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## THIS MORTGAGE SECURES VARIABLE RATE NOTES

### MORTGAGE

THIS MORTGAGE is entered into as of this 29th day of June, 1990, by FIRST COLONIAL TRUST COMPANY, as Trustee under a Trust Agreement dated June 15, 1990 and known as Trust Number 5603, hereinafter referred to as "Mortgagor", in favor of FIRST COLONIAL BANK OF LAKE COUNTY, hereinafter referred to as "Mortgagee".

#### WITNESSETH:

WHEREAS, the Mortgagor is indebted to the Mortgagee in the principal sum of Seven Hundred Fifty Thousand and No/100 Dollars (\$750,000.00), which indebtedness is evidenced by its Mortgage Note of even date herewith. Said Note obligates Mortgagor to repay, with interest, the principal amount thereof and provides that the principal balance of the indebtedness and all outstanding interest and charges are due and payable by July 1, 2000. The Mortgage Note is incorporated herein by reference; and

WHEREAS, Dimitrios and Eleni Vassiliades, the sole beneficiaries under the trust agreement by which the Mortgagor was created (hereinafter, the "Beneficiaries"), are indebted to the Mortgagee in the principal sum of One Hundred Fifty Thousand and no/100 Dollars (\$150,000.00) or so much as may be advanced pursuant to that certain Loan Agreement of even date herewith entered into by them with the Mortgagee, which indebtedness is evidenced by their Line of Credit Note, also of even date herewith. Said Note obligates the Beneficiaries to repay, with interest, the principal amount thereof and provides that the principal balance of the indebtedness and all outstanding interest and charges are due and payable by July 1, 1996. This Line of Credit Note is incorporated by reference herein (the Mortgage Note and Line of Credit Note are sometimes collectively referred to as the "Notes"); and

WHEREAS, the Beneficiaries have directed the Mortgagor to execute this Mortgage; and

WHEREAS, the Mortgage Note and Line of Credit Note are secured by the following instruments of even date herewith: (i) a Second Mortgage from First Colonial Trust Company as Trustee under a Trust Agreement dated June 15, 1990 and known as Trust Number 5604, concerning the real property located at 1060 Winwood Drive, Lake Forest, Illinois; (ii) Guaranty of Payment and Performance from the Beneficiaries; (iii) Assignment of Lessor's Interest in Leases from Dimitrios Vassiliades; (iv) Assignments of Rents from the Mortgagor, First Colonial Trust Company Trust Number 5604, and the Beneficiaries; (v) Collateral Assignment of

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Beneficial Interest from the Beneficiaries concerning First Colonial Trust Company trust numbers 5603 and 5604; and (vi) Security Agreement from the Beneficiaries to the Bank. The Mortgage Note, Line of Credit Note, Loan Agreement, the instruments described in this paragraph, and any other instrument given to further evidence or secure said Notes, are hereinafter referred to as the "Loan Documents".

NOW, THEREFORE, TO SECURE to Mortgagee (a) the repayment of the indebtedness evidenced by the Mortgage Note, with interest thereon, and all renewals, extensions, and modifications thereof; (b) the repayment of the indebtedness evidenced by the Line of Credit Note, with interest thereon, and all renewals, extensions, and modifications thereof, and as to said Line of Credit Note, not only the existing indebtedness but also such future advances as are made within twenty (20) years from the date hereof, to the same extent as if such future advances were made on the date of execution hereof; (c) the payment of all other sums, with interest, advanced in accordance herewith to protect the security of this Mortgage; and (d) the performance of the covenants and agreements of the Mortgagor herein contained and in the Loan Documents, the Mortgagor does hereby MORTGAGE, GRAND AND CONVEY to the Mortgagee the following described properties, located in Lake and Cook Counties, Illinois, respectively, to have and to hold for the equal security of the aforesaid promissory notes without preference or priority of either note over the other by reason of priority of time or of the negotiation thereof or otherwise, hereby releasing and waiving all rights under and by virtue of the Homestead Exemption laws of the State of Illinois:

1. THE EASTERLY 30 FEET OF THE SOUTHERLY 150 FEET OF LOT 17 IN BLOCK ONE IN JAMES ANDERSON'S SUBDIVISION OF LOT 340 AND PART OF LOT 334 IN THE CITY OF LAKE FOREST IN THE NORTH WEST QUARTER OF SECTION 33, TOWNSHIP 44 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN ACCORDING TO THE PLAT OF JAMES ANDERSON'S SUBDIVISION, RECORDED MARCH 18, 1892 AS DOCUMENT 48827, IN BOOK "C" OF PLATS, PAGE 5, IN LAKE COUNTY, ILLINOIS.

Commonly known as: 250-252 East Deerpath and also 636-634 North Bank Lane, Lake Forest, Illinois.

P.I.N. - 12-33-113-007.

2. LOTS 8, 9, AND 10 AND THE NORTH WESTERLY 15 FEET OF LOT 11 (EXCEPT PARTS TAKEN FOR STREETS) IN JAMES RICE BROWN'S ADDITION TO KENILWORTH IN SECTION 28, TOWNSHIP 42 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Commonly known as: 626-630 Green Bay Road, Kenilworth, Illinois.

P.I.N. - 05-28-103-118,

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which, with the property hereinafter described, is referred to as the "premises".

