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Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property owned by Grantor, now or hereafter attached or affixed to the Real Property; together with all accessories, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

GRANTOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE. The Mortgage be more than the maximum rate allowed by applicable law. The maturity date of this Mortgage is February 22, 1990. NOTICE TO BORROWER: The mortgage shall be at a rate of 2.000 percentage points over the index, resulting in an initial rate of 12.500% per annum. NOTICE: Under no circumstances shall the interest rate on the Mortgage be more than the maximum rate allowed by applicable law. The maturity date of this Mortgage is February 22, 1990. NOTICE TO BORROWER: The mortgage shall be at a rate of 2.000 percentage points over the index, resulting in an initial rate of 12.500% per annum. The interest rate to be applied to the unpaid principal balance of this Mortgage shall be at a rate of 2.000 percentage points over the index, resulting in an initial rate of 12.500% per annum. The interest rate on the Note is a variable interest rate based upon an index. The index shall be the prime rate for Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. The interest rate on the Note is a variable interest rate based upon an index. The index shall be the prime rate for Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. The word "Note" means the promissory note or credit agreement dated August 26, 1989, in the original principal amount of \$25,000.00 from Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. The word "Mortgage" means the Mortgage between Grantor and Lender, and includes without limitation all assignments and security interest provisions relating to the Personal Property and Rents.

Lender. The word "Lender" means Heritage Bremen Bank And Trust Company, its successors or assigns. The Lender is the mortgagee under this Mortgage. The word "Mortgage" means the Mortgage between Grantor and Lender, and includes without limitation all assignments and security interest provisions relating to the Personal Property and Rents.

Indebtedness. The word "Indebtedness" means all principal and interest payable under the Note and any amounts expended or advanced by Lender to discharge obligations of Grantor or expenses incurred by Lender to enforce obligations of Grantor under the Mortgage, together with interest on such amounts as provided in this Mortgage. In addition to the Note, the word "Indebtedness" includes all obligations, debts and liabilities, plus interest thereon, of Borrower or any one or more of them, whether arising now or later, whether related to the purpose of the Note, whether voluntary or otherwise, whether due or not due, absolute or contingent, liquidated or unliquidated and whether Borrower may be liable individually or jointly with others, whether obligated as guarantor or otherwise, and whether recovery upon such indebtedness may be or hereafter may become barred by any statute of limitations, and whether such indebtedness may be or hereafter may become otherwise unenforceable.

Improvements. The word "Improvements" means and includes without limitation all existing and similar improvements, fixtures, buildings, structures, mobile homes affixed on the Real Property, facilities, additions and similar construction on the Real Property.

Guarantor. The word "Guarantor" means and includes without limitation all guarantors, sureties, and accommodation parties. Personal Property to Lender and is not personally liable under the Note except as otherwise provided by contract or law.

Borrower. The word "Borrower" means Eagle Business Forms, Inc. The following words shall have the following meanings when used in this Mortgage:

Grantor presently assigns to Lender all of Grantor's right, title, and interest in and to all leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

The Real Property or its address is commonly known as 17537 Cloverleaf Drive, Tinley Park, IL 60477. The Real Property tax identification number is 27-39-220-035.

Cook County, Illinois. Lot 35 in Timbers Edge Unit III, being a Subdivision of the West 1/2 of the Northeast 1/4 (except the East 215.00 Feet thereof) of section 35, Township 36 North, Range 12, East of the Third Principal Meridian, in

Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights, watercourses and ditch rights (including stock in watercourses and ditch rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, located in Cook County, State of Illinois (the "Real Property"):

GRANT OF MORTGAGE. For valuable consideration, Grantor mortgages, warrants, and conveys to Lender all of the Real Property and interest therein, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights, watercourses and ditch rights (including stock in watercourses and ditch rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, located in Cook County, State of Illinois (the "Real Property"):

THIS MORTGAGE IS DATED AUGUST 26, 1989, between Robert W. Ball and Karen Ball, Husband and Wife, each to an undivided 1/2 interest, whose address is 17537 Cloverleaf Drive, Tinley Park, IL 60477 (referred to below as "Grantor"); and Heritage Bremen Bank And Trust Company, whose address is 17500 Oak Park Avenue, Tinley Park, IL 60477 (referred to below as "Lender").

