

UNOFFICIAL COPY
COMBINED SECURITY AGREEMENT AND
ASSIGNMENT INTEREST IN LAND TRUST

89311605

Madison Western Development

This Security Agreement is entered into on June 15, 19 89, by Limited Partnership (hereinafter called the "Debtor"), who resides at 2341 W. Madison St., Chicago, Illinois, the owner of 100% of the entire beneficial interest under a Trust Agreement dated the 7th day of June, 19 89, (hereinafter called the "Trust Agreement") or the "Trust", identified on the records of the trustee and known as Trust No. 1779 (of which Metropolitan Bank & Trust Company is Trustee) and Metropolitan Bank & Trust Company with its office at 2201 W. Cermak Rd., Chicago, Illinois 60608 (hereinafter called the "Bank").

89-496 Cook 236

1. Grant of Security Interest; Assignment; Collateral To secure the Obligations hereinafter described, Debtor hereby grants a security interest in and assigns to Bank all of the rights and interests of Debtor under the Trust Agreement (a) including, without limitation, the right to receive distribution of any property held by the Trust and all proceeds from all dispositions or realizations of any kind from any property owned by the Trust, whether disposition is by way of sale, rental, mortgage or otherwise and whether realization is by way of recovery of the proceeds of any insurance covering any property of the Trust; and (b) also including any and all right to manage, direct and control the property of the Trust; and (c) also including the absolute assignment and transfer to Bank of all rights and powers of direction with regard to the Trust, the property of the Trust and the proceeds of any of the foregoing. The foregoing rights and interest of Debtor in and under the Trust Agreement are hereinafter called "the Collateral."

2. Obligations. The obligations secured by this Security Agreement (hereinafter called the "Obligations") are the following: (a) the indebtedness evidenced by a Promissory Note executed by Debtor to the Bank dated June 15, 19 89, in the principal amount of One Hundred Forty Thousand and 00/100ths----- Dollars (\$ 140,000.00) and any extensions, renewals or refinancings thereof; (b) any other indebtedness or liability of Debtor to the Bank whether direct or indirect, joint or several, absolute or contingent, now or hereafter existing, however created and however evidenced, to any sum paid or incurred by the Bank pursuant to paragraph 4(a) hereof; and (c) in the event of any proceeding to enforce the collection of the Obligations, court costs and reasonable attorney's fees.

Del The West 15 feet of the North 119 feet of Lot 1 (except that part thereof lying West of a line 50 feet East of and parallel with the West line of section 18) in Block 9 in Rockwell's addition to Chicago in the West 1/2 of the Northwest 1/4 of Section 18, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

Tru of O Lot 1 in the Subdivision of the East 120 feet of the North 449 feet of Lot 1 in Block 9 in Rockwell's addition to Chicago, and also the 66 feet West of and adjoining Lot 1, being a piece of land 66 feet wide by 119 feet deep to a 16-foot alley and known as the East 66 feet of Lot 18 on a plat entitled H. Potwin's Subdivision of the North 449 feet of Lot 1 in Block 9 in Rockwell's Addition to Chicago, in the Northeast 1/4 of Section 13, Township 39 North, Range 13, East of the Third Principal Meridian and the West 1/2 of the Northwest 1/4 of Section 18, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

4. Rights and obligations of the Bank (a) At its option, the Bank may discharge taxes, liens or security interests or other encumbrances at any time levied or placed on the Collateral or the property of the Trust. The Bank also has the option to pay for insurance on the Collateral or the property of the Trust and to pay expenses for the maintenance and preservation of the Collateral or the property of the Trust. Any payment made, or any expense incurred by the Bank pursuant to this paragraph shall become a part of the Obligations hereby secured and Debtor agrees to reimburse the Bank on demand for the amount paid or incurred plus interest thereon at the default rate of the Note secured by this Agreement.

(b) Notwithstanding anything to the contrary appearing in the Trust Agreement, the interest hereinabove described is granted and assigned to the Bank by way of collateral security only and, accordingly, the Bank by its acceptance hereof shall not be deemed to have assumed or become liable for any of the obligations or liabilities of Debtor under the Trust Agreement, whether provided for by the terms thereof, arising by operation of law, otherwise; Debtor hereby acknowledging that Debtor remains liable thereunder to the same extent as though this Security Agreement had not been made.

