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THIS INSTRUMENT PREPARED BY:

T. ANDREWS

WHEN RECORDED MAIL TO
HOME SAVINGS OF AMERICA
P.O. BOX 7075
PASADENA, CALIFORNIA 91109-7075

NOV 15 AM 11:48

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ALL NOTICES TO LENDER SHALL BE
MAILED OR DELIVERED TO THE ABOVE
ADDRESS.

LOAN NO. 977201-3

Mortgage, Assignment of Rents and Security Agreement

\$16.00

This Mortgage (the "Instrument") is made this 24th day of OCTOBER, 1988 between
LaSALLE NATIONAL BANK, NOT PERSONALLY, BUT AS TRUSTEE UNDER
A CERTAIN TRUST AGREEMENT DATED OCTOBER 21, 1988 AND KNOWN AS TRUST NO. 113877

(the "Mortgagor") whose address is 135 SOUTH LaSALLE STREET
CHICAGO, IL. 60603

and HOME SAVINGS OF AMERICA, F.A.,
a federally chartered savings and loan association (the "Lender"), whose address is P.O. Box 7075, Pasadena, California 91109-7075.
WITNESSETH: Mortgagor irrevocably grants, conveys, transfers and assigns to Lender that real property in

COOK
County, Illinois, described as:
LOTS 1 AND 2, IN BLOCK 5, IN COCHRAN'S ADDITION TO EDGEWATER, SAID ADDITION BEING A
SUBDIVISION OF THE SOUTH 1946 FEET OF THE WEST 1320 FEET OF THE EAST FRACTIONAL HALF OF
SECTION 5, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK
COUNTY, ILLINOIS

COMMONLY KNOWN AS 5750 NORTH KENMORE AVENUE, CHICAGO, IL. 60660

PTN: 14-05-405-015

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TOGETHER with all interest which Mortgagor now has or may hereafter acquire in or to said property, and in and to: (a) all easements and rights of way appurtenant thereto, and all heretofore or hereafter vacated alleys and streets abutting said property, (b) all buildings, structures, tenements, improvements, fixtures and appurtenances now or hereafter placed thereon, including, but not limited to, all fixtures, apparatus, machinery, equipment, engines, boilers, incinerators, building materials, appliances and goods of every nature whatsoever now or hereafter located in, on, or used, or intended to be used in connection with said property, including, but not limited to, those for the purposes of supplying or distributing air cooling, air conditioning, gas, electricity, water, air refrigeration, ventilation, laundry, drying, dishwashing, garbage disposal and other services, and all related machinery and equipment, fire prevention and extinguishing apparatus, security and access control apparatus, plumbing, bathtubs, water heaters, water closets, sinks, ranges, stoves, refrigerators, dishwashers, disposals, washers, dryers, awnings, storm windows, storm doors, screens, blinds, shades, curtains and curtain rods, mirrors, cabinets, panelling, rugs, attached floor coverings, furniture, pictures, antennae, trees and plants, pool equipment, if being intended and agreed that such items, including replacements and additions thereto, be conclusively deemed to be affixed to and be part of the real property that is conveyed hereby; (c) all cabinets, shelving, furniture, displays, lights, machinery and other trade fixtures attached or otherwise installed on said property used for a trade or business, it being intended and agreed that such items, including replacements and additions thereto, be conclusively deemed to be affixed to and be part of the real property that is conveyed hereby; (d) all royalties, minerals, oil and gas rights and profits, water and water rights (whether or not appurtenant) owned by Mortgagor and shares of stock pertaining to such water or water rights, ownership of which affects said property; and (e) the rents, income, issues, and profits of all properties covered by this Instrument, and (f) all accounts, accounts receivable, chattel paper, insurance claims, condemnation awards, general intangibles, contract rights, instruments, documents and other rights of Mortgagor arising out of or related to Mortgagor's ownership of such property. SUBJECT, HOWEVER, to the terms and conditions herein set forth, Mortgagor agrees to execute and deliver, from time to time, such further instruments as may be requested by Lender to evidence or confirm the lien of this Instrument on any such properties. The properties conveyed to Trustee hereunder are hereinafter referred to as the "Property"

FOR THE PURPOSE OF SECURING:

