or this Mortgage.

(b) Failure of Mortgagor, within thirty (30) days after notice and demand, promptly, fully and faithfully to satisfy, perform, discharge, observe and comply with each and every of Mortgagor's Obligations, unless such performance by its nature, requires more than thirty (30) days to complete, in which case, Mortgagor shall have begun such performance within such thirty (30) days and constantly is pursuing such performance with due diligence.

(c) A petition in bankruptcy is filed by or against Mortgagor, or any beneficiary or beneficiaries of Mortgagor, or a custodian, receiver or trustee for any of the mortgaged premises or any of its or their property is appointed and, if appointed without its or their consent, is not discharged within thirty (30)

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days, or if it makes or they make an assignment for the benefit of creditors, or if it is or they are adjudged insolvent by any state or federal court of competent jurisdiction, or an attachment or execution is levied against any of the mortgaged premises and is not discharged within thirty (30) days.

Remedies Upon Default

13. Upon the occurrence of an Event of Default, Mortgagee, after notice and demand insofar as required under this Mortgage, in its sole discretion and at its sole election, without notice of such election, and without further demand, may do any one or more of the following:

(a) Declare all of Mortgagor's liabilities immediately due and payable and collect the same at once by foreclosure or otherwise, without notice of broken covenant or condition (and in case of such default and the exercise of such option, Mortgagor's liabilities shall bear interest, from the date of such default, at the highest rate provided in the Note).

(b) Either with or without process of law, enter upon and take immediate possession of the mortgaged premises, expel and remove any persons, goods or chattels occupying or upon the same, receive all rents, and issue receipts for such rents, manage, control and operate the mortgaged premises as fully as Mortgagor might do if in possession of the mortgaged premises, including without limitation, the making of all repairs and replacements deemed necessary by Mortgagee and the leasing of the same, or any part of the mortgaged premises, from time to time, and, after deducting all reasonable attorneys' fees and all costs and expenses incurred in the protection, care, maintenance, management and operation of the mortgaged premises, apply the remaining net income, if any, to Mortgagor's Obligations or upon any deficiency decree entered in any foreclosure proceeding. At the option of Mortgagee, such entry and taking of possession shall be accomplished either by actual entry and possession or by written notice served personally upon or sent by registered mail to the Mortgagor at the address of Mortgagor last appearing on the records of Mortgagee. Mortgagor and the beneficiary of Mortgagor each agree to surrender possession of the mortgaged premises to Mortgagee immediately upon the occurrence of an Event of Default. If Mortgagor or the beneficiary of Mortgagor shall remain in physical possession of the mortgaged premises, or any part of the mortgaged premises, after any such default, such possession shall be as a tenant of Mortgagee, and Mortgagor and the beneficiary agree to pay to Mortgagee or to any receiver appointed as provided below, after such default, a reasonable monthly rental for the mortgaged premises, or the part of the mortgaged premises so occupied by the Mortgagor or the beneficiary, and to be paid in advance on the first day of each calendar month, and, in default of so doing, Mortgagor or the beneficiary (as the case may be) may be dispossessed

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by the usual summary proceedings. In the event Mortgagor or the beneficiary of Mortgage shall so remain in possession of all, or any part of, the mortgaged premises, the reasonable monthly rental shall be in amounts established by Mortgagee in its reasonable discretion. This covenant shall be effective irrespective of whether any foreclosure proceeding shall have been instituted and irrespective of any application for, or appointment of, a receiver.

(c) File one or more suits at law or in equity for the foreclosure of this Mortgage or to collect the indebtedness secured by this Mortgage. In the event of the commencement of any such suit by Mortgagee, Mortgagee shall have the right, either before or after sale, without notice and without requiring bond (notice and bond being hereby waived), without regard to the solvency or insolvency of Mortgagor at the time of application and without regard to the then value of the mortgaged premises or whether the same is then occupied, to make application for and obtain the appointment of a receiver for the mortgaged premises. Such receiver shall have the power to collect the rents during the pendency of such suit and, in case of a sale and a deficiency, during the full statutory period of redemption or not, as well as during any further times when Mortgagor, except for the intervention of such receiver, would be entitled to collect the rents, and shall have all other powers which may be necessary or usual in such cases for the protection, possession, control, management and operation of the mortgaged premises. The Court before which suit is pending may from time to time authorize the receiver to apply the net income in his hands in payment, in whole or in part, of Mortgagor's Obligations. In case of a sale pursuant to foreclosure, the premises may be sold as one parcel or, if appropriate, may be divided and sold as separate parcels.

(d) Exercise any other remedies or rights permitted or provided under or by the laws or decisions of the State in which the mortgaged premises is located (including all rights of a secured party under the Uniform Commercial Code of the State of Illinois), accruing to a mortgagee and/or secured party upon a default by a Mortgagor and/or debtor.

