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SECURITY AGREEMENT AND COLLATERAL ASSIGNMENT UNDER LAND TRUST

KNOW ALL MEN BY THESE PRESENTS that the undersigned MARTIN S. NIEDELSON and LUCIE NIEDELSON whose address is 1233 West Wrightwood, Chicago, Illinois 60614 (hereinafter collectively called "Assignor"), the owners of 100% of the beneficial interest under that certain Trust Agreement dated June 26, 1987 and known as Trust No. 25-9622 ("Trust Agreement"), executed with BANK OF RAVENSWOOD as Trustee under the Trust Agreement (hereinafter referred to as "Trustee"), in consideration of the sum of ONE DOLLAR and other good and valuable consideration in hand paid, the receipt and sufficiency whereof is hereby acknowledged, do hereby grant a security interest in, sell, assign, transfer, set over, pledge and deliver unto HARRIS TRUST AND SAVINGS BANK, an Illinois banking corporation, whose address is 111 West Monroe Street, Chicago, Illinois 60690 (the "Lender"), and to its successors and assigns, all of the right, title and interest of the Assignor under and to the aforesaid Trust Agreement, including, but not limited to, 100% of the beneficial interest and the power of direction under said Trust Agreement, and in, under and to the property referred to or described in said Trust Agreement or subsequently conveyed into the trust, and in, under and to any and all the proceeds or avails of said property or any part thereof, including without limitation, all proceeds and avails from rentals, mortgages, sales, conveyances, or other dispositions or relations of of any kind or character of or from said property or any part thereof, including without limitation, the right, but not the obligation, to manage, direct and control the property and the acts and doings of the Trustee in respect of such property, and in and to all apparatus, equipment or articles now or hereafter therein or thereon used to supply heat, gas, air conditioning, water, light, power, refrigeration (whether single units or centrally controlled), ventilation, and services and amenities for tenants, including (without restricting the foregoing)

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screens, window shades, storm doors and windows, floor coverings, awnings, stoves, refrigerators, dishwashers, garbage disposals, washing machines, dryers and other appliances, fixtures, and equipment (hereinafter referred to as the "Collateral").

This security interest is made and given as collateral security for payment in full of the indebtedness of Assignor to the Lender, evidenced by any note or evidence of indebtedness executed by Assignor or any renewal, substitution or extension thereof, and any other indebtedness, obligations, and liabilities of Assignor to the Lender, whether now existing or hereafter arising, due or to become due, direct, indirect, or contingent, joint or several or joint and several, including, but not limited to, Assignor's guaranty or guaranties, whether now existing or hereafter arising, of any indebtedness owing by a person, partnership, corporation or other entity to the Lender.

ASSIGNOR REPRESENTS, WARRANTS, COVENANTS AND AGREES AS FOLLOWS:

1. The terms and provisions contained in this Agreement shall, unless the context otherwise requires, have the meanings and be construed as provided in the Uniform Commercial Code of the State of Illinois (the "Code").

2. Assignor represents and warrants that: (a) the Assignor has full power and authority to execute this Agreement and that except for the security interest of the Lender therein; (b) the Assignor is the owner of 100% of the beneficial interest under the Trust Agreement free from any liens, security interest, encumbrance or other right, title or interest of any other person, firm or corporation; (c) the Assignor shall defend against all claims and demands of all persons at any time claiming the same or any interest therein adverse to the Lender; (d) there is no financing statement now on file in any public office covering any property of any kind which is included within this Agreement or intended so to be; and (e) so long as any amount remains unpaid on any

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indebtedness to the Lender or any credit from the Lender to the Assignor or the Trustee is in use by or available to the Assignor or the Trustee, the Assignor will not make any further assignment of the subject beneficial interest in whole or in part and will not execute or file any financing statement describing or attempting to describe the subject beneficial interest.

3. Assignor shall: (a) promptly repair, restore or rebuild any buildings or improvements now or hereafter on the premises which may become damaged or be destroyed; (b) keep said premises in good condition and repair, without waste and free from mechanics' or other liens or claims for lien not expressly subordinated to the rights of Lender hereunder unless within thirty (30) days from the filing thereof such lien or claim for lien shall be discharged of record or indemnity satisfactory to Lender provided; (c) complete within a reasonable time any building or buildings now or at any time in process of erection upon said premises; (d) comply with all requirements of law or municipal ordinances with respect to the premises and the use thereof; (e) make no material alterations in said premises except as required by law or municipal ordinance except upon the written consent of Lender first obtained; and (f) not suffer or permit, without the written consent of Lender first obtained, any sale, transfer or assignment of any right, title or interest of the aforesaid Trustee in and to the premises, or any sale, transfer, delivery, hypothecation or other disposition of any part of the beneficial interest of Assignor, or any of them, in the Collateral.

