

JUNIOR MORTGAGE

72-18-593 D2 1 All

THIS MORTGAGE ("Mortgage") is made the 10th day of July, 1989 by ("Mortgagor").

Louis Glunz, III and Jean M. Glunz, his wife

Mortgagor is the owner in fee simple of that certain real estate in Cook County, Illinois legally described on the legal description attached hereto as Exhibit A and included herein as if set out in full which property is commonly known as described in Exhibit A with a permanent real estate tax index number as listed in Exhibit A (the "Property").

\$18.00

Mortgagor as of the date hereof guaranteed a certain Revolving Note in the principal sum of \$1,250,000.00 and a certain Installment Note in the principal sum of \$325,000.00 (the "Notes") payable to LaSalle National Bank ("Mortgagee"), the terms of which Notes are incorporated herein by this reference.

To secure the guarantee of Mortgagee evidenced by its guaranty of the Notes and in consideration of the sum of \$10.00 and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by Mortgagor hereby, Mortgagor agrees as follows:

1. Mortgage of Property. Mortgagor hereby mortgages and conveys unto Mortgagee Mortgagor's aforesaid interest in the Property.
2. Waiver of Right of Redemption and Homestead. Mortgagor hereby waives all rights of redemption to the extent permitted by law as provided in Article XII or XV of the Code of Civil Procedure of Illinois or otherwise available by statute or common law and hereby releases any claim which Mortgagor may have under the Homestead Exemption Laws of the State of Illinois.
3. Preservation of Property. Mortgagor shall preserve and maintain the Property in good condition and repair and shall not permit, commit, or suffer any waste, impairment or deterioration thereof or of any part thereof and will not take any action which will increase the risk of fire or other hazard to the Property or to any part thereof.
4. Damage and Condemnation. Mortgagor shall give Mortgagee prompt notice of damage of or destruction to the Property and of receipt of notices or information relating to condemnation of part or all of the Property. Subject to the rights of the holders of the Notes securing the liens permitted to be superior to this mortgage by consent of the Mortgagee as described on Exhibit B attached hereto and included herein as if set out in full, Mortgagor hereby assigns all awards and payments received

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in respect thereof to Mortgagee, and shall hold all awards and payments received in respect thereof in trust for the benefit of Mortgagee and shall apply the same in reduction of the balance then due under the Note or in restoration of the Property, as Mortgagee shall direct.

5. **Insurance.** From and after the date hereof and until the release of this Mortgage, Mortgagor shall carry insurance, with companies reasonably satisfactory to Mortgagee, subject to the following terms:

- A. The Property shall be insured at replacement cost;
- B. Mortgagor shall carry personal liability insurance against death or injury suffered by tenants or other persons on, or other events occurring on, the Property, in commercially reasonable amounts;
- C. Mortgagee shall be named as co-insured on all policies of insurance covering the Property; and
- D. All such policies of insurance shall not be cancelled without fifteen (15) days' prior written notice by the insurer to Mortgagee.

If Mortgagor fails to pay the premium for any such policy of insurance, Mortgagee may, but shall not be required to, pay the same.

6. **Payments by Mortgagee.** Within five (5) days after Mortgagee gives Mortgagor notice that Mortgagee has paid any money or incurred any obligation which payment or obligation was required to be paid or undertaken by Mortgagee under the terms hereof, including, but not limited to, payment of premiums on policies of insurance required to be carried by Mortgagor pursuant to the terms hereof, Mortgagor shall reimburse Mortgagee for such payment and shall undertake such obligation and shall cause Mortgagee to be released from liability for such obligation.

7. **Default.** Occurrence of any of the following events shall be an Event of Default hereunder:

- A. The occurrence of an Event of Default under the either or both of the Notes;
- B. A conveyance, pledge, assignment, or other transfer for any purpose (including, without limiting the generality of the foregoing, for the purpose of sale, gift, or collateral) of an interest in the Property (including, without limiting the generality of the foregoing: a conveyance of title to the Property or an interest therein to a land trustee; an assignment of part or all

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of the beneficial interest in a land trust holding title to the Property or an interest therein; an installment agreement for deed or for an assignment of beneficial interest of the Property or an interest therein or of part or all of the beneficial interest in a land trust holding title to the Property or an interest therein; a lease of the Property or an interest therein without Mortgagee's prior written consent;