The failure of the Mortgagee to exercise the option for acceleration of maturity and/or foreclosure following any Event of Default or to exercise any other option granted to Mortgagee in any one or more instances, or the acceptance by Mortgagee of partial payments, shall not constitute a waiver of any such default, nor extend or affect the grace period, if any, but such option shall remain continuously in force. Acceleration of maturity, once claimed by Mortgagee, may be rescinded at the option of Mortgagee by written acknowledgment to that effect, but the tender and acceptance of partial payments alone shall not in any way affect or rescind such acceleration or maturity, nor extend or affect the grace period, if any.

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## Foreclosure; Expense of Litigation

14. When any indebtedness secured by this Mortgage shall become due, whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien for such indebtedness. In any suit to foreclose the lien or enforce any other remedy of the Mortgagee under this Mortgage or the Note, there shall be allowed and included as additional indebtedness in the decree for sale or other judgment or decree all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, Torrens certificates, and similar data and assurances with respect to title as Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the premises and all prepayment premiums or similar charges, if any, provided in the Note. All expenditures and expenses and prepayment premiums of the nature mentioned in this paragraph, and such expenses and fees as may be incurred in the protection of the premises and the maintenance of the lien of this Mortgage, including the fees of any attorney employed by Mortgagee in any litigation or proceeding affecting this Mortgage, the Note or the premises, including probate and bankruptcy proceedings, or in preparations for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by Mortgagor, with interest at the post maturity rate and shall be secured by this Mortgage.

## Application of Proceeds of Foreclosure Sale

15. The proceeds of any foreclosure sale of the premises shall be distributed and applied in the following order of priority: First, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in the preceding paragraph; second, all other items which under the terms of this Mortgage constitute secured indebtedness additional to that evidenced by the Note, with interest as provided; third, all principal and interest remaining unpaid on the Note; fourth, any excess to Mortgagor, its successors or assigns, as their rights may appear.

## Appointment of Receiver

16. Upon or at any time after the filing of a complaint to foreclose this Mortgage, the court in which such complaint is filed may appoint a receiver of the premises. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of Mortgagor at the time of application for such receiver and without regard to the then value of the premises or whether the same shall be then occupied as a homestead or not; and the Mortgagee or any holder of the Note may be appointed as such receiver. Such receiver shall have power to collect the rents, issues and profits of the premises during the pendency of such foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, whether there be redemption or not, as well as during any further times when Mortgagor, except for the intervention of such

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receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the premises during the whole of such period. The court from time to time may authorize the receiver to apply the net income in his hands in payment in whole or in part of: (a) Mortgagor's Obligations or by any decree foreclosing this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien of this Mortgage or of such decree, provided such application is made prior to foreclosure sale; and (b) the deficiency in case of a sale and deficiency.

## Assignment of Rents and Leases

17. To further secure Mortgagor's Obligations, Mortgagor sells, assigns and transfers to the Mortgagee all the rents, issues and profits now due and which may become due under or by virtue of any lease, whether written or verbal, or any letting of, or of any agreement for the use or occupancy of the premises or any part of the premises, which may exist or which may be entered after this date or which may be made or agreed to by the Mortgagee under the powers granted in this Mortgage, it being the intention to establish an absolute transfer and assignment of all of such leases and agreements, and all the proceeds of such leases and agreements, to the Mortgagee, and Mortgagor appoints irrevocably the Mortgagee its true and lawful attorney in its name and place (with or without taking possession of the premises as provided in paragraph 18) to rent, lease or let all or any portion of the premises to any party or parties at such rental and upon such terms as Mortgagee shall, in its discretion, determine, and to collect all of the proceeds, rents, issues and profits arising from or accruing at any time after this date, and all now due or that may become due under each and every of the leases and agreements, written or verbal, or other tenancy existing, or which may exist on the premises, with the same rights and powers and subject to the same immunities, exoneration of liability and rights of recourse and indemnity as the Mortgagee would have upon taking possession pursuant to the provisions of paragraph 18.

The Mortgagor represents and agrees that no rent has been or will be paid by any person in possession of any portion of the premises for more than one installment in advance and that the payment of none of the rents to accrue for any portion of the premises has been or will be waived, released, reduced, discounted or otherwise discharged or compromised by the Mortgagor. If any lease provides for the abatement of rent during repair of the premises demised by reason of fire or other casualty, the Mortgagor shall furnish to the Mortgagee rental insurance, the policies to be in amount and form and written by such insurance companies as shall be satisfactory to the Mortgagee. Mortgagor agrees that it has not and will not assign any of the rents or profits of the premises, except to a purchaser or grantee of the premises.