MORTGAGE

THIS IS A JUNIOR MORTGAGE
SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

Heritage Bremen Bank And Trust Company
17500 Oak Park Avenue
Tinley Park, IL 60477

SEND TAX NOTICES TO:

Heritage Bremen Bank And Trust Company
17500 Oak Park Avenue
Tinley Park, IL 60477

WHEN RECORDED MAIL TO:

Heritage Bremen Bank And Trust Company
17500 Oak Park Avenue
Tinley Park, IL 60477

RECORDATION REQUESTED BY:

89412405

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THIS IS A JUNIOR MORTGAGE

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the property, interests and rights described above in the "Grant of Mortgage" section.

Related Documents. The words "Related Documents" mean and include without limitation all promissory notes, credit agreements, loan agreements, guarantees, security agreements, mortgages, deeds of trust, and all other documents, whether now or hereafter existing, executed in connection with Borrower's indebtedness to Lender.

Rent. The word "Rent" means all rents, royalties, income, issues, and profits from the Property.

THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (1) PAYMENT OF THE INDEBTEDNESS AND (2) PERFORMANCE OF ALL OBLIGATIONS OF GRANTEE UNDER THIS MORTGAGE AND THE RELATED DOCUMENTS. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

GRANTOR'S WAIVERS. Grantor waives all rights or defenses arising by reason of any "one action" or "anti-deficiency" law, or any other law which may prevent Lender from bringing any action against Grantor, including a claim for deficiency to the extent Lender is otherwise entitled to a claim for deficiency, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale.

GRANTOR'S REPRESENTATIONS AND WARRANTIES. Grantor warrants that: (a) this mortgage is executed at Borrower's request and not at the request of Lender; (b) Grantor has the full power and right to enter into this mortgage and to hypothecate the Property; (c) Grantor has established adequate means of repaying the mortgage from Borrower on a continuing basis information about Borrower's financial condition; and (d) Lender has made no representation to Grantor about Borrower (including without limitation the creditworthiness of Borrower).

PAYMENT AND PERFORMANCE. Except as otherwise provided in this mortgage, Borrower shall pay to Lender all indebtedness secured by this mortgage as it becomes due, and Borrower and Grantor shall jointly perform all their respective obligations under this mortgage.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor agrees that Grantor's possession and use of the Property shall be governed by the following provisions:

Duty to Maintain. Grantor shall maintain the Property in tenable condition and promptly perform all repairs and maintenance necessary to preserve its value.

Hazardous Substances. The terms "hazardous waste," "hazardous substance," "disposal," "release," and "treated release," as used in this mortgage, shall have the same meaning as set forth in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-498 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 49 U.S.C. Section 6901, et seq., or other applicable state or Federal law, rules, or regulations adopted pursuant to any of the foregoing. Grantor represents and warrants to Lender that: (a) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release, or threatened release of any hazardous waste or substance by any prior owners or occupants of the Property or (ii) any actual or threatened litigation or claims of any kind by any person relating to such matters. (c) Except as previously disclosed to and acknowledged by Lender or in writing, (i) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of, or release any hazardous waste or substance on, under, or about the Property and (ii) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation those laws, regulations, and ordinances described above. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests as Lender may deem appropriate to determine compliance of the Property with the section of the mortgage. Any inspection or test made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for hazardous waste. Grantor hereby (a) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws, and (b) agrees to indemnify and hold harmless Lender against any and all claims, losses, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of the section of the mortgage or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the mortgage, including the obligation to indemnify, shall survive the payment of the indebtedness and the satisfaction and reconveyance of the lien on the mortgage and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance or waste, or any other activity, or waste on or to the Property or any portion of the Property. Specifically without limitation, Grantor will not remove, or grant to any other party, any right to remove, any timber, mineral (including oil and gas), soil, gravel or rock product without the prior written consent of Lender.