- C. The creation or existence of any lien or interest in the Property or an interest therein which is adverse to the interests of Mortgagee or to the lien of this Mortgage (excepting, however, those liens or interests listed on Exhibit B);
- D. The failure of Mortgagor promptly to pay when due any tax or charge which, if paid late, may become a lien on the Property, or promptly to pay, when due, any premium for insurance required hereunder;
- E. An act of bankruptcy by Mortgagor (or by any guarantor of Mortgagor's obligations hereunder) including, without limiting the generality of the foregoing, the filing of a petition in bankruptcy under any applicable federal bankruptcy law; the failure to cause an involuntary petition in bankruptcy to be dismissed within thirty (30) days from the date such petition is filed; an assignment for the benefit of creditors; or a declaration of insolvency;
- F. The failure of Mortgagor to give Mortgagee notice of damage to the Property in excess of \$5,000.00, or of receipt of notice relating to condemnation of the Property, within fourteen (14) days of such damage or receipt;
- G. The failure of Mortgagor to furnish Mortgagee, not later than fifteen (15) days before each anniversary of the date hereof, with certificates of insurance satisfactory to establish that Mortgagor will not, on and after such anniversary and for one year thereafter, be in default under Paragraph 5 hereof;
- H. The failure of Mortgagor to observe or perform any covenant or obligation arising in this Mortgage;
- I. The occurrence of a delinquency or an event of default under either or both of the Notes.
- J. The occurrence of a delinquency, default or event of default under any note or obligation secured by any

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mortgage, trust deed, lien or encumbrance listed on Exhibit B.

8. Mortgagee's Rights on Default. Occurrence of an Event of Default shall allow Mortgagee to re-enter the Property, to declare the principal balance due under the Note secured hereby at once due and payable, and to all other rights and privileges provided by law, and Mortgagee shall be entitled to recover from Mortgagor all attorneys' fees and costs and expenses incurred by Mortgagee in the exercise of Mortgagee's rights hereunder. If either or both of the Notes are in default Mortgagee may, but shall not be obligated to, cure such delinquencies or defaults, and Mortgagee shall be entitled to recover from Mortgagor the amounts so paid and the attorney's fees and costs incurred in connection therewith. Exercise of any one right shall not preclude Mortgagee from exercising any other right. Waiver of any obligation of Mortgagor or of any right arising upon occurrence of an Event of Default shall not preclude Mortgagee from enforcing such obligation or exercising such right thereafter, and shall not be nor be deemed to be a waiver of any other obligation of Mortgagor or of any right arising from another Event of Default.

9. Notices. All notices, requests, demands, or other instruments required or contemplated to be given or delivered hereunder shall be in writing and delivered either personally, or by Federal Express or comparable delivery service, or by United States mail (postage prepaid, first class or, at the option of the sender, registered or certified, with or without return receipt requested). Notices to Mortgagor shall be addressed to:

Mr. and Mrs. Louis Glanz III
509 Forest
Wilmette, IL 60091

with a copy to Mortgagor's attorney:

McBride, Baker & Coles
Northwestern Atrium Center
500 West Madison Street
40th Floor
Chicago, Illinois 60606
Attn: G. Gale Roberson, Jr.

Notices to Mortgagee shall be addressed to:

LaSalle National Bank
Metropolitan Banking Division
135 South La Salle Street
Chicago, Illinois, 60690
Attn: Mr. Larry Ryan

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with a copy to Mortgagee's attorney:

Gottlieb and Schwartz
200 East Randolph Drive
Suite 6900
Chicago, Illinois 60601
Attn: Barry Kahan

A notice sent by mail shall be deemed given on the day deposited with the United States mail for delivery. Any party may change the address to which any such notice, request, demand or other instrument is to be delivered by furnishing written notice of such change to the other party, but no such notice of change shall be effective unless and until actually received. A notice shall be deemed given to a party when received by the party's attorney as hereinabove designated.

10. Release of Mortgage. When the Notes have been paid in full and all other obligations of Mortgagor have been discharged, then Mortgagee shall execute and deliver to Mortgagor release deeds or other documents requested by Mortgagor for the purpose of releasing this Mortgage. All such documents shall be prepared by Mortgagor and shall be subject to Mortgagee's reasonable approval. All costs in connection with such documents, including, but not limiting the generality of the foregoing, the cost of recording a release deed, shall be paid by Mortgagor.

