UNOFFICIAL COPY

SECURITY AGREEMENT

AND.

ASSIGNMENT UNDER LAND TRUST

This Security Agreement is entered into on February 3, 1987
by Thomas W Anderson (hereinafter a Trust Agreement dated the "23rd day of Lanuary 1987 (hereinafter called the "Trust Agreement" or the "Trust" or the "Trust" or the "Trust" or the "Trust Agreement" or the "Trust" o
a Trust Agreement decad in owner of 100 % of the entire bane fairly interesting the
a Trust Agreement dated the 23rd day of January 1987 (hereinafter called the "Trust Agreement" or the "Trust"), executed by First National Bank
called the "Trust Agreement" or the "Trust"), executed by First National Bank and Trust Company of Barrington as Trustee under Trust No. 11-3801 and B&K Enterprises (hereinafter called the "Production").
as Trustee under Trust No. 11-3801 and Rev P
horemetter called the Wanter
Grant of Sommittee
Obligations hereinafter described, Debtor hereby grants a security interest in and assigns to Credito, all of the rights and interests of Debtor under the Trust Agreement (a) the Trust and all proceeds from all dispositions or reductions of any kind from any property owned by the Trust, whether disposition is any way of sale, rental, mortance insurance covering any property of the Trust, and the disc including any and all right to manage, direct and control the property of the Frust; and the disc including any and all right absolute assignment and transfer to Creditor of all subjected to disc including the regard to the Trust, the property of the Trust and the property of direction with The foregoing rights and increast of Debtor in and the property of the Prust Agreement and the remarker called "the Collateral." 2. Obligations. The obligations secured by this Security Agreement and Promissory Note cuaranteed by Debtor to the Creditor of dated. 2. Obligations. The obligations secured by this Security Agreement and Promissory Note cuaranteed by Debtor to the Creditor of dated. February 3. Dolars (\$46,200.00) and any extensive, the wais or refinations the indicators whether indebtedness or liability of Pebtor to the Creditor whether the indicators the indicators indicators indicators and indicators.
to paragraph 4(a) hereof; and (d) in the event of any present of the Obligations, court costs and reasonable attorney's tess.
and promises as follows:
(a) Debtor is owner of the interest in the Trust berein described free and clear of any claim of any kind other than the security interest berein granted except the interest and liens of record. Debtor will defend the Collateral and the property of the Trust against the other claims of any persons adverse to the claim of the Creditor.
(b) The Trust is the owner of record of the preparty described in paragraph (c) There is a minimum of the property described in paragraph (c) There is a minimum of the property described in paragraph (c) There is a minimum of the property described in paragraph (d) There is a minimum of the property described in paragraph (e) There is a minimum of the property described in paragraph (d) There is a minimum of the property described in paragraph (e) There is a minimum of the property described in paragraph (e) There is a minimum of the property described in paragraph (f) The property is without encumbrances of any kind except as shown herein.
(c) There is no Financing Statement now on file in any public office relating amount remains unpaid on any of the Obligations of the Debtor to the Creditor, the Statement or Statements described or attempting to describe the Collateral secured
Other Financing Statements, if any:
N/A
(d) Debtor will furnish the Creditor with cutisfactory evidence that the creparty of the Trust has been adequately insured by a company or companies reasonable

satisfactory to the Cr ditor. All insurance policies covering the property of the Trust shall include loss payable clauses in favor of the Creditor.

- Debtor will not hereafter assign, sell, transfer or grant a security interest (e) in the Collateral to anyone other than the Creditor. Debtor will not direct the Trustee to lease, sell, transfer or encumber any of the property in the Trust (nor suffer or permit anyone else to do so) without the prior written consent of the Creditor.
- Debtor shall (i) promptly repair, restore or rebuild any buildings or improvements now or hereafter on the property of the Trust which may become damaged or destroyed; (ii) keep said property of the Trust in good condition and repair and without waste; (iii) complete within a reasonable time any building or buildings now or at any time in process of erection upon the property of the Trust; (iv) comply with all requirements of law or municipal ordinances with respect to the property of the Trust and the use thereof; and (v) without prior written consent of the Creditor being first had and obtained, make no material alterations in the property of the Trust except as required by law or municipal ordinance.
- Debtor will pay all taxes now or hereafter levied or assessed against the property of the Trust and before the same become delinquent, and will promptly pay and discharge any and all liens now or hereafter chargeable against said property.
 - Rights and Obligations of the Creditor.

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- At its option, the Creditor may discharge taxes, liens or security interests (a) or other encumbrances at any time levied or placed on the Collateral or the property of the Trust. The Creditor also has the option to pay for insurance on the Collateral or the property of the Trace and to pay expenses for the maintenance and preservation of the Collateral or the property of the Trust. Any payment made, or any expense incurred by the Creditor purs lant to this paragraph shall become a part of the obligations hereby secured and Debtor agrees to reimburse the Creditor on demand for the amount paid or incurred plus interest thereon at the rate of 8% per annum.
- Notwithstanding anything to the contrary appearing in the Trust Agreement, the interest hereinabove described is granted and assigned to the Creditor by way of collateral security only and, accordingly, the Creditor by its acceptance hereof shall not be deemed to have assumed or become habit for any of the obligations or liabilities of Debtor under the Trust Agreement, whether provided for by the ferms thereof, arising by operation of law, otherwise; Debtor hereby reknowledging that Debtor remains liable thereunder to the same extent as though this Security Agreement has not been
- The acceptance by Creditor at any time and for time to time of part (e) payment on the Obligations shall not be deemed to be a waiver of any default then existing. No waiver by Creditor of any default shall be deemed to be a waiver of any other then existing or subsequent default, nor shall any such walver by Creditor be deemed to be a continuing waiver. No delay or omission by Creditor in exercising any right, remedy or privilege hereunder shall impair any such right, remedy or privilege to be construed as a waiver thereof or any acquiescence in the default giving rise thereto, nor shall any single or partial exercise of any such right, remedy or privilege preclude other or further exercise thereof, or the exercise of any other right, remedy or privilege.