(1) Payment of the sum of \$ 1,038,750.00 with interest thereon, according to the terms of a promissory note of even date herewith and having a final maturity date of NOVEMBER 20, 2018 made by Mortgagor payable to Lender or order, and all modifications, extensions or renewals thereof (the "Note"); (2) Payment of such additional sums with interest thereon: (a) as may be hereafter advanced by Lender pursuant to paragraph 34 hereof (herein "Future Advances"), and (b) as may be incurred, paid out, or advanced by Lender, or may otherwise be due Lender under any provision of this Instrument. (3) If this is a construction loan, performance by Mortgagor of the covenants and agreements contained in a construction loan agreement between Mortgagor and Lender, of even date herewith, as provided in paragraph 17 hereof. (4) Performance of each agreement of Mortgagor contained herein or incorporated herein by reference or contained in any other agreements or covenants executed by Mortgagor relating to the loan secured hereby. (5) If this loan is secured by a leasehold, performance and keeping by Mortgagor of each of the covenants and agreements required to be kept and performed by Mortgagor as lessee pursuant to the terms of the lease and any and all other instruments creating Mortgagor's leasehold interest in or defining Mortgagor's rights as lessee in respect to the Property. (6) Performance by Mortgagor with each and every monetary obligation to be performed by Mortgagor under any recorded covenants, conditions and restrictions pertaining to the Property. (7) At Lender's option, payment, with interest thereon, of any other present or future indebtedness or obligation of Mortgagor (or of any successor in interest of Mortgagor to such Property) owing to Lender, whether created directly or acquired by absolute or contingent assignment, whether due or not, whether otherwise secured or not, or whether existing at the time of the execution of this Instrument or arising thereafter, the exercise of such option to be evidenced by a notice in writing to Mortgagor or any successor in interest to Mortgagor. (8) Performance of all agreements of Mortgagor to pay fees and charges to the Lender relating to the loan secured hereby. (9) Payment of charges, as allowed by law when such charges are made, for any statement issued by Lender regarding the obligation secured hereby.

Mortgagor covenants that Mortgagor is lawfully seized of the estate hereby conveyed and has the right to grant, convey, transfer and assign the Property to Lender.

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10. Payment of Principal and Interest. Mortgagee shall pay when due the principal of and interest on the indebtedness evidenced by the Note...

11. Funds for Taxes, Insurance and Other Charges. Upon request by Lender, Mortgagee shall pay on the day monthly the principal and late charges provided in the Note and all other sums secured by this instrument...

12. Preservation and Maintenance of Property. Leasehold. Mortgagee shall not commit waste or permit any physical deterioration of the Property...

13. Hazard Insurance. Mortgagee shall keep the Property insured against fire and other causes of loss by a policy...

14. Charges, Liens, Mortgagee shall pay all water and sewer rates, rents, assessments, taxes, assessments, premiums and other impositions at the time they become due...

15. Application of Payments. Unless applicable law requires otherwise, all payments received by Lender from Mortgagee under the Note...

16. Priority. In the event of any conflict between the provisions of this instrument and any other instrument, the provisions of this instrument shall control...

17. Entire Agreement. This instrument constitutes the entire agreement between the parties with respect to the subject matter hereof...

18. Assignment and Substitution. This instrument shall be binding upon the parties and their heirs, assigns and personal representatives...

19. Remedies. In the event of any default by the Borrower under any of the provisions of this instrument, Lender shall have the right to exercise any of the remedies herein provided...

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Upon Lender's request, Mortgagee shall assign to Lender, by written instrument satisfactory to Lender, all fees now existing or hereafter made of all or any part of the Property and all security deposits made by tenants in connection with such leases of the Property (upon assignment by Mortgagee to Lender or by Lender to Mortgagee) and shall have all of the rights and powers possessed by Mortgagee prior to such assignment and Lender shall have the right to modify, extend or terminate such existing leases and to execute new leases, in Lender's sole discretion.

(1) Construction Loan Provisions. Mortgagee agrees to comply with the covenants and conditions of the construction loan agreement, including those now due, past due, or to become due by virtue of any lease or other agreement for the occupancy or use of all or any part of the Property, regardless of to whom the rents and revenues of the Property are payable. Mortgagee hereby authorizes Lender or Lender's agents to collect the aforesaid rents and revenues and hereby directs each tenant of the Property to pay such rents to Lender or Lender's agents, provided, however, that prior to written notice given by Lender to Mortgagee of the breach by Mortgagee of any covenant or agreement of Mortgagee in this instrument, Mortgagee shall collect and receive all rents and revenues of the Property as trustee for the benefit of Lender and Mortgagee, to apply the rents and revenues so collected to the sums secured by this instrument in the order provided in paragraph 3 hereof with the balance, so long as no such breach has occurred, to the account of Mortgagee, it being intended by Mortgagee and Lender that the assignment of rents constitutes an absolute assignment and not an assignment for additional security only. Upon delivery of written notice by Lender to Mortgagee of the breach by Mortgagee of any covenant or agreement of Mortgagee in this instrument, Lender and Mortgagee shall immediately be entitled to possession of all rents and revenues of the Property as specified in this paragraph 18 as the same become due and payable, including, but not limited to, rents then due and unpaid, and all such rents shall immediately upon delivery of such notice be held by Mortgagee as trustee for the benefit of Lender only, provided, however, that the written notice by Lender to Mortgagee of such breach by Mortgagee shall contain a statement that Lender exercises its rights to such rents. Mortgagee agrees that commencing upon delivery of such written notice of Mortgagee's breach by Lender to Mortgagee, each tenant of the Property shall make such rents payable to Lender or Lender's agents as trustee for the benefit of Lender and Mortgagee, without any liability on the part of said tenant to incur further as to the existence of a default by Mortgagee.