Removal of Improvements. Grantor shall not demolish or remove any improvement from the Real Property without the prior written consent of Lender. As a condition to the removal of any improvement, Lender may require Grantor to make arrangements satisfactory to Lender to replace such improvements with improvements of at least equal value.

Lender's Right to Enter. Lender and its agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Property for purposes of Grantor's compliance with the terms and conditions of the mortgage.

Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations of all governmental authorities applicable to the use or occupancy of the Property. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon nor to have unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

Due on Sale - Consent by Lender. Lender may at its option, declare immediately due and payable all sums secured by this mortgage upon the sale or transfer, without the Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of real property or any right, title or interest therein, whether legal or equitable, whether voluntary or involuntary; whether by outright sale, deed, gift, assignment, or by sale, assignment, or transfer of any beneficial interest in or to any land held for more than three (3) years, lease-option contract, or by any other method of conveyance of real property. If any Grantor is a corporation or other entity, this section includes any change in ownership of

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COOK COUNTY CLERK'S OFFICE
111 N. LAUREL ST. CHICAGO, ILL. 60602
TEL: 312-603-1000 FAX: 312-603-1001
WWW.COOKCOUNTYCLERK.COM

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more than twenty-five percent (25%) of the voting stock or partnership interests, as the case may be, of Grantor. However, this option shall not be exercised by Lender if exercise is prohibited by federal law or by Illinois law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are a part of this Mortgage:

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges and sewer service charges levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered under this Mortgage, except for the lien of taxes and assessments referred to below, and except as otherwise provided in the following paragraph.

Right To Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien in an amount sufficient requested by Lender, deposit with Lender cash or a sufficient certified surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorney fees or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall utilize any adverse judgment before enforcement against the Property. Grantor shall remain Lender as an additional obligor under any surety bond furnished in the contest proceeding.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes or assessments and shall

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanical, electrical, plumbing, or other lien could be asserted on account of the work, services, or materials and the cost exceeds \$7,500.00. Grantor will upon request of Lender advance satisfactory assurance to Lender that Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Mortgage:

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard fire damage clause in favor of Lender. Policies shall be written by such insurance companies and in such form as may be reasonably acceptable to Lender. Grantor shall deliver to Lender certificates of coverage from each insurer containing a stipulation that coverage will not be cancelled or diminished without a minimum of ten (10) days' prior written notice to Lender.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property if the estimated cost of repair or replacement exceeds \$2,500.00. Lender may make part of, or cause Grantor to make part of, any loss or damage to the Property, whether or not Lender's security in the Property, apply the proceeds to the reduction of the indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. Lender shall, upon receipt of the proceeds, apply the proceeds to restoration and repair of the Property, or to satisfy any other obligations of the Property, in a manner satisfactory to Lender. Lender shall, upon receipt of the proceeds, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration of the Property. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Mortgage, then to pay any accrued interest, and the remainder, if any, shall be applied to the principal balance of the indebtedness. If Lender holds any proceeds after payment in full of the indebtedness, such proceeds shall be paid to Grantor.

Unexpired Insurance at Sale. Any unexpired insurance shall issue to the benefit of, and pass to, the purchaser of the Property covered by this Mortgage at any time and other sale held under the provisions of this Mortgage, or at any foreclosure sale of such Property.

Compliance with Prior Indebtedness. During the period in which any prior indebtedness described below is in effect, compliance with the insurance provisions contained in the instrument evidencing such prior indebtedness shall constitute compliance with the insurance provisions under this Mortgage, to the extent compliance with the terms of the Mortgage would constitute a duplication of insurance requirement. If any proceeds from the insurance become payable on loan, the provisions in this Mortgage for division of proceeds shall apply only to that portion of the proceeds not payable to the holder of the prior indebtedness.

