

# UNOFFICIAL COPY 87092674

## COLLATERAL ASSIGNMENT OF NOTE AND MORTGAGE

This Collateral Assignment of Note and Mortgage (the "Agreement") is made as of December 19, 1986 between Apollo Metals, Inc., an Illinois corporation ("Apollo"), and Fidelcor Business Credit Corporation, a New York corporation ("Fidelcor"), formerly known as Trefoil Capital Corporation.

### RECITALS

A. Pursuant to an agreement dated June 14, 1985 between Apollo and Trefoil Capital Corporation, Fidelcor extended a \$5,000,000 line of credit to Apollo (the "Fidelcor Loan"). The line of credit was secured by a mortgage (the "Fidelcor Mortgage") dated June 14, 1985 and recorded June 18, 1985 as document no. 85,064,898 with the Cook County, Illinois Recorder of Deeds, on certain real estate owned by Apollo and located at 6650 S. Oak Park Avenue, Bedford Park, Illinois (the "Property"). A legal description of the Property is attached hereto and made a part hereof as Exhibit A.

B. On November 11, 1986, Apollo entered into a Real Estate Contract to sell the Property to Irving Steinberg ("Steinberg") for a purchase price of \$600,000 (the "Sale Contract"). Pursuant to the Sale Contract, Steinberg will satisfy the purchase price by the payment of \$120,000 at closing, with the balance, less prorations, of \$399,001.36 to be paid pursuant to a promissory note in that amount, payable to the order of Apollo, which will be personally guaranteed by Steinberg. The promissory note and guarantee shall hereinafter be referred to as the "Note." Such purchase money financing shall hereinafter be referred to as "the Loan." The Loan will also be secured by a mortgage (in the form of a Trust Deed) on the Property (the "Mortgage").

C. Apollo and Fidelcor now seek to cancel the Fidelcor Mortgage so that Apollo may sell the Property to Steinberg free and clear of the lien thereof, and to substitute this Collateral Assignment of Note and Mortgage as security for the Fidelcor Loan.

After recording return  
to Box 136

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NOW, THEREFORE, in consideration of the mutual obligations of the parties, and for other good and valuable consideration, the parties agree as follows:

1. To secure the payment of all sums due to Fidelcor pursuant to the Fidelcor Loan, Apollo hereby (a) pledges and grants a first and prior security interest in and assigns to Fidelcor the Note and (b) assigns and grants a first and prior security interest to Fidelcor in the Mortgage and any other collateral supporting documents in any way evidencing, securing or conferring benefits upon Apollo with respect to the Loan secured by the Mortgage. In consideration of Apollo's pledge of the Note and Mortgage, Fidelcor shall execute, acknowledge and deliver a release of the Fidelcor Mortgage.

2. The assignments referred to in Paragraph 1 herein, to the extent they do not constitute security interests under the Illinois Uniform Commercial Code, shall be absolute assignments, subject only to the terms of this Agreement.

3. To evidence and perfect Apollo's grant of security interest and assignment, Apollo shall deliver the Note to Fidelcor upon the closing of the sale of the Property, and the Mortgage after it has been recorded with the Cook County, Illinois Recorder of Deeds.

4. In addition to delivering the documents described in Paragraph 3, Apollo will, from time to time at Fidelcor's request, execute, deliver, record and furnish such documents as Fidelcor may reasonably deem necessary and desirable to perfect or protect the rights granted to Fidelcor hereunder.

5. Apollo represents and warrants that, at the time of assignment to Fidelcor, the Note will be free of all claims, liens, encumbrances, security interests and other adverse interests of any kind.

6. Apollo agrees to maintain records pertaining to the Note in such detail and form as Fidelcor shall reasonably require.

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7. No modification of the Note will be made and no waiver, consent or agreement to any waivers or modifications of any provision in the Note shall be given by Apollo without the prior written consent of Fidelcor.

8. Apollo shall not sell, transfer, hypothecate, assign for collateral purposes or otherwise, the Note or its rights under the Note without the prior written consent of Fidelcor.

9. In the exercise of the powers herein granted Fidelcor, no liability shall be asserted or enforced against Fidelcor, all such liability being expressly waived by Apollo. Apollo agrees to indemnify and hold Fidelcor harmless from any and all liability, loss, expense or damage which Fidelcor may incur by reason of the collateral assignment of the Note and the Mortgage to Fidelcor except any such liability arising as a result of the negligence of Fidelcor or its agents, employees, officers or directors.