Mortgagee hereby covenants that Mortgagee has not executed any prior assignment of said rents, that Mortgagee has not performed, and will not perform, any acts or has not executed, and will not execute, any instrument which would prevent Lender from exercising its rights under this paragraph 18, and that at the time of execution of this instrument there has been no anticipation or prepayment of any of the rents of the Property for more than two months prior to the due dates of such rents. Mortgagee covenants that Mortgagee will not hereafter collect or accept payment of any rent of the Property more than two months prior to the due dates of such rents. Mortgagee further covenants that Mortgagee will execute and deliver to Lender such further assignments of rents and revenues of the Property as Lender may from time to time request.

Upon breach of any covenant or agreement in this instrument, Lender may in person, by agent or by a court-appointed receiver, regardless of the adequacy of Lender's security, enter upon and take possession and maintain full control of the Property in order to perform all acts necessary and appropriate for the operation and maintenance thereof and the conducting thereof of any business or collection of all rents and revenues of the Property, the making of repairs to the Property and the execution or termination of contracts providing for the management or maintenance of the Property of this instrument, in the event Lender elects to seek the appointment of a receiver for the property upon Mortgagee's breach of any covenant or agreement of Mortgagee in this instrument, Mortgagee hereby expressly consents to the appointment of such receiver. Lender or the receiver shall be entitled to receive a reasonable fee for so managing the Property.

All rents and revenues collected subsequent to delivery of written notice by Lender to Mortgagee of the breach by Mortgagee of any covenant or agreement of Mortgagee in this instrument shall be applied first to the costs, if any, of taking control of and managing the Property and collecting the rents, including, but not limited to, attorneys' fees, receivers' fees, premiums on receivers' bonds, costs of repairs to the Property, premiums on insurance policies, taxes, assessments and other charges on the Property, and the costs of discharging any obligation or liability of Mortgagee as lessor or landlord of the Property and then to the sums secured by this instrument. Lender or the receiver shall have access to the books and records used in the operation and maintenance of the Property and shall be liable to account only for those rents actually received. Lender shall not be liable to Mortgagee, or any one claiming under or through Mortgagee or anyone having an interest in the Property by reason of anything done or left undone by Lender under this paragraph 18.

If the rents of the Property are not sufficient to meet the costs, if any, of taking control of and managing the Property and collecting the rents, any funds expended by Lender for such purposes shall become indebtedness of Mortgagee to Lender secured by this instrument pursuant to paragraph 8 hereof. Unless Lender and Mortgagee agree in writing to other terms of payment, such amounts shall be immediately due and payable by Mortgagee and shall bear interest from the date of disbursement of such amounts as adjusted from time to time in accordance with the terms of the Note, compounded monthly, unless payment of interest at such rate would be contrary to applicable law. In which event such amounts shall bear interest at the highest rate which may be collected from Mortgagee under applicable law.

Any entering upon and taking and maintaining of control of the Property by Lender or the receiver and any application of rents as provided herein shall not cure or waive any default hereunder or invalidate any right of remedy of Lender under applicable law or law of the state in which the Property is located. Any entering upon and taking and maintaining of control of the Property by Lender or the receiver and any application of rents as provided herein shall not constitute a breach of any covenant or agreement of Mortgagee in this instrument.

(19) Acceleration in Case of Insolvency. Notwithstanding anything in this Mortgage or the Note to the contrary, if Mortgagee or the owner of the beneficial interest of Mortgagee shall voluntarily file a petition under the Federal Bankruptcy Act, as such Act may from time to time be amended, or under any similar or successor Federal statute relating to bankruptcy, insolvency, reorganization, or liquidation under a bankruptcy or insolvency act, or if a trustee or receiver shall be appointed for either the Property, or if the Property shall become subject to the jurisdiction of a Federal bankruptcy court or similar state court, or if said Mortgagee or owner shall make an assignment for the benefit of their respective creditors, or if there is an attachment, execution or other judicial seizure of any portion of their respective assets and such seizure is not discharged within ten days, then Lender may, at Lender's option, declare all indebtedness due under this Mortgage and the Note secured hereby to be immediately due and payable without prior notice, and Lender may invoke any remedies permitted by the other aforesaid events shall be additional indebtedness of Mortgagee secured by this Mortgage and payable on demand.