Grantor's Report on Insurance. Upon request of Lender, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of insurance showing: (a) the name of the insurer; (b) the type insured; (c) the amount of the policy; (d) the property insured; the then current replacement value of such property; and the manner of determining that value; and (e) the expiration date of the policy. Grantor shall, upon request of Lender, have an independent appraisal satisfactory to Lender determining the cash value replacement cost of the Property.

EXPENDITURES BY LENDER. If Grantor fails to comply with any provision of this Mortgage, including any obligation to maintain existing indebtedness in good standing as required below, or if any action or proceeding is commenced that would materially affect Lender's interest in the Property, Lender or Grantor's lender may, but shall not be required to, take any action that Lender deems appropriate. Any amount that Lender expends in so doing will be an interest on the note charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses, at Lender's option, will (a) be payable on demand, (b) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (i) the term of any applicable insurance policy or (ii) the remaining term of the Note, or (c) be treated as a balloon payment which will be due and payable at the Note's maturity. This Mortgage also will secure payment of those amounts. The amount provided for in this paragraph shall be in addition to any other rights or any remedies to which Lender may be entitled on account of the default. Any such action by Lender shall not be construed as curing the default so as to bar Lender from any remedy that it otherwise would have had.

WARFARE; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Mortgage:

Title. Grantor warrants that: (a) Grantor holds a good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in the existing indebtedness section below or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Mortgage, and (b) Grantor has the full right, power, and authority to execute and deliver this Mortgage to Lender.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Lender under this Mortgage, Grantor shall defend the action at Grantor's expense. Grantor may be represented in the proceeding and to be represented by counsel of its own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as may be requested by it from time to time to permit such participation.

Compliance with Law. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental entities.

Compliance with Law. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental entities.

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Default on Other Payments. Failure of Grantor within the time required by this Mortgage to make any payment for taxes or insurance, or any other payment necessary to prevent foreclosure of the mortgage, shall constitute a default under this Mortgage.

DEFAULT. Each of the following, at the option of Lender shall constitute an Event of Default under this Mortgage:

FULL PERFORMANCE. If Borrower pays all the indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Mortgage, Lender shall execute and deliver to Grantor a suitable satisfaction of this Mortgage and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Realty and the Personal Property. Grantor will pay, if permitted by applicable law, any reasonable termination fee as determined by Lender from time to time.

Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of accomplishing the matters referred to in the preceding paragraph.

Further Assurances; Attorney-in-Fact. The following provisions relating to further assurances are a part of this Mortgage. At any time, and from time to time, upon request of Lender, Grantor will make, execute, and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or re-recorded, as the case may be, at such times and in such places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, preserve (a) the obligations of Grantor and Borrower under the Note, the Mortgage, and the Related Documents, and (b) the liens and security interests created by this Mortgage on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or agreed to the contrary by Lender in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Address. The mailing addresses of Grantor (debtor) and Lender (secured party), from which information concerning the security interest granted by this Mortgage may be obtained (each as required by the Uniform Commercial Code), are as stated on the first page of this Mortgage.

Security Interest. Upon request by Lender, Grantor shall execute financing statements and take whatever other action is requested by Lender to perfect and continue Lender's security interest in the Realty and Personal Property. In addition to recording this Mortgage in the real property records, Lender may, at any time and without further authorization from Grantor, the executor, administrator, or other successors of the Mortgage as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing the security interest. Upon default, Grantor shall assemble the Personal Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender.