4. The Trust above referred to is the owner of record of property described in the Rider attached to this Agreement, and is unencumbered except for mortgages and other liens shown on the said Rider.

5. Assignor will furnish the Lender with satisfactory evidence that the Collateral has been adequately insured by

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companies acceptable to the Lender and that such insurance coverage will be maintained throughout the term of the loan(s) secured hereby. Assignor will also purchase and maintain such other insurance coverage as the Lender may require. All insurance required hereunder shall be issued in the form of insurance policies payable, in cases of loss of damage, to the Lender and, in case of protection against liability, insuring the Trustee and all beneficiaries of the trust and their agents and assigns; and providing that the policy shall not be cancelled without at least thirty (30) days' notice to Lender, with the rights of Lender evidenced by the standard mortgage clause or similar clause attached to each policy. Assignor shall deliver all policies, including additional and renewal policies, to Lender, and in case of insurance about to expire, shall deliver renewal policies not less than ten (10) days prior to the respective dates of expiration.

6. Assignor shall pay any indebtedness which may be secured by a lien or charge upon the Collateral and, upon request, exhibit satisfactory evidence of such payment to the Lender. Upon default to such payment, the Lender may, but need not, make any payment required of the Assignor in the protection of the Collateral and purchase, discharge, compromise or settle any tax lien or other lien or claim, or redeem for any tax sale or forfeiture affecting the Collateral or contest any tax or assessment. All money advanced by the Lender for any of the purposes stated in this Agreement, or for the protection of the Collateral or of the lien of the Lender therein (whether or not described in this Agreement), and all expenses paid or incurred in connection therewith, including attorneys' fees, shall be additional indebtedness secured by the security interest created by this Agreement and become immediately due and payable without notice and with interest thereon at the rate of two (2%) percent per annum above the highest rate of interest charged on any note, or evidence of indebtedness, to which this Agreement refers on page one hereof.

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7. Notwithstanding anything to the contrary appearing in the Trust Agreement, the interest hereinabove described is assigned and transferred to Lender by way of collateral security only and, accordingly, Lender by its acceptance hereof shall not be deemed to have assumed or become liable for any of the obligations or liabilities of Assignor under the Trust Agreement whether provided for by the terms hereof, arising by operation of law or otherwise, and Assignor hereby acknowledges that Assignor remains liable thereunder to the same extent as though this Agreement had not been executed. Lender, notwithstanding that the Lender may also be the Trustee under the Trust Agreement, may proceed immediately to exercise each and all of the powers, rights and privileges reserved or granted to the Assignor under the Trust Agreement, including, without limitation, the right to collect and receive the proceeds from rentals and from mortgages, sales, conveyances, or other dispositions or realizations of any kind or character of or from the Collateral or any part thereof.

8. The occurrence of any of the following events or conditions shall, at the option of the Lender, and without notice or demand on the Trustee or Assignor, constitute an event of default hereunder:

(a) Default in the payment of any indebtedness secured by this Agreement; (b) failure of the Assignor to perform any covenant or agreement made by Assignor herein; (c) breach of any warranty of falsity of any representation made by Assignor to Lender herein; (d) attachment, seizure, foreclosure or forfeiture or levy upon the Collateral; (e) institution of any proceeding by or against Assignor or Assignor's business under any bankruptcy or insolvency statute, or any assignment by Assignor for benefit of creditors or appointment of a receiver for Assignor or the Collateral, or filing of a tax lien notice by the United States or any state; (f) the accrual of any lien or charge against the Collateral, whether prior to or subsequent to

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the security interest of the Lender, and the failure of the Assignor to discharge such lien upon demand; or (g) a default under any of the terms or conditions contained in any existing mortgages or Trust Deed which is a lien against the real estate owned by said Trust.

9. Upon the occurrence of any default, Lender may declare all indebtedness secured hereby immediately due and payable, and Lender may:

(a) sell the Collateral (including, but not limited to, the beneficial interest assigned as hereinbefore described), at public or private sale in accordance with the provisions of the Code. Assignor agrees that the requirements of the Code shall be fulfilled if notice is mailed to the Assignor at the address shown above not less than five (5) days prior to the sale or other disposition. The right of the Lender to be the purchaser for its own account at any sale or other disposition of the Collateral shall not be affected by the fact that the Lender is or may be now, or at the time of such sale or disposition, the Trustee under the Trust Agreement described in the first paragraph hereof, nor shall such fact in any manner otherwise affect the rights of the Lender to sell, dispose of or otherwise deal with the security interest granted herein; or

(b) Institute a judicial proceeding in aid of the right of the Lender to exercise Assignor's rights, powers and privileges in the Collateral, to foreclose the security interest and lien conferred by this Agreement and to effect a sale of the Collateral, including, but not limited to, the beneficial interest hereinbefore described.