(20) Transfers of the Property or Beneficial Interests in Mortgagee. On sale or transfer of (a) all or any part of the Property, or any interest therein, or (b) beneficial interests in Mortgagee (if Mortgagee is not a natural person or persons but is a corporation, partnership, trust or other legal entity), Lender may, at Lender's option, declare all of the sums secured by this instrument to be immediately due and payable, and Lender may invoke any remedies permitted by paragraph 21 of this instrument. This option shall not apply in case of:

- (i) transfers by devise or descent or by operation of law upon the death of a joint tenant;
- (ii) the grant of a leasehold interest in a part of the Property of three years or less, including all renewal options, for such longer lease term as Lender may permit by prior written approval not containing an option to purchase (except any interest in the ground lease, if this instrument is on a leasehold);
- (iii) sales or transfers of beneficial interest in Mortgagee provided that such sales or transfers, together with any prior sales or transfers of beneficial interests in Mortgagee, but excluding sales or transfers under subparagraphs (i) and (ii) above, do not result in more than 25% of the beneficial interests in Mortgagee having been sold or transferred since commencement of amortization of the Note, and
- (iv) sales or transfers of fixtures or any personal property pursuant to the replacement thereof with property of the same kind (Note, and
- (v) sales or transfers of fixtures or any personal property pursuant to the replacement thereof with property of the same kind (Note, and
- (vi) Acceleration Remedies. Upon Mortgagee's breach of any covenant or agreement of Mortgagee in this instrument or the Note, including, but not limited to, the covenants to pay when due any sums secured by this instrument, Lender, at Lender's option, may declare all of the sums secured by this instrument to be immediately due and payable without further demand.

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Mortgagee or a third party in the event of a foreclosure sale and interest thereon shall be paid by the mortgagor. Mortgagee shall not, without the express written consent of Lender, alter or amend said ground lease. Mortgagee accepts and agrees that there shall not be a merger of the ground lease and fee simple leasehold interests. All the fee estate covered by the ground lease by reason of said leasehold estate shall be deemed to be a part of the fee estate covered by this instrument unless Lender shall consent in writing to the merger. Mortgagee shall not, without the express written consent of Lender, alter or amend said fee estate and without further action be spread so as to become a lien on such fee estate.

(7) **Use of Property.** Unless required by applicable law or unless Lender has otherwise agreed in writing, Mortgagee shall not take any changes in the use for which all or any part of the Property was intended at the time this instrument was executed. Mortgagee shall not initiate or acquiesce in a change in the zoning classification of the Property without Lender's prior written consent.

(8) **Protection of Lender's Security.** If Mortgagee fails to perform the covenants and agreements contained in the instrument or any action or proceeding is commenced which affects the Property or title thereto or the interest of Lender thereon, including a foreclosure sale, eminent domain, insolvency, building code enforcement, or arrangements or proceedings involving a bankruptcy or decedent estate, Lender at Lender's option may make such appearances, disburse such sums and take such action as Lender deems necessary in its sole discretion to protect Lender's interest including, but not limited to: (a) disbursement of attorneys' fees, (b) entry upon the Property to make repairs or otherwise to protect the same as security for the indebtedness secured by this instrument (c) procurement of title insurance, and (d) if this instrument is on a leasehold, exercise of any option to renew, substitute, or purchase the leasehold interest in the Property. Mortgagee shall be deemed to have authorized Lender to take any and all such actions on behalf of Mortgagee and the curing of any default of Mortgagee in the terms and conditions of the present instrument.

Any amounts disbursed by Lender pursuant to this paragraph 8, with interest thereon, shall be paid by Mortgagee to Lender as provided by this instrument. Unless Mortgagee and Lender agree to other terms of payment, such amounts shall be immediately due and payable and shall bear interest from the date of disbursement at the rate as adjusted from time to time in accordance with the terms of the Note compounded monthly, unless collection from Mortgagee of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate which may be collected from Mortgagee under applicable law. Mortgagee hereby authorizes and agrees that Lender shall be subrogated to the lien of any mortgage or other lien discharged in whole or in part by any action taken by Lender hereunder. Nothing contained in this paragraph 8 shall require Lender to incur any expense or take any action hereunder.

(9) **Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property.

(10) **Books and Records.** Mortgagee shall keep and maintain at all times at Mortgagee's address as provided in the Note or at other place as Lender may approve in writing, complete and accurate books of accounts and records in accordance with generally accepted accounting principles, consistently applied, adequate to reflect correctly the results of the operation of the Property and a copy of all written contracts, budgets, change orders, leases and other instruments which affect the Property. Such books and records, including budgets, change orders, leases and other instruments shall be subject to examination and inspection at any reasonable time by Lender. Within seven days of Lender's request, Mortgagee shall furnish to Lender a balance sheet, a statement of income and expenses for the Property and a statement of changes in financial position, each in reasonable detail and certified by Mortgagee and Lender shall require, by an independent certified public accountant, Mortgagee shall furnish, together with the foregoing financial statements and data, at the time upon Lender's request, a rent schedule for the Property, certified by Mortgagee or Mortgagee's authorized agent, together with a list of tenants, and for each tenant, the space occupied, the lease expiration date, the rent payable and the rent paid in addition to the foregoing at Lender's request. Mortgagee shall furnish such financial statements and other documents or records within 10 days following the end of each calendar year. All financial statements and other documents or records pursuant to this paragraph 10 shall be provided at Mortgagee's sole expense.