Security Agreement. This instrument shall constitute a security agreement for the extent any of the Property constitutes fixtures or other personal property, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Mortgage as a security agreement are a part of this Mortgage. Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender. Subsequent Taxes. If any tax to which this action applies is assessed subsequent to the date of this Mortgage, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor agrees to pay the tax before it becomes delinquent, or (b) complete the tax as provided above in the Tax and Lien section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender. (c) a specific tax on the type of Mortgage; (d) a specific tax on all or any portion of the indebtedness or on payments of principal and interest made by Borrower; and (e) a specific tax on all or any part of the indebtedness secured by this Mortgage; (f) a specific tax on the amount of the indebtedness which is authorized to deduct from payments on the indebtedness secured by this Mortgage; (g) a specific tax upon the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage. The following shall constitute taxes to which the action applies: (a) a specific tax upon the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (b) a specific tax on the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (c) a specific tax on the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (d) a specific tax on the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (e) a specific tax on the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (f) a specific tax on the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (g) a specific tax on the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (h) a specific tax on the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (i) a specific tax on the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (j) a specific tax on the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (k) a specific tax on the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (l) a specific tax on the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (m) a specific tax on the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (n) a specific tax on the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (o) a specific tax on the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (p) a specific tax on the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (q) a specific tax on the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (r) a specific tax on the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (s) a specific tax on the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (t) a specific tax on the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (u) a specific tax on the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (v) a specific tax on the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (w) a specific tax on the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (x) a specific tax on the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (y) a specific tax on the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (z) a specific tax on the type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Mortgage. Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Mortgage and take whatever other action is requested by Lender to perfect and continue Lender's security interest in the Real Property. Grantor shall reimburse Lender for all taxes, fees, charges, together with all expenses incurred in recording, perfecting or continuing this Mortgage, including without limitation all taxes, fees, charges, documentary stamps, and other charges for recording or registering this Mortgage.

CONDEMNATION. The following provisions relating to condemnation of the Property are a part of this Mortgage. Application of Net Proceeds. If all or any part of the Property is condemned, Lender may at its option require that all or any portion of the net proceeds of the award be applied to the indebtedness. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorney's fees necessarily paid or incurred by Grantor, or Lender in connection with the condemnation. Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered, to Lender, such instrument as may be required by it from time to time to permit such participation.

EXISTING INDEBTEDNESS. The following provisions concerning existing indebtedness are a part of this Mortgage. Existing Lien. The lien of this Mortgage securing the indebtedness may be secondary and inferior to an existing lien. Grantor expressly covenants and agrees to pay, or not to the payment of, the existing indebtedness and to prevent any default on the indebtedness, any default under the instrument evidencing such indebtedness, or any default under any security document for the indebtedness. Default. If the payment of any installment of principal or any interest on the existing indebtedness is not made within the time required by the note evidencing such indebtedness, or should a default occur under the instrument securing such indebtedness and not be cured during any applicable grace period therein, then, at the option of Lender, the indebtedness secured by this Mortgage shall become immediately due and payable, and this Mortgage shall be in default.

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Compliance Default. Failure to comply with any other term, obligation, covenant or condition contained in this Mortgage, the Note or in any of the Related Documents, if such a failure is curable and if Grantor or Borrower has not been given a notice of a breach of the same provision of this Mortgage within the preceding twelve (12) months, it may be cured (and no Event of Default will have occurred) if Grantor or Borrower, after receiving written notice from Lender demanding cure of such failure: (a) cures the failure within fifteen (15) days; or (b) if the cure requires more than fifteen (15) days, immediately initiates steps sufficient to cure the failure and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practicable.

Breach. Any warranty, representation or statement made or furnished to Lender by or on behalf of Grantor or Borrower under this Mortgage, the Note or the Related Documents is, or at the time made or furnished was, false in any material respect.

Insolvency. The insolvency of Grantor or Borrower, appointment of a receiver for any part of Grantor or Borrower's property, any assignment for the benefit of creditors, the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor or Borrower, or the dissolution or termination of Grantor or Borrower's existence as a going business (if Grantor or Borrower is a business). Except to the extent prohibited by federal law or Illinois law, the death of Grantor or Borrower (if Grantor or Borrower is an individual) also shall constitute an Event of Default under this Mortgage.

Foreclosure, etc. Commencement of foreclosure, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor against any of the Property. However, this subsection shall not apply in the event of a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the foreclosure, provided that Grantor gives Lender written notice of such claim and furnishes reserves or a surety bond for the claim satisfactory to Lender.