The expenses of the Lender in assuming possession of the Collateral and in exercising Assignor's rights, powers and privileges therein, including attorneys' fees, court costs, title searches and other expenses shall be additional indebtedness which the Assignor agrees to pay upon demand.

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10. All the rights herein conferred upon the Lender are in addition to, and not in derogation of, the rights conferred upon it by law, and all such rights and remedies herein or by law conferred may be exercised at such time or times and in such order as the Lender may elect.

11. This Agreement shall be construed in accordance with the laws of the State of Illinois. Waiver of any default shall not constitute waiver of any subsequent default. All rights of the Lender shall inure to the benefit of its successors and assigns, and all obligations of Assignor shall bind his or its heirs, executors, personal representatives, successors or assigns. If there is more than one debtor, their obligations hereunder shall be joint and several. This Agreement shall become effective when signed by the Assignor.

12. The Assignor agrees that the Lender may, without notice to the Assignor, extend the payments due under any indebtedness secured hereby and said Lender need not proceed against the maker or guarantors of said indebtedness or proceed against any other collateral prior to the institution of any sale or court proceedings to liquidate the Collateral herein.

13. Assignor acknowledges receipt of an executed copy of this Agreement.

14. Assignor represents and warrants that this Agreement is solely a pledge of personal property, and that this document is not intended to be, nor shall it be construed as, an equitable mortgage. Notwithstanding anything herein to the contrary, in the event a court of competent jurisdiction determines that this Agreement constitutes an equitable mortgage, Assignor agrees that Assignor shall not and will not apply for or avail himself or itself of any appraisal, valuation, stay, extension, exemption, or redemption laws, now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Agreement should it be deemed an equitable mortgage, Assignor hereby specifically waives to the extent permissible by law all rights and benefits under such Illinois laws.

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15. If there is more than one Assignor, the word "Assignor" shall be deemed to include all of them (or any of them), and all of the undertakings contained herein shall be the joint and several obligations of said Assignors and each of them.

16. IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seal as of the 1st day of July, 1987.

ASSIGNOR:

Martin S. Niedelson
MARTIN S. NIEDELSON

Lucie Niedelson
LUCIE NIEDELSON

ACCEPTANCE

HARRIS TRUST AND SAVINGS BANK hereby acknowledges receipt of the foregoing Security Agreement And Collateral Assignment Under Land Trust this 1st day of July, 1987, and accepts the same.

HARRIS TRUST AND SAVINGS BANK

By: [Signature]
Its VICE PRESIDENT

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TRUSTEE'S ENDORSEMENT

BANK OF RAVENSWOOD, as Trustee under Trust No. 25-8622, dated June 26, 1987, hereby acknowledges receipt of the foregoing Security Agreement And Collateral Assignment Under Land Trust, and certifies that the Assignor as defined in said Agreement is the owner of 100% of the beneficial interest with sole power of direction in said Trust, and that there are no other collateral assignments filed with the Trustee regarding said Trust. Until said Agreement is terminated by the Lender, the Trustee agrees (i) not to permit or allow the Assignor to deal with the trust in a manner inconsistent with said Agreement unless such act is approved in writing by the Lender, and (ii) to perform duties with respect to the Trust and all the property held therein only upon the joint written direction of the Assignor and Lender.

Dated: July 1, 1987.

(SEAL)

ATTEST:

[Signature]
Title: TRUSTEE

BANK OF RAVENSWOOD
as Trustee,

By: *[Signature]*
Title: Assistant Vice President

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RIDER TO SECURITY AGREEMENT AND COLLATERAL ASSIGNMENT UNDER LAND TRUST

Common Address of Real Property: 3056-58 West Logan Boulevard
Chicago, Illinois

Legal Description of Real Property:

See attached Exhibit A

Mortgages and Other Liens on the Above Described Property: NONE
(if none, please state "NONE")

Property of Cook County Clerk's Office

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EXHIBIT A

LEGAL DESCRIPTION OF REAL ESTATE

Lots 15 and 16 in Block 2 in Powell's Subdivision of the West 1/2 of the East 1/2 of the Northwest 1/4 of the Southwest 1/4 of Section 25, Township 40 North, Range 13 East of the Third Principal Meridian, in Cook County, Illinois.

P.I.N.: 13-25-310-029 ^{E.L.O} *alman*

Property Address: 3056-58 West Logan Boulevard
Chicago, Illinois



Mail to:
Paul Zylber
Kozlowski, widow of Goldberg, Ed
333 S. Riverside Plaza
Suite 2300
Chgo. Illinois 60606

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COOK COUNTY RECORDER

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