Nothing contained in this Mortgage shall be construed as constituting the Mortgagee a mortgagee in possession in the absence of the taking of actual possession of the premises by the Mortgagee pursuant to paragraph 13(b). In the exercise of the powers granted under this Mortgage to the Mortgagee, no liability shall be asserted or enforced against the Mortgagee, all such liability being expressly waived and released by Mortgagor.

The Mortgagor further agrees to assign and transfer to the Mortgagee all future leases upon all or any part of the premises and to execute and deliver, at the request of the Mortgagee, all such further assurances and assignments in the premises as the Mortgagee shall from time to time require.

Although it is the intention of the parties that the assignment contained in this paragraph 17 shall be a present assignment, it is expressly understood and agreed, anything contained in this Mortgage to the contrary notwithstanding, that the Mortgagee shall not exercise any of the rights or powers conferred upon it by this paragraph until an Event of Default shall exist under this Mortgage.

Application of Income Received by Mortgagee

18. The Mortgagee in the exercise of the rights and powers conferred upon it by paragraph 13(b) shall have full power to use and apply the proceeds, rents, issues and profits of the premises to the payment of or on account of the following, in such order as the Mortgagee may determine:

(a) to the payment of the operating expenses of the property, including cost of management and leasing (which shall include reasonable compensation to the Mortgagee and its agent or agents, if management be delegated to an agent or agents, and shall also include lease commissions and other compensation and expenses of seeking and procuring tenants and entering into leases), established claims for damages, if any, and premiums on insurance authorized above;

(b) to the payment of taxes and special assessments now due or which may subsequently become due on the premises;

(c) to the payment of all repairs, decorating, renewals, replacements, alterations, additions, betterments, and improvements of the premises, including the cost from time to time of installing or replacing refrigeration and gas or electric stoves, and of placing such property in such condition as will, in the judgment of the Mortgagee, make it readily rentable;

(d) to the payment of any Mortgagor's obligations or any deficiency which may result from any foreclosure sale.

Mortgagee's Right of Inspection

19. Mortgagee shall have the right to inspect the premises at all reasonable times and access to the premises shall be permitted for that purpose.

Condemnation

20. Mortgagor assigns and transfers to Mortgagee the entire proceeds of any award or any claim for damages for any of the mortgaged property taken or damaged under the power of eminent domain or by condemnation. If the holders of any other mortgage

liens then of record agree to use such proceeds to repair and restore the premises, then Mortgagee shall agree to apply the proceeds for restoration and repair purposes. Otherwise, the Mortgagee may elect to apply the proceeds of the award upon or in reduction of the indebtedness secured by this Mortgage, whether due or not, or to require Mortgagor to restore or rebuild, in which event the proceeds shall be held by Mortgagee and used to reimburse Mortgagor for the cost of the rebuilding or restoring of buildings or improvements on the premises, in accordance with plans and specifications to be submitted to and approved by Mortgagee. If the Mortgagor is obligated to restore or replace the damaged or destroyed buildings or improvements under the terms of any lease or leases which are or may be prior to the lien of this Mortgage and if such taking does not result in cancellation or termination of such lease, the award shall be used to reimburse Mortgagor for the cost of the rebuilding or restoring of buildings or improvements on the premises, provided Mortgagor is not then in default under this Mortgage. In the event Mortgagor is required or authorized under this paragraph to rebuild or restore, the proceeds of the award shall be paid out in the same manner as is provided in paragraph 7 for the payment of insurance proceeds toward the cost of rebuilding or restoration. If the amount of such award is insufficient to cover the cost of rebuilding or restoration, Mortgagor shall pay such cost in excess of the award, before being entitled to reimbursement out of the award. Any surplus which may remain out of the award after payment of such cost of rebuilding or restoration shall, at the option of Mortgagee, be applied on account of Mortgagor's Obligations or be paid to any other party entitled to such surplus. In the event that the proceeds of any such award are paid to Mortgagee but are not sufficient to pay in full the indebtedness secured by this Mortgage, such payment shall be deemed to be a partial prepayment of principal on the Note and Mortgagee shall release from the lien of this Mortgage so much real estate as is provided in the Note in the event of a partial prepayment by Mortgagor.

#### Release upon Payment and Discharge of Mortgagor's Obligations

21. If Mortgagor shall fully pay all principal and interest on the Note, and all other Mortgagor's Obligations and comply with all of the other terms and provisions to be performed and complied with by Mortgagor, then this Mortgage shall be null and void. Mortgagee shall release this Mortgage by proper instrument upon payment and discharge of all Mortgagor's Obligations.