(11) **Condemnation.** Mortgagee shall promptly notify Lender of any action or proceeding relating to any or all of the taking, whether direct or indirect or whether by eminent domain or otherwise, of the Property, or part thereof, and Mortgagee shall appear and prosecute any such action or proceeding unless otherwise directed by Lender in writing. Mortgagee authorizes Lender, at Lender's option as attorney-in-fact for Mortgagee, to commence, appear in and prosecute in Lender's or Mortgagee's name, any action or proceeding relating to any such condemnation or other taking of the Property, and to settle or compromise any claim, settlement or award of such condemnation or other taking. The proceeds of any award, payment or claim for damages, direct or indirect, or for compensation with respect to such condemnation or other taking of the Property, or part thereof, or for conveyances in lieu of condemnation awards, shall be paid to and shall be paid to Lender subject, if this instrument is on a leasehold, to the rights of the lessor under the ground lease.

Mortgagee authorizes Lender to apply such awards, payments, proceeds or damages, after the deduction of Lender's expenses incurred in the collection of such amounts, at Lender's option, to the restoration or repair of the Property or to payments thereon required by this instrument, whether or not then due, in the order of application set forth in paragraph 3 hereof, with the balance, if any, to Mortgagee. Unless Mortgagee and Lender otherwise agree in writing, any application of proceeds to principal shall extend over the period of the date of the monthly installments referred to in paragraphs 1 and 2 hereof or change the amount of such installments. Mortgagee agrees to execute such further evidence of assignment of any awards, proceeds, damages or claims arising in connection with such condemnation or taking as Lender may require.

(12) **Lien Not Released.** From time to time, Lender may, at Lender's option, without giving notice to or obtaining the consent of Mortgagee, Mortgagee's successors or assigns or of any junior lienholder or guarantors, without liability to Lender, part and parcel of the taking Mortgagee's breach of any covenant or agreement of Mortgagee in this instrument, extend the time for payment of said indebtedness or any part thereof, reduce the payments thereon, release any other persons secondarily or otherwise liable on any of said indebtedness, accept a renewal note or notes therefor, modify the terms and time of payment of said indebtedness, release from the lien of this instrument any part of the Property, take or release other or additional security, reconvey any part of the Property, consent to any map or plan of the Property, consent to the granting of any easement, join in any extension or subordination agreement and agree in writing with Mortgagee to modify the rate of interest or period of amortization of the Note or change the amount of the monthly installments payable thereunder. Any actions taken by Lender pursuant to the terms of this paragraph 12 shall not affect the obligations of Mortgagee or Mortgagee's successors or assigns to pay the sums secured by this instrument and to observe the covenants of Mortgagee contained herein, shall not affect the guaranty of any person, corporation, partnership or other entity for payment of the indebtedness secured hereby, and shall not affect the lien or priority of lien hereof on the Property. Mortgagee shall pay Lender a reasonable set-off, together with such insurance premiums and attorneys' fees as may be incurred, at Lender's option, for any such action taken at Mortgagee's request.

(13) **Forbearance by Lender Not a Waiver.** No waiver by Lender of any right under this instrument shall be effective unless in writing. Waiver by Lender of any right granted to Lender under this instrument or of any provision of this instrument, by any part or occurrence shall not be deemed a waiver as to any future transaction or occurrence. By accepting payment of any installment hereof after its due date or by making any payment or performing any act on behalf of Mortgagee that Mortgagee was obligated hereunder to fail to make or perform, or by adding any payment so made by Lender to the indebtedness secured hereby, Lender does not waive its right to require prompt payment when due of all sums so secured or to require prompt performance of all other acts required of the borrower or to declare a default for failure so to pay.

(14) **Estoppel Certificate.** Mortgagee shall within ten days of a written request from Lender furnish Lender with a written certificate duly acknowledged, setting forth the sums secured by this instrument and any right of set-off, counterclaim or other defense which exists against such sums and the obligations of this instrument.

(15) **Uniform Commercial Code Security Agreement.** This instrument is intended to be a security agreement pursuant to the Uniform Commercial Code for any of the items specified above as part of the Property which, under applicable law, may be subject to a security interest pursuant to the Uniform Commercial Code, and Mortgagee hereby grants Lender a security interest in said items. Mortgagee agrees that Lender may file this instrument or a reproduction thereof, in the appropriate records or under the Uniform Commercial Code filings as a financing statement for any of the items specified above as part of the Property. Any reproduction of this instrument or of any other security agreement or financing statement shall be sufficient as a financing statement. In addition, Mortgagee agrees to execute and deliver to Lender, upon Lender's request, any financing statements, as well as extensions, renewals and amendments thereof, and reproductions of this instrument in such form as Lender may require to perfect a security interest with respect to said items. Mortgagee shall pay all costs of filing such financing statements and any extensions, renewals, amendments and releases thereof, and shall pay all reasonable costs and expenses of any record searches for financing statements Lender may reasonably require. Without the prior written consent of Lender, Mortgagee shall not create or suffer to be created pursuant to the Uniform Commercial Code any other security interest in said items, including replacements and additions thereto. Upon Mortgagee's breach of any covenant or agreement of Mortgagee contained in this instrument, including the covenants to pay when due all sums secured by this instrument, Lender shall have the remedies of a secured party under the Uniform Commercial Code and, at Lender's option, may invoke the remedies provided in paragraph 21 of this instrument as to such items. In exercising any of said remedies, Lender may proceed against the items of real property and any other personal property specified above as part of the Property separately or together and in any order whatsoever, without in any way affecting the availability of Lender's remedies under the Uniform Commercial Code or of the remedies provided in paragraph 21 of this instrument.