11. Miscellaneous. This Mortgage shall be construed and enforced in accordance with the laws of the State of Illinois. The invalidity or unenforceability of any provision hereof shall not modify or impair the validity and enforceability of all other provisions hereof. Use of paragraph headings and of singular and plural, masculine, feminine and neuter nouns and pronouns is made for convenience only and shall be liberally construed. This Mortgage shall be binding upon and inure to the benefit of the representatives, heirs, executors, successors, and assigns of the parties hereto.

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage in Chicago, Illinois on or as of the date first above written.

MORTGAGOR:

By: 16TH

By: SMC

John A. King
Jean King

This instrument prepared by:
and after recording return to:
Barry Kahan
Gottlieb and Schwartz
200 East Randolph
Suite 6900
Chicago, Illinois 60601

BOX 333-CC

15 11 2:46

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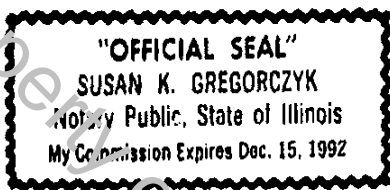
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STATE OF ILLINOIS)
)SS
COUNTY OF COOK)

On July 10, 1989, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Louis Glunz III and Jean M. Glunz, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person^s whose name^s are _____ subscribed to the within instrument and acknowledged to me that they executed the same.

WITNESS my hand and official seal.

(Seal)



Susan K. Gregorczyk
Notary Public in and for
said County and State

(Notary's name shall be typed or legibly printed)

STATE OF ILLINOIS)
)SS
COUNTY OF COOK)

On _____, 19____, before me, the undersigned, a Notary Public in and for said County and State, personally appeared _____ personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name _____ subscribed to the within instrument and acknowledged to me that _____ executed the same.

WITNESS my hand and official seal.

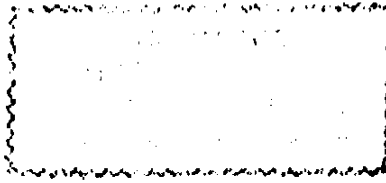
(Seal)

Notary Public in and for
said County and State

(Notary's name shall be typed or legibly printed)

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Property of Cook County Clerk's Office



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EXHIBIT A

LEGAL DESCRIPTION OF REAL ESTATE

Louis Glunz III and
Jean M. Glunz
509 Forest
Wilmette, IL 60645

Permanent Real Estate
Index No. 05-27-424-005

LOTS 1 AND 2, IN JAMES CRABB'S RESUBDIVISION, BEING A
RESUBDIVISION OF LOTS 1 TO 3, IN BLOCK 8, IN DINGEE'S ADDITION TO
WILMETTE VILLAGE, IN TOWNSHIP 42 NORTH, RANGE 13, EAST OF THE
THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

Property of Cook County Clerk's Office

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Prior liens, covenants and restrictions of record to which Junior Mortgages will be subordinate.

Louis Glunz, III and Jean M. Glunz, his wife.

- 1) Mortgage dated August 22, 1979, to The First National Bank of Chicago to secure a note in principal sum of \$192,000.
- 2) Mortgage or line of credit dated July 28, 1988, to The First National Bank of Chicago to secure a note in principal sum of \$100,000.
- 3) Covenants, liens and restrictions referred to in Chicago Title and Trust Company Policy No. 67-25-784 dated August 24, 1979.

John P. Glunz and Patricia H. Glunz, his wife.

- 1) Trust deed dated October 19, 1970, to The First National Bank of Chicago to secure a note in principal sum of \$30,000.
- 2) Mortgage dated May 1, 1989, to The First National Bank of Chicago to secure a note in principal sum of \$100,000.
- 3) Covenants, liens and restrictions referred to in Chicago Title and Trust Company Policy No. 59-79-332 dated October 23, 1970.

Joseph B. Glunz and Helen T. Glunz, his wife.

- 1) Mortgage dated July 26, 1988, held by Security Homestead Assrecation to secure a note in principal sum of \$100,000.
- 2) Mortgage dated November 15, 1988, or line of credit to The First National Bank of Chicago to secure a note in principal sum of \$100,000.
- 3) Covenants, liens and restrictions referred to in Chicago Title Insurance Company Commitment No. 06 07 193 dated June 28, 1989.

EXHIBIT G to Third Loan Modification and Additional Loan Agreement.

EXHIBIT B to Junior Mortgage

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