(c) The acceptance by Bank at any time and from time to time of part payment on the Obligations shall not be deemed to be a waiver of any default then existing. No waiver by Bank of any default shall be deemed to be a waiver of any other then existing or subsequent default, nor shall any such waiver by Bank be deemed to be a continuing waiver. No delay or omission by Bank in exercising any right, remedy or privilege or be construed as a waiver thereof or acquiescence in the default giving rise thereto, nor shall any single or partial exercise of any such right, remedy or privilege preclude other or further exercise thereof, or the exercise of any other right, remedy or privilege of Bank hereunder.

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

5. Events of Default. Debtor shall be in default under this Security Agreement upon the happening of any one of the following events or the existence of any of the following conditions:

- (a) failure to pay any of the Obligations when due or failure to perform any promise made in this Security Agreement;
- (b) breach of any warranty made by Debtor in this Security Agreement;
- (c) any misrepresentation made by Debtor in this Security Agreement or in any document furnished to the Bank by Debtor in connection with the Collateral or any property of the Trust;
- (d) any event which results in the acceleration of the maturity of any indebtedness of Debtor to any other party under any loan agreement or any undertaking by Debtor of any kind;
- (e) the creation of any encumbrance upon the Collateral or any property of the Trust or the making of any levy, judicial seizure or attachment thereof or thereon;
- (f) any loss, theft, damage or destruction of the property of the Trust not adequately insured;
- (g) death, dissolution, termination of existence, or insolvency of Debtor;
- (h) appointment of a receiver for any part of the property of Debtor, or the making of any assignment for the benefit of creditors by Debtor or the initiation of any proceeding under the Bankruptcy Laws by or against Debtor.

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6. Rights of Parties Upon Default. Upon default, or at any time or times or from time to time thereafter, the Bank may,

(a) exercise any one or more or all the rights or remedies set forth in the Promissory Note hereinabove described or set forth in any other evidence of indebtedness secured hereby or in any agreement between Debtor and Bank, and in addition thereto, the Bank shall have full power and authority to exercise all or any one or more of the remedies and shall have all the rights of secured party under the Uniform Commercial Code of Illinois (hereinafter called the "Code"). Any requirement of the Code for reasonable notice shall be met if such notice is mailed, postage prepaid, to the Debtor at the address of the Debtor as shown on the records of the Bank at least 15 days prior to the time of the sale, disposition or other event or thing giving rise to the requirement of notice. The right of the Bank to be the purchaser for its own account at any sale or other disposition of the collateral shall not be affected by the fact that the Bank is or may be now or at the time of such sale or disposition be the Trustee under the Trust Agreement, nor shall such fact in any manner otherwise affect the rights of the Bank to sell, dispose of or otherwise deal with the security interest granted herein. The Bank shall have the unqualified right, in connection with any such sale of collateral, to execute and deliver an assignment of said beneficial interest to the purchaser at any such sale, free of any right of redemption by Debtor, and upon the filing thereof with the Trustee of the trust, said Trustee may recognize said assignee as the absolute owner of said beneficial interest for any and all purposes whatsoever and may act on directions of said assignee without any liability or obligation to Debtor whatsoever, without inquiry into the validity or propriety of such sale or assignment, and irrespective of any notice whatsoever from Debtor or any other person, unless and until said Trustee is served with an order of court prohibiting further action by the Trustee upon the direction of such assignee; and

(b) the bank may proceed immediately to exercise each and all of the powers, rights and privileges reserved or granted to the Debtor under the Trust Agreement to manage, direct, control and deal with the property or any part thereof covered by the Trust Agreement, including without limitation the right to collect and receive the proceeds from rentals and from mortgages, sales, conveyances or other dispositions or realizations of any kind of or from said property or any part thereof; and

(c) the Bank may proceed to protect and enforce this Security Agreement by suits or proceedings in equity, at law or otherwise, whether for the foreclosure hereof or for the appointment of a receiver of the property covered by the Trust Agreement or any part thereof, or for the enforcement of any other proper legal or equitable remedy available under applicable law.

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

7. Additional Provisions. All rights of the Bank hereunder shall inure to the benefit of its successors and assigns, and all obligations of the Debtor shall bind its or his successors, heirs and assigns. In the event that this Agreement is executed by more than one Debtor, the word "Debtor" shall be deemed to include all of them (or any of them) and all of the undertakings contained herein shall be the joint and several obligations of the Debtors and each of them.