(16) **Lease of the Property.** As used in this paragraph 16, the word "lease" shall mean "sublease" if this instrument is on a leasehold. Mortgagee shall comply with and observe Mortgagee's obligations as landlord under all leases of the Property or any part thereof. Mortgagee, at Lender's request, shall furnish Lender with executed copies of all leases now existing or hereafter made on all or any part of the Property, and all leases now or hereafter entered into will be in form and substance subject to the approval of Lender. Unless otherwise waived by Lender, all leases of the Property shall specifically provide that such leases: (a) are subordinate to this instrument; (b) that the tenant attorns to Lender, such attornment to be effective upon Lender's acquisition of title to the Property; (c) that the tenant agrees to execute such further evidences of attornment as Lender may from time to time request; (d) that the attornment of the tenant shall not be terminated by foreclosure; and (e) that Lender may, at Lender's option, accept or reject such attornments. Mortgagee shall not, without Lender's written consent, execute, modify, surrender or terminate, either orally or in writing, any lease now existing or hereafter made of all or any part of the Property providing for a term of three years or more, permit an assignment or sublease of such a lease without Lender's written consent, or request or consent to the subordination of any lease of all or any part of the Property to any lien subordinate to this instrument. If Mortgagee becomes aware that any tenant proposes to do, or is doing, any act or thing which may give rise to any right of set-off against rent, Mortgagee shall: (i) take such steps as shall be reasonably calculated to prevent the accrual of any right to set-off against rent; (ii) notify Lender thereof and of the amount of said set-offs; and (iii) within ten days after such accrual, render to the tenant all amounts which have accrued such right to set-off or take such other steps as shall effectively discharge such set-off and as shall assure that rents thereafter due shall continue to be payable without set-off or deduction.

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(a) When the indebtedness hereby secured shall become due whether by acceleration or otherwise, the Lender shall have the right to foreclose the lien hereof. In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness, in the order of foreclosure or sale all expenditures and expenses which may be paid or incurred by or on behalf of Lender for reasonable attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, stenographer's charges, publication cost and costs of procuring all abstracts of title or commitments for title insurance. Such fees, charges and costs may be estimated as to items to be expended after entry of the order of foreclosure or sale as Lender 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 such property. All expenditures and expenses of the nature mentioned in this paragraph shall become so much additional indebtedness secured hereby and shall be immediately due and payable with interest thereon at the rate specified in the Note secured hereby. Such expenditures and expenses shall include expenditures made in connection with: (a) any proceeding to which Lender shall be a party, either as plaintiff, claimant or defendant, by reason of this Mortgage or any indebtedness hereby secured, (b) preparation for the commencement of any suit for foreclosure hereof after accrual of such right to foreclose whether or not actually commenced, (c) preparations for the defense of any threatened suit or proceeding which might affect the property or the security hereof, whether or not actually commenced, (d) any efforts for collection of any past due indebtedness secured hereby. The proceeds of any foreclosure sale of the Property 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 this paragraph; second, all other items which under the terms hereof constitute indebtedness secured by this Mortgage; third, any surplus to Mortgagee, its successors or assigns, as their rights may appear.

(b) 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 Lender as mortgagee in possession or may appoint a receiver of the Property. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency at the time of application of the person or persons, if any, liable for the payment of the indebtedness secured hereby and without regard to the then value of the Property or whether the same shall be then occupied as a homestead or not. Such receiver or mortgagee in possession shall have power to collect the rents, issues and profits of the Property during the pendency of such foreclosure suit, as well as during any further times when Mortgagee, its successors or assigns, except for the intervention of such 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 Property during the whole of said period. The court from time to time may authorize the receiver or Mortgagee in possession to apply the net income held by either of them in payment in whole or in part of the indebtedness and other sums secured hereby, or in payment of any tax, special assessment or other lien which may be or become superior to the lien hereof or superior to an order foreclosing this Mortgage, provided such application is made prior to foreclosure sale. In case of a judicial sale, the Property, or so much thereof as may then be affected by this Mortgage, may be sold in one parcel.