10. This Agreement has been executed in Illinois and shall be governed by Illinois law.

11. It is expressly agreed, intended and understood that this Agreement is made and entered into for the sole protection and benefit of Fidelcor and Apollo, and their respective successors and assigns (but in the case of Apollo, only to the extent permitted hereunder); that no other person shall have any right at any time to action hereon or to the proceeds of the Loan evidenced and secured by the Note and Mortgage; that the proceeds of the Loan evidenced by the Note do not constitute a trust fund for the benefit of a third party; and that no third party shall be entitled to any equitable lien on any undisbursed Loan proceeds.

12. The relationship of Fidelcor and Apollo is solely that of lender and borrower and nothing contained herein shall in any manner be construed as making the parties hereto partners, joint venturers or any other relationship other than lender and borrower.

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13. If any provision herein is found not to comport with any state or federal law, it is the parties' intent that such provision be given force to the fullest possible extent it is legal and enforceable and that the remainder of this Agreement shall continue in full force and effect.

IN WITNESS WHEREOF, this Agreement has been executed on the date written above.

APOLLO METALS, INC.

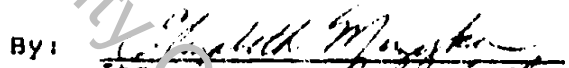
By:   
David E. Kropp, President

Signed and sworn before me  
this 12<sup>th</sup> day of February,  
1987.


  
Notary Public

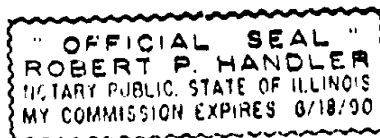
My Commission Expires Dec. 13, 1987

FIDELCOR BUSINESS CREDIT  
CORPORATION

By:   
Its Elizabeth M. ...

Signed and sworn before me  
this 17<sup>th</sup> day of February,  
1987.

  
Notary Public



This instrument was drafted by D. Scott Hargadon, BELL, BOYD & LLOYD, Three First National Plaza, Suite 3200, Chicago, IL 60602 (312) 372-1121.

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## LEGAL DESCRIPTION RIDER

✓ PARCEL A:

19-19-117-054  
19-19-117-052  
19-19-117-070  
19-19-117-069

That part of the Southeast Quarter of the Northwest Quarter of Section 19, Township 38 North Range 13 East of the Third Principal Meridian, bounded and described as follows:

Beginning at a point on the North line of the South 525.00 feet of the Southeast Quarter of the Northwest Quarter of Section 19 aforesaid which is 25.00 feet West of the East line thereof; thence South on the West line of the East 25.00 feet of the Southeast Quarter of the Northwest Quarter of Section 19 aforesaid 150.00 feet to the North line of the South 375.00 feet of the Southeast Quarter of the Northwest Quarter of Section 19 aforesaid; thence West on last described line a distance of 400.00 feet to the West line of the East 425.00 feet of the Southeast Quarter of the Northwest Quarter of Section 19 aforesaid; thence South on last described line a distance of 40.00 feet to the North line of the South 335.00 feet of the Southeast Quarter of the Northwest Quarter of Section 19 aforesaid; thence West on last described line a distance of 103.34 feet to the West line of the East 528.34 feet of the Southeast Quarter of the Northwest Quarter of Section 19 aforesaid; thence South on last described line a distance of 250.00 feet to the North line of the South 85.00 feet of the Southeast Quarter of the Northwest Quarter of Section 19 aforesaid; thence Southwesterly a distance of 150.65 feet to the intersection of the West line of the East 678.34 feet of the Southeast Quarter of the Northwest Quarter of Section 19 aforesaid with the North line of the South 70.00 feet of the Southeast Quarter of the Northwest Quarter of Section 19 aforesaid; thence West on last described line a distance of 371.66 feet to a point 150.05 feet East of (as measured on last described line) the intersection of the North line of the South 70.00 feet of the Southeast Quarter of the Northwest Quarter of section 19 aforesaid with a line 30.00 feet Southeasterly of and parallel with a diagonal line drawn from the Southwest corner to the Northeast corner of said Quarter-Quarter Section; thence Northwesterly a distance of 156.46 feet to a point in said line 30.00 feet Southeasterly of and parallel with a diagonal line drawn from the Southwest corner to the Northeast corner of said Quarter-Quarter Section, said point being 36.28 feet Northeasterly of (as measured on said parallel line) the intersection of said parallel line with the North line of the South 70.00 feet of the Southeast Quarter of the Northwest Quarter of aforesaid Section 19; thence Northeasterly on said line 30.00 feet Southeasterly of and parallel with a diagonal line drawn from the Southwest corner to the Northeast corner of said Quarter-Quarter Section a distance of 469.61 feet to a point in said parallel line 73.86 feet Northeasterly of (as measured on said parallel line) its intersection with the North line of the South 375.00 feet of the Southeast Quarter of the Northwest Quarter of Section 19 aforesaid; thence Northeasterly on a line forming an angle of 4 Degrees 11 Minutes 50 Seconds measured Northeast to East with the last described course 20.47 feet to a point of tangency of a curved line, convex to the Northwest, radius 278.94 feet; thence Northeasterly along said curved line a distance of 198.20 feet to its point of tangency lying on a line 508.00 feet North of and