Executed this 19TH day of JUNE, 1989

DEBTOR Madison Western Development Limited Partnership

By: William P. Vranas

Bill J. Vranas

Chris Tagaris
Chris Tagaris

CREDITOR'S ACCEPTANCE

The bank hereby acknowledges receipt of the foregoing assignment this 19th day of June, 1989, and accepts the same.

Metropolitan Bank & Trust Company
(Bank)

By: Margaret A. Bryski

Its: Vice President

TRUSTEE'S ENDORSEMENT

Metropolitan Bank & Trust Company as Trustee under its Trust Number 1779 hereby acknowledges receipt of the foregoing assignment this 19th day of June, 1989.

METROPOLITAN BANK & TRUST COMPANY
As Trustee, as aforesaid.

By: David P. Titus

Its: Executive Vice President

9311605

Handwritten initials

Box 14

93-211605

(a) Debtor is owner of the interest in the Trust herein described free and clear of any claim of any kind other than the security interest herein granted. Debtor will defend the collateral and the property of the Trust against any claims of any person adverse to the claim of the Bank.

(b) The Trust is the beneficiary of the property described in paragraph 8 hereof. The property is without encumbrances of any kind except as shown herein.

(c) There is no financing statement now on file in any public office relating to the beneficial interest of the trust, and as long as any amount remains unpaid on any of the obligations of the Debtor to the Bank, the Debtor will not execute and there will not be on file in any public office any financing statement or statements described or attempted to describe the collateral recited herein.

(d) Debtor will furnish the Bank with all necessary evidence that the property of the Trust has been adequately insured by a company or companies reasonably satisfactory to the Bank. All insurance policies covering the property of the Trust shall include loss payable clauses in favor of the Bank.

(e) Debtor will not hereafter assign, sell, transfer or grant a security interest in the collateral to anyone other than the Bank (Debtor will not direct the Trustee to lease, sell, transfer or encumber any of the property in the Trust nor suffer or permit anyone else to do so) without the prior written consent of the Bank.

(f) Debtor shall (i) promptly repair, restore or rebuild any buildings or improvements now or hereafter on the property of the Trust which may become damaged or destroyed; (ii) keep said property of the Trust in good condition and repair and without waste; (iii) comply with all requirements of law or municipal ordinance with respect to the property of the Trust and the use thereof; and (v) with all other written covenants of the Bank being first obtained, make no material alterations in the property of the Trust except as required by law or municipal ordinance.

(g) Debtor will pay all taxes now or hereafter levied or assessed against the property of the Trust and before the same become delinquent, and will promptly pay and discharge any and all liens now or hereafter levied or assessed against said property.

4. Rights and obligations of the Bank.

(a) At its option, the Bank may discharge taxes, liens or security interests or other encumbrances at any time levied or placed on the collateral or the property of the Trust. The Bank shall have the option to pay for insurance on the collateral or the property of the Trust and to pay expenses for the maintenance and preservation of the collateral or the property of the Trust. Any payment made, or any expense incurred by the Bank pursuant to this paragraph shall become a part of the obligations hereof and Debtor agrees to reimburse the Bank as provided for the amount paid or incurred plus interest thereon at the default rate of the Note recited by this Agreement.

(b) Notwithstanding anything to the contrary appearing in the Trust Agreement, the interest hereinabove described is granted and assigned to the Bank by way of collateral security only and, accordingly, the Bank by its acceptance hereof shall not be deemed to have assumed or become liable for any of the obligations or liabilities of Debtor under the Trust Agreement, whether provided for by the terms thereof, or any by operation of law, otherwise, Debtor hereby acknowledging that Debtor remains liable thereunder to the same extent as though this Security Agreement had not been made.

(c) The acceptance by Bank at any time and from time to time of part payment on the obligations shall not be deemed to be a waiver of any default then existing. No waiver by Bank of any default shall be deemed to be a waiver of any other then existing or subsequent default, nor shall any such waiver by Bank be deemed to be a continuing waiver. No delay or omission by Bank in exercising any right, remedy or privilege or in pursuing any such waiver shall constitute a waiver of any right, remedy or privilege or in pursuing any such waiver or further exercise thereof, or the exercise of any other right, remedy or privilege of Bank hereunder.