Breach of Other Agreement. Any breach by Grantor or Borrower under the terms of any other agreement between Grantor or Borrower and Lender that is not provided within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Grantor or Borrower to Lender, whether existing now or later.

Events Affecting Grantor. Any of the preceding events occurs with respect to any guarantor of any of the indebtedness or such Guarantor dies or becomes incompetent. Lender, at its option, may, but shall not be required to, permit the Guarantor's estate to assume unconditionally the obligations arising under the guarantee in a manner satisfactory to Lender, and, in doing so, cure the Event of Default.

Insolvency. Lender reasonably determines that Insolvency has occurred.

Existing Indebtedness. Default of Grantor under any prior obligation or under any instrument on the Property securing any prior obligation, or commencement of any suit or other action to enforce any such obligation on the Property.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of any event of default and at any time thereafter, Lender, at its option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

Accelerate Indebtedness. Lender shall have the right, at its option, without notice to Borrower to declare the entire indebtedness immediately due and payable, including any prepayment penalty which Borrower would be required to pay.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Illinois Uniform Commercial Code.

Collect Rents. Lender shall have the right, without notice to Grantor or Borrower, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds over and above Lender's costs, against the indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds therefrom by tenants or other users to Lender in response to Lender's demand and shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise the right under this subparagraph either in person, by agent, or through a receiver.

Mortgagee in Possession. Lender shall have the right to be placed as mortgagee in possession or to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property pending foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the indebtedness. The mortgagee in possession or receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the appointment of the Property exceeds the indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Judicial Foreclosure. Lender may obtain a judicial decree foreclosing Grantor's interest in all or any part of the Property.

Deficiency Judgment. If permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this section.

Other Remedies. Lender shall have all other rights and remedies provided in this Mortgage or the Note or available at law or in equity.

Sale of the Property. To the extent permitted by applicable law, Grantor or Borrower hereby waives any and all right to have the property separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

Notice of Sale. Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition.

Waiver of Remedies. A waiver by any party of a breach of a provision of this Mortgage shall not constitute a waiver of or prejudice the party's rights otherwise to demand strict compliance with that provision or any other provision. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or take action to perform an obligation of Grantor or Borrower under this Mortgage after failure of Grantor or Borrower to perform shall not affect Lender's right to declare a default and exercise its remedies under this Mortgage.

Attorneys' Fees; Expenses. If Lender initiates any suit or action to enforce any of the terms of this Mortgage, Lender shall be entitled to recover such sums as the court may adjudge reasonable as attorney's fees at that and on any appeal. Whether or not any court action is involved, all reasonable expenses incurred by Lender that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the indebtedness payable on demand and shall bear interest from the date of expenditure until repaid at the Note rate. Expenses covered by this paragraph include, without limitation, Lender's subject to any limits under applicable law, Lender's attorneys' fees and legal expenses whether or not there is a lawsuit, including attorney's fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals and any anticipated post-judgment collection services. The cost of searching records, obtaining the reports (including foreclosure reports), appraisals, appraisals and any anticipated post-judgment collection services, the cost of searching records, obtaining the reports (including foreclosure reports), appraisals, appraisals and any anticipated post-judgment collection services, and the cost of any other expenses permitted by applicable law. Borrower also will pay any court costs, including to file other reports, appraisals, appraisals and any anticipated post-judgment collection services.

89412405

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Property of Cook County Clerk's Office

5 0 4 1 2 4 0 5

59412405

Nanci Morowczynski for:
Heritage Bremen Bank & Trust Co.
17500 S. Oak Park Ave.
Tinley Park, IL 60477

This Mortgage prepared by:

Robert W. Ball
GRANTOR

Robert W. Ball
GRANTOR

TERMS. EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE AND EACH GRANTOR AGREES TO ITS

Waivers and Consents. Lender shall not be deemed to have waived any rights under the Mortgage (or under the Related Documents) unless such waiver is in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by any party of a provision of this Mortgage shall not constitute a waiver of or prejudice the party's right otherwise to demand strict compliance with that provision or any other provision. No prior waiver by Lender, nor any course of dealing between Lender and Grantor or Borrower, shall constitute a waiver of any of Lender's rights or any of Grantor or Borrower's obligations as to any future transactions. Whenever consent by Lender is required in this Mortgage, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent transactions where such consent is required.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Illinois as to all indebtedness secured by this Mortgage.