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parallel with the South line of the Southeast Quarter of the Northwest Quarter of Section 19 aforesaid; thence Easterly 40.01 feet to a point on the North line of the South 509.00 feet of the aforesaid Quarter-Quarter Section, which is 631.52 feet West of the East line thereof; thence East on the last described line a distance of 180.52 feet to the West line of the East 451.00 feet of aforesaid Quarter-Quarter Section; thence North on last described line a distance of 16.00 feet to the North line of the South 525.00 feet of aforesaid Quarter-Quarter Section; thence East on last described line a distance of 426.00 feet to the place of beginning, in Cook County, Illinois.

PARCEL B:

19-19-117-060

That part of the Southeast Quarter of the Northwest Quarter of Section 19, Township 38 North, Range 13 East of the Third Principal Meridian, described as follows:

Beginning at a point 890.0 feet South of the North line of said Quarter-Quarter Section on a line drawn at right angles to said North line and passing through a point 25.0 feet East of the West line and 890.0 feet South of the North line of the aforesaid Quarter-Quarter Section; thence continuing South on the last described line a distance of 30.0 feet; thence East at right angles to the last described line a distance of 69.15 feet; thence South at right angles to the last described line a distance of 217.03 feet to an intersection with a curved line convex to the Southeast and having a radius of 278.94 feet; thence Northeasterly along said curved line a distance of 99.03 feet to an intersection with a curved line convex to the Southeast and having a radius of 279.88 feet, said point of intersection being 160.71 feet East and 1064.42 feet South of the Northwest corner of said Quarter-Quarter Section; thence Northeasterly along the last described curved line a distance of 124.15 feet; thence North tangent to the last described curved line a distance of 54.30 feet; thence West at right angles to last described line a distance of 162.80 feet to the point of beginning in Cook County, Illinois.

PARCEL C:

19-19-117-064

That part of the Southeast Quarter of the Northwest Quarter of Section 19, Township 38 North, Range 13 East of the Third Principal Meridian, described as follows:

Beginning at a point 1171.32 feet South of the North line of said Quarter-Quarter Section, on a line drawn at right angles to the North line aforesaid and passing through a point 146.81 feet East of the West line and 50 feet South of the North line of said Quarter-Quarter Section; thence Southwesterly along a curve, convex Southerly, having a radius of 278.94 feet, a distance of 117.24 feet to a point of tangent; thence West along a line tangent to last described curve, a distance of

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11.55 feet to a point 1195.84 feet South of the North line of said Quarter-Quarter Section, on a line drawn at right angles to the North line aforesaid and passing through a point 21.48 feet East of the West line and 50 feet South of the North line of said Quarter-Quarter Section; thence Northeasterly along a curve convex Southeasterly having a radius of 296.94 feet, a distance of 145.16 feet to a point 1117.78 feet South of the North line of said Quarter-Quarter Section, on a line drawn at right angles to the North line aforesaid and passing through a point 142.15 feet East of the West line and 50 feet South of the North line of said Quarter-Quarter Section, thence Southerly in a straight line 53.74 feet to the point of beginning, in Cook County, Illinois.

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Property of Cook County Clerk's Office

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#6844 # A \*-17-092674  
COOK COUNTY RECORDER