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

5. Events of Default. Debtor shall be in default under this Security Agreement upon the happening of any one of the following events or the existence of any of the following conditions:

(a) Failure to pay any of the obligations when due or failure to perform any promise made in this Security Agreement;

(b) Breach of any warranty made by Debtor in this Security Agreement;

(c) Any misrepresentation made by Debtor in this Security Agreement or in any document furnished to the Bank by Debtor in connection with the collateral or any property of the Trust;

(d) Any event which results in the acceleration of the maturity of any indebtedness of Debtor to any other party under any loan agreement or any undertaking by Debtor of any kind;

(e) The creation of any encumbrance upon the collateral or any property of the Trust or the making of any levy, judicial seizure or attachment thereof or thereon;

(f) Any loss, theft, damage or destruction of the property of the Trust not adequately insured;

(g) Death, dissolution, termination of existence, or insolvency of Debtor;

(h) Appointment of a receiver for any part of the property of Debtor, or the making of any assignment for the benefit of creditors by Debtor or the initiation of any proceeding under the Bankruptcy Laws by or against Debtor.

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By: David P. Titus
METROPOLITAN BANK & TRUST COMPANY
An Trustee, as foreclosed

1989 June 17th 1779 Trust Number

TRUSTEE'S ENDORSEMENT

By: Margaret A. Dycki
Metropolitan Bank & Trust Company
(Bank)

1989 June 19th The bank hereby acknowledges receipt of the foregoing assignment this day of June 1989 and accepts the same.

CREDITOR'S ACCEPTANCE

By: William P. Vranas
DRATOR Madison Western Development
Limited Partnership

1989 JUNE 19th Executed this day of JUNE 1989

7. Additional Provisions. All rights of the bank hereunder shall inure to the benefit of its successors and assigns, and all obligations of the Debtor shall include all of them (or any of them) and all of the undertakings contained herein shall be the joint and several obligations of the Debtors and each of them.

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

(c) The Bank may proceed to protect and enforce this Security Agreement by suit or proceedings in equity, at law or otherwise, whether for the foreclosure hereof or for the appointment of a receiver of the property covered by the Trust Agreement or any part thereof, or for the enforcement of any other proper legal or equitable remedy available under applicable law.

(b) The bank may proceed immediately to exercise each and all of the powers, rights and privileges reserved or granted to the Debtor under the Trust Agreement to manage, direct, control and deal with the property or any part thereof covered by the Trust Agreement, including without limitation the right to collect and receive the proceeds from rentals and from mortgages, sales, conveyances or other dispositions or realizations of any kind of or from said property or

(a) exercise any one or more of the rights or remedies set forth in the Promissory Note hereinabove described or set forth in any other evidence of indebtedness secured hereby or in any agreement between Debtor and Bank, and in addition thereto, the Bank shall have full power and authority to exercise all or any one or more of the remedies and shall have all the rights of secured party under the Uniform Commercial Code of Illinois (hereinafter called the "Code"). Any requirement of the Code for reasonable notice shall be met if such notice is mailed, postage prepaid, to the Debtor at the address of the Debtor as shown on the records of the Bank at least 15 days prior to the time of the sale, disposition or other event or thing giving rise to the requirement of notice. The right of the Bank to be the purchaser for its own account at any sale or other disposition of the collateral shall not be affected by the fact that the Bank is or may be now or at the time of such sale or disposition be the Trustee under the Trust Agreement, nor shall such fact in any manner otherwise affect the rights of the Bank to sell, dispose of or otherwise deal with the security interest granted herein. The Bank shall have the unqualified right, in connection with any such sale of collateral, to execute and deliver an assignment of said beneficial interest to the purchaser at any such sale, free of any right of redemption by Debtor, and upon the filing thereof with the Trustee of the trust, said Trustee may recognize said assignment as the absolute owner of said beneficial interest for any and all purposes whatsoever and may act on directions of said assignee without any liability or obligation to Debtor whatsoever, without inquiry into the validity or propriety of such sale or assignment, and irrespective of any notice whatsoever from Debtor or any other person, unless and until said Trustee is served with an order of court prohibiting further action by the Trustee upon the direction of such assignee; and

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