(22) **Remedies Cumulative.** Each remedy herein provided shall be exclusive of any other remedy herein or now or hereafter existing by law, and may be exercised concurrently, independently or successively in any order whatsoever. Every power or remedy hereby given to Mortgagee or to Lender or to which either of them may be otherwise entitled, may be exercised from time to time and as often as may be deemed expedient by them, and either of them may pursue any inconsistent remedies. If Lender holds any additional security for any obligation secured hereby, Lender may enforce the same thereof at Lender's option, either before, contemporaneously with, or after the sale is made hereunder, and on any default of Mortgagee, Lender may, at its option, offset against any indebtedness owed hereunder to it by Mortgagee the whole or any part of any indebtedness owing by it to Mortgagee, and the Lender is hereby authorized and empowered at its option, without any further obligation to do so, and without affecting the obligations hereof, to apply towards the payment of any indebtedness secured hereby of the Mortgagee to the Lender, any and all sums of money belonging to Mortgagee which the Lender may have in its possession or under its control, including, without limiting the generality of the foregoing, any unapplied Funds held by Lender. No offset by Lender hereunder shall relieve Mortgagee from paying installments on the obligation secured hereby as they become due.

(23) **Notice.** Except for any notice required under applicable law to be given in another manner, all notices and other communications required or permitted under this instrument shall be in writing and shall be personally delivered or sent by registered or certified mail, return receipt requested, and if mailed shall be deemed received on the third business day after deposit in the mail in the continental United States, postage prepaid, addressed to the party to receive such notice at the address set forth above. Notice of change of address shall be given by written notice in the manner set forth in this paragraph 23.

(24) **Successors and Assigns Bound; Joint and Several Liability; Agents; Captions.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Mortgagee, subject to the provisions of paragraph 20 hereof. All covenants and agreements of Mortgagee shall be joint and several. In exercising any rights hereunder or taking any actions provided for herein, Lender may act through its employees, agents or independent contractors as authorized by Lender. The captions and headings of the paragraphs of this instrument are for convenience only and are not to be used to interpret or define the provisions hereof.

(25) **Governing Law; Severability.** The loan secured by this Mortgage is made pursuant to, and shall be construed and governed by, the laws of the United States and the rules and regulations promulgated hereunder, including the federal laws, rules and regulations for federal savings and loan associations. If any paragraph, clause or provision of this Mortgage or the note or any other notes or obligations secured by this Mortgage is determined by a court of competent jurisdiction to be void, invalid or unenforceable, such decision shall affect only those paragraphs, clauses or provisions so determined and shall not affect the remaining paragraphs, clauses and provisions of this Mortgage or the note or other notes secured by this Mortgage.

(26) **Waiver of Statute of Limitations.** Time is of the essence for all of Mortgagee's obligations hereunder, and to the extent permitted by law, Mortgagee waives all present or future statutes of limitation with respect to any debt, demand or obligation secured hereunder in any action or proceeding for the purpose of enforcing this instrument or any rights or remedies hereunder.

(27) **Injury to Property.** All causes of action of Mortgagee, whether accrued before or after the date of this instrument for damages or injury to the Property or any part thereof, or in connection with the transaction financed in whole or in part by the funds loaned to Mortgagee by Lender, or in connection with or affecting the Property, or any part thereof, including causes of action arising in tort or contract and causes of action for fraud or concealment of a material fact, are, at Lender's option, assigned to Lender, and the proceeds thereof shall be paid to Lender who, after deducting therefrom all its expenses, including reasonable attorneys' fees, may apply such proceeds to the sums secured by this instrument or to any deficiency under this instrument or may release any monies so received by it or any part thereof as Lender may elect. Lender may, at its option, appear in and prosecute in its own name any action or proceeding to enforce any such cause of action and may make any compromise or settlement thereof. Mortgagee agrees to execute any further assignments and other instruments as from time to time may be necessary to effectuate the foregoing provisions and as Lender shall request.

(28) **Offsets.** No indebtedness secured by this instrument shall be deemed to have been offset or compensated by all or part of any claim, cause of action, counterclaim or part of any claim, cause of action, counterclaim or crossclaim, whether liquidated or unliquidated, which Mortgagee now or hereafter may have or may claim to have against Lender, and, in respect to the indebtedness now or hereafter secured hereby, Mortgagee waives to the fullest extent permitted by law, the benefits of any applicable law, regulation or procedure which substantially provides that where cross-demands for money have existed between persons at any point in time when neither demand was barred by the applicable statute of limitations, and an action is thereafter commenced by one such person, the other person may assert in his answer the defense of payment in that the two demands are compensated so far as they equal each other, notwithstanding that an independent action asserting his claim would at the time of filing his answer be barred by the applicable statute of limitations.

(29) **Misrepresentation or Nondisclosure.** Mortgagee has made certain written representations and disclosures in order to induce Lender to make the loan evidenced by the Note or notes which this instrument secures, and in the event that Mortgagee has made any material misrepresentations or failed to disclose any material fact, Lender, at its option and without prior notice, shall have the right to declare the indebtedness secured by this instrument, irrespective of the maturity date specified in the Note or notes, immediately due and payable.