#### Giving Notice

22. Any notice which either party may desire or be required to give to the other party shall be in writing and shall be mailed by certified mail, addressed as follows:

To the Mortgagor: 2144 Lincoln Park West #18A  
Chicago, IL 60614

To the Mortgagee: 307 N. Michigan Avenue  
Chicago, IL 60614

or at such other place as either party may by notice in writing designate as a place for service of notice.

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## Waiver of Defense

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

## Waiver of Statutory Rights

24. Mortgagor shall not and will not apply for or avail itself of any appraisement, valuation, stay, extension or exemption laws, or any so-called "Moratorium Laws," now existing or enacted after this date, in order to prevent or hinder the enforcement of foreclosure of this Mortgage, but presently waives the benefit of such laws. Mortgagor for itself and all who may claim through or under it waives any and all right to have the property and estates comprising the mortgaged property marshalled upon any foreclosure of the lien of this Mortgage and agrees that any court having jurisdiction to foreclose such lien may order the mortgaged property sold as an entirety. Mortgagor expressly waives any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage on behalf of Mortgagor, the trust estate and all persons beneficially interested in the Mortgagor the premises, and each and every person except decree or judgment creditors of the Mortgagor in its representative capacity and of the trust estate, acquiring any interest in or title to the premises subsequent to the date of this Mortgage.

## Furnishing of Financial Statements to Mortgagee

25. Mortgagor shall furnish to Mortgagee, within ninety (90) days after the close of each calendar year, an annual operating statement of income and expenses for the premises signed and certified by the Mortgagor's beneficiary or beneficiaries. Within fifteen (15) days after demand by Mortgagee, the Mortgagor or beneficiary of Mortgagor shall deliver a certified rent roll and such other information as Mortgagee may request.

## Post Maturity Rate

26. "Post maturity rate" as used in this Mortgage shall mean interest at a rate which is two percent (2%) per year in excess of the rate payable prior to maturity.

## Filing and Recording Fees

27. Mortgagor will pay all filing, registration or recording fees, and all expenses incident to the execution and acknowledgment of this Mortgage and all federal, state, county and municipal taxes, and other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of the Note and this Mortgage.

## Business Purpose

28. Mortgagor or the beneficiaries of Mortgagor has been advised by its counsel that the proceeds of the loan secured by this Mortgage will be used for the purposes specified in Paragraph 6404(c) of Chapter 17 of the Illinois Revised Statutes, and that the principal obligation secured by this Mortgage comes within the purview of such paragraph.

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## Binding on Successors and Assigns

29. This Mortgage shall extend to and be binding upon Mortgagor and all persons claiming under or through Mortgagor, and the word "Mortgagor" when used in this Mortgage shall include the named Mortgagor and any subsequent owner or owners of the equity of redemption of the premises. The word "Mortgagee" shall include the successors and assigns of the named Mortgagee, and the holder or holders, from time to time of the Note.

## All Covenants to Run With Land

30. All the covenants contained in this Mortgage shall run with the land.

## Captions

31. The captions and headings of various paragraphs of this Mortgage are for convenience only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions of this Mortgage.

  
\_\_\_\_\_  
ANDREW M. LIND

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STATE OF ILLINOIS )  
 ) SS.  
COUNTY OF COOK )

I, Donna R. Adelman, a Notary Public in and for the County and State named above, DO CERTIFY that Andrew M. Lind personally known to me to be the same person whose name is subscribed to the above instrument, appeared before me this day in person and acknowledged that he signed and delivered the instrument as his own free and voluntary act.

GIVEN under my hand and Notarial Seal this 23<sup>RD</sup> day of OCTOBER, 1985.

Donna R. Adelman  
Notary Public

My Commission expires:

2-3-86

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## EXHIBIT A

UNIT 18A AND UNIT P12 IN 2144 LINCOLN PARK WEST CONDOMINIUM AS DELINEATED ON A SURVEY OF THE FOLLOWING DESCRIBED REAL ESTATE:

LOTS 1 AND 2 AND THE VACATED ALLEY NORTH OF AND ADJOINING SAID LOT 1 IN COUNTY CLERK'S DIVISION OF LOTS 47 TO 50 INCLUSIVE AND VACATED ALLEY WEST OF AND ADJOINING THE SAME IN ROBINSON'S SUBDIVISION OF BLOCK 19 AND CANAL TRUSTEE'S SUBDIVISION OF PART OF SECTION 3, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

WHICH SURVEY IS ATTACHED AS EXHIBIT A TO THE DECLARATION OF CONDOMINIUM RECORDED AS DOCUMENT 25863673 TOGETHER WITH ITS UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS

*File 14-33-206-052-1057 JRS.  
14-33-206-052-1103*

*2144 Lincoln Park West, Chicago*

Property of Cook County Clerk's Office

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