All rights, remedies and privileges available to Creditor hereunder shall be cumulative of and in addition to all other rights, remedies and privileges granted to Creditor at law or in equity, and may be exercised from time to time, and as often as may be deemed expedient by Creditor.

- Events of Default. Debtor shall be in default under this Security Agreement upon the happening of any one of the following events on the existence of any one of
- failure to pay any of the Obligations when due or failure to perform any 'a) promise made in this Security Agreement:
 - (5) breach o any warranty made by Debtor in this Security Agreement;
- any misrepresentation made by Dobtor in this Security Agreement or in (c) my document furnished to the Creditor by Debter in connection with the Collateral or any property of the Trust;

- (d) any event which results in the acceleration of the maturity of any indebtedness of Debtor to any other party under any loan agreement or any undertaking by Debtor of any kind;
- (e) the creation of any encumbrance upon the Collateral or any property of the Trust or the making of any levy, judicial seizure or attachment thereof or thereon:
- (f) any loss, theft, damage or destruction of the property of the Trust not adequately insured;
 - (g) death, dissolution, termination of existence, or insolvency of Debtor;
- (h) appointment of a receiver for any part of the property of Debtor, or the making of any assignment for the benefit of creditors by Debtor or the initiation of any proceeding under the Bankruptcy Laws by or against Debtor.
- 6. Rights of Parties Upon Default. Upon default, or at any time or times or from time to time thereafter, the Creditor may:
- exercise any one or more or all the rights or remedies set forth in the Promissory Note hereinabove described or set forth in any other evidence of indebtedness secured he eby or in any agreement between Debtor and Creditor, and in addition thereto the C coitor shall have full power and authority to exercise all or any one or more of the remedics and shall have all the rights of secured party under the Uniform Commercial Code of Illinois (hereinafter called the "Code"). Any requirement of the Code for reasonable notice shall be met if such notice is mailed, postage prepaid, to the Debtor at the address of the Debtor as shown on the records of the Creditor at least 15 days prior to the time of the sale, disposition of other event or thing giving rise to the requirement of notice. The right of the Creditor 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 Creditor is or may be now or at the time of such sale or disposition be the Trustee under the Trust Agree ount, nor shall such fact in any manner otherwise affect the rights of the Creditor to sel, dispose of or otherwise deal with the security interest granted herein. The Creditor shall have the unqualified right, in connection with any such sale of Collateral, to execute and deliver an assignment of said beneficial interest to the purchaser at any such sale, free of any right of redemption by Debtor, and upon the filing thereof with the Trustee of the trust, said Trustee may recognize said assignee as the absolute owner of said beneficial interest for any and all purposes whatsoever and may act on directions of said assignee without any liability or obligation to Debtor whatsoever, without inquiry into the validity or propriety of such sale or assignment, and irrespective of any notice whatsoever from Deltor or any other person, unless and until said Trustee is served with an order of court prohibiting further action by the Trustee upon the direction of such assignee;
- (b) the Creditor may proceed immediately to exercise each and all of the powers, rights and privileges reserved or granted to the Debtor unier the Trust Agreement to manage, direct, control and deal with the property or any part thereof covered by the Trust Agreement, including without limitation the right to cold and dispositions or realizations of any kind of or from said property or any part thereof and

by suits or proceedings in equity, at law or otherwise, whether for the foreelosure hereof or for the appointment of a receiver of the property covered by the Trust equitable remedy available under applicable law.

Any and all net proceeds received by the Crediter by reason of the foregoing paragraphs (a), (b) and (c) after first deducting all legal or other costs and expenses in effecting such realization shall be applied to pay any or all of the indeptedness here by secured as the Creditor shall deem proper, any overplus to be returned to the Debtor. Upon full payment of all indebtedness hereby secured, this Security Agreement and the lien or charge created hereby or resulting herefrom shall cease to exist.

the serefit of its successors and assigns, and all obligations of the Debtor shall mure to or his successors, heirs and assigns. In the event that this Agreement is executed by more than one Debtor, the word "Debtor" shall be deer to cook all of them for any of their) and all of the undertaking contains therein. It has be joint and reverse of ligations of the Debtors and each of them.

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Waiver of Right of Redemption. The undersigned on behalf of themselves, their heirs, administrators, executors and assigns, do hereby waive any and all rights of redemption from sale under any judgment or foreclosure under Chapter 77 \$18-18 (f), of the Illinois Revised Statutes and/or the sale of the said property being held in the above trust under the provisions of the Uniform Commercial Code of Illinois. Executed this __3rd day of _ February ACCEPTANCE The undersigned hereby acknowledges receipt of the foregoing assignment this _ day of __February 19 87 and accepts the same. terprises Partner TRUSTEE'S ENDORSEM First National Bank and Trust Company of Barrington Trustee under its Trust Number $\frac{11-3801}{3rd}$, hereby acknowledge the foregoing assignment this $\frac{1}{3}$ $\frac{1$, hereby acknowledges receipt of

THE FIRST NATIONAL BANK AND TRUST COMPANY OF BARRINGTON As Trustee, as efercial

John A. Michoney, Trust Officer