Successors and Assigns. Subject to the limitations stated in this Mortgage on transfer of Grantor's interest, this Mortgage shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Mortgage and the indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Mortgage or liability under the indebtedness.

Severability. If a court of competent jurisdiction finds any provision of this Mortgage to be invalid or unenforceable as to any person or circumstance, such finding shall not render the entire Mortgage invalid or unenforceable as to any other person or circumstance. If feasible, any such offending provision shall be deemed to be modified so as to conform to the law and be enforceable. If the offending provision cannot be so modified, it shall be stricken and all other provisions of this Mortgage in all other respects shall remain valid and enforceable.

Multiple Parties; Corporate Authority. All obligations of Grantor and Borrower under this Mortgage shall be joint and several, and all references to Grantor shall mean each and every Grantor, and all references to Borrower shall mean each and every Borrower. This means that each of the persons signing below is responsible for all obligations in this Mortgage. Where any one or more of the Grantor or Borrowers are corporations or partnerships, it is not necessary for Lender to inquire into the powers of any of the Grantor or Borrowers or of the officers, directors, partners, or agents acting or purporting to act on their behalf, and any indebtedness made or created in reliance upon the professed exercise of such powers shall be guaranteed under this Mortgage.

Merger. There shall be no merger of the interest or estate created by this Mortgage with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Caption Heading. Caption headings in this Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of this Mortgage.

Applicable Law. This Mortgage has been delivered to Lender and accepted by Lender in the State of Illinois. Subject to the provisions on arbitration, this Mortgage shall be governed by and construed in accordance with the laws of the State of Illinois.

Annual Reports. If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a statement of net cash profit received from the Property during Grantor's previous fiscal year in such detail as Lender shall require. "Net cash profit" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Amendments. This Mortgage, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Mortgage. No alteration or amendment to this Mortgage shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Mortgage:
NOTICES TO GRANTOR AND OTHER PARTIES. Any notice under this Mortgage, including without limitation any notice of default and any notice of sale to Grantor, shall be in writing and shall be effective when actually delivered or, if mailed, shall be deemed effective when deposited in the United States mail first class, registered mail, postage prepaid, directed to the addresses shown at the top of page one (1). Any party may change its address for notices under this Mortgage by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. All copies of notices or foreclosures from the holder of any lien which has priority over this Mortgage shall be sent to Lender's address, as shown near the top of the first page of this Mortgage. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address.

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COOK COUNTY CLERK'S OFFICE
110 N. LAUREL ST. CHICAGO, IL 60602
TEL: (773) 309-3000 FAX: (773) 309-3001
WWW.COOKCOUNTYCLERK.COM

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DEPT-01 145555 TOWN 09/01/89 11:54:00
43986 4 12 89-4 134035
COOK COUNTY RECORDER

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STATE OF ILL. COUNTY OF COOK

Given under my hand and official seal this 16th day of August, 19 89.

By Darlene R. Filla Residing at 1 Kings Park

Notary Public in and for the State of ILL. My commission expires 8-5-91

On this day before me, the undersigned Notary Public, personally appeared Robert W. Ball and Karen Ball, to me known to be the individuals described in and who executed the Mortgage, and acknowledged that they signed the Mortgage as their free and voluntary act and deed, for the uses and purposes therein mentioned.

My Commission Expires 8/5/91

Notary Public, State of Illinois
Darlene R. Filla
"OFFICIAL SEAL"

INDIVIDUAL ACKNOWLEDGMENT

UNOFFICIAL COPY

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COOK COUNTY CLERK
JANUARY 15 1998
CHICAGO, ILL.
JULIUS ROY

GENERAL