(30) **Statement of Obligation.** Lender may collect a fee of \$50.00 or such greater maximum amount as is allowed by law for furnishing any statement of obligation or any other statement regarding the condition of or balance owing under the Note secured by this instrument.

(31) **Waiver of Marshaling.** Notwithstanding the existence of any other security interests in the Property held by Lender or by any other party, Lender shall have the right to determine the order in which any or all of the Property shall be subjected to the remedies provided herein. Lender shall have the right to determine the order in which any or all portions of the indebtedness secured hereby are satisfied from the proceeds realized upon the exercise of the remedies provided herein. Mortgagee, any party who consents to this instrument and any party who now or hereafter acquires a security interest in the Property and who has actual or constructive notice hereof hereby waives any and all right to require the marshaling of assets in connection with the exercise of any of the remedies permitted by applicable law or provided herein.

(32) **Waiver of Homestead.** Mortgagee hereby waives all right of homestead exemption in or relating to such Property.

(33) **Adjustable Mortgage Loan Provisions.** The Note which this Mortgage secures is an adjustable mortgage loan on which the interest rate may be adjusted from time to time in accordance with a monthly increase or decrease in an index all as provided in said Note. From time to time the monthly installment payments due under said Note may not be sufficient to pay all interest due in which case unpaid interest will be added to principal. In no case shall the unpaid interest added to the principal exceed one hundred and fifty percent (150%) of the original principal indebtedness. Mortgagee agrees that at Lender's request it shall provide to Lender additional title insurance to the full amount of the outstanding principal indebtedness due hereunder if the principal indebtedness has increased by reason of negative amortization as provided in the Note.

88526127

UNOFFICIAL COPY

471926127

Notary Public

Mark J. ...

IN WITNESS WHEREOF I have hereunto set my hand and Notarial Seal this 31 day of Oct 1987

Secretary's own free and voluntary act and as the free and voluntary act of said company, for the uses and purposes therein set forth. Secretary of said company did affix the corporate seal of said company to said instrument as said Secretary, as custodian of the said company, for the uses and purposes therein set forth and the said Secretary acknowledged that they signed and delivered the said instrument as their free and voluntary act and as the free and voluntary act of said company. Personally known to me to be the same persons whose names are subscribed in the foregoing instrument as such President and Secretary respectively of the said company, the said President and Secretary in the State aforesaid, DO HEREBY CERTIFY that County in the State of Illinois and for and residing in

STATE OF ILLINOIS

COUNTY OF ...

By *[Signature]* as Trustee as aforesaid, and not personally or individually

LAALLE NATIONAL BANK, TRUSTEE UNDER TRUST AGREEMENT DATED OCTOBER 21, 1986, AND KNOWN AS TRUST NUMBER 113877

LOAN NO. 971201-3

IN WITNESS WHEREOF MORTGAGOR has executed this instrument or has caused the same to be executed by its representatives

and their respective personal representatives, successors and assigns; (c) the term "Lender" shall mean the owner and holder (including a partner or partner in interest) of the mortgage, whether or not named as Lender herein, (d) wherever the context so requires, the masculine term and number genders each includes the others, the singular number includes the plural and vice versa, and (e) captions and paragraph headings used herein are for convenience only, are not a part of this Mortgage and shall not be used in construing it. LAALLE NATIONAL BANK assigns to the term "Mortgage" shall mean the mortgage and all the provisions hereof and of said Note and any other instrument given to secure Note, but this waiver shall in no way affect the personal liability of any cosigner, endorser or guarantor of said Note. (f) **General Provisions.** All this Mortgage applies to, inures to the benefit of, and binds, all parties hereto and their successors and assigns to the term "Mortgage" shall mean the mortgage and all the provisions hereof and of said Note and any other instrument given to secure Note, but this waiver shall in no way affect the personal liability of any cosigner, endorser or guarantor of said Note. (g) **Waiver of Right of Redemption.** Mortgagee has been directed by its beneficiary to and hereby does waive any and all rights of redemption from said notes under any order of foreclosure of this Mortgage on its own behalf and on behalf of each and every person, except the mortgagee or judgment creditors of the mortgagee, to the date of this Mortgage. (h) **Waiver of Right of Redemption.** Mortgagee has been directed by its beneficiary to and hereby does waive any and all rights of redemption from said notes under any order of foreclosure of this Mortgage on its own behalf and on behalf of each and every person, except the mortgagee or judgment creditors of the mortgagee, to the date of this Mortgage. (i) **Future Advances.** Upon request of Mortgagee, Lender, at Lender's option prior to release of this Mortgage, may make future advances to Mortgagee. Such future advances, with interest thereon, shall be secured by this Mortgage when evidenced by promissory notes stating that said notes are secured hereby. At no time shall the principal amount of the indebtedness secured by this Mortgage, not including sums advanced in accordance herewith to protect the security of this Mortgage, exceed the original amount of the Note plus