TOGETHER with all buildings and improvements now or hereafter constructed upon said real estate or any part thereof, all heretofore or hereafter vacated alleys and streets abutting said real estate, and all fixtures and equipment located thereon or installed hereafter, said fixtures and equipment being pledged primarily and on a parity with said real estate and which shall be deemed to be part of the real estate to the extent they are permanently affixed thereto;

TOGETHER with all rents, issues and profits and leases thereof for so long and during all such times as Mortgagor, its successors and assigns may be entitled thereto, and the tenements, hereditaments, easements and appurtenances.

TO HAVE AND TO HOLD the premises unto the Mortgagee, its successors and assigns forever, for the purpose and uses set forth herein.

MORTGAGOR DOES HEREBY COVENANT AND AGREE AS FOLLOWS:

FIRST: Payment of Principal and Interest: Mortgagor shall pay the principal, interest, and all other sums due under the Mortgage Note in accordance with the terms and provisions thereof and shall pay when due all other amounts provided herein.

SECOND: Preservation and Maintenance of Property: Mortgagor will abstain from and will not permit the commission of waste on the premises and will keep the buildings, improvements, fixtures and equipment now or hereafter thereon in good repair and will make replacements thereto as and when the same become necessary. Mortgagor shall promptly notify Mortgagee in writing of the occurrence of any loss or damage to the premises. Mortgagor shall not materially alter the buildings, improvements, fixtures or equipment now or hereafter upon said premises, or remove the same therefrom, or permit any tenants or other person to do so, without the prior written consent of the Mortgagee. Mortgagor will not permit any portion of the premises to be used for any unlawful purposes. Mortgagor covenants and agrees that in the ownership, operation and management of the premises Mortgagor will observe and comply with all applicable federal, state and local statutes, ordinances, regulations, orders and restrictions, including, without limitation, all zoning, building code, and environmental protection ordinances, regulations, orders and restrictions.

THIRD: Hazard, Flood Insurance: Mortgagor shall keep all the premises insured against loss or damage by fire, vandalism, malicious mischief, and the perils covered by extended coverage

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insurance, and such other risks (including, without limitation, builder's risk completed value form insurance, contractual liability, business interruption, worker's compensation and other standard multi-perils) as may be reasonably required by Mortgagee from time to time. In the absence of any notice being given by Mortgagee, the amount of such insurance shall be \$750,000.00 for the property located at 626-630 Green Bay Road, Kenilworth, Illinois and \$1,000,000.00 for the property located at 250-252 East Deerpath and also at 636-654 North Bank Lane, Lake Forest, Illinois, with at least an eighty per cent (80%) co-insurance clause. Mortgagor shall also provide liability insurance with such limits for personal injury and death and property damage as Mortgagee may, from time to time, reasonably require. All policies of insurance to be furnished hereunder shall be in form, content, and with insurer or insurers satisfactory to Mortgagee, and with the exception of liability insurance, shall contain a Standard Mortgage Clause in favor and in form and content satisfactory to the Mortgagee. Mortgagor agrees to prepay the annual premiums for the insurance described herein. The policies of all such insurance and all renewals thereof, together with the receipt evidencing advance payment in full of the annual premiums thereon, shall be deposited with the Mortgagee and shall contain provision for thirty (30) days notice to the Mortgagee prior to any cancellation thereof. In the event of loss or damage, the Mortgagee shall, after deducting the costs of collection thereof, if any, make the insurance proceeds available to the Mortgagor for repair and restoration, provided: (a) the proceeds are deposited with the Mortgagee; (b) there is no default under the terms of the Notes, Mortgage, or any of the other Loan Documents which has not been cured within the applicable grace period; (c) the insurance carrier does not deny liability to a named insured; (d) the Mortgagee shall be furnished with an estimate of the costs of restoration accompanied by an architect's certification as to such costs and appropriate plans and specifications; (e) if the estimated costs of reconstruction shall exceed the proceeds available, Mortgagor shall furnish a bond of completion or such other evidence reasonably satisfactory to the Mortgagee of the Mortgagor's ability to meet such excess costs; (f) disbursement of the proceeds during the reconstruction shall be upon an architect's certification as to the cost of the work done and evidence that there are no liens arising upon the reconstruction. No payment made prior to the final completion of work shall exceed ninety percent (90%) of the value of the work performed from time to time and at all times the undisbursed balance of the said proceeds remaining in the hands of Mortgagee shall be at least sufficient to pay for the costs of completion of the work free and clear of liens; (g) final payment shall be upon an architect's certificate and certification by one of the Mortgagee's appraisers as to completion in accordance with plans and specifications. The building and improvements so restored or rebuilt are to be of at least equal value and of substantially the same character as prior to the damage or destruction. In all

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other cases the proceeds of the loss under any policy shall be paid over to the Mortgagee and shall be applied toward the payment of all amounts payable by Mortgagor to Mortgagee, whether or not then due and payable.

In the event that any of the premises are located in special flood hazard areas as designated by the Federal Emergency Management Agency, the Mortgagor will be required to procure flood insurance in form, content and amount satisfactory to the Mortgagee. In such event, all annual premiums must be prepaid and all other conditions described in this section with regard to the other insurance to be maintained by the Mortgagor shall also apply with regard to the flood insurance.

**FOURTH: Charges, Liens:** Mortgagor shall pay when due all taxes and assessments that may be levied upon or on account of this Mortgage or the indebtedness secured hereby or upon the interest or estate in said premises created or represented by this Mortgage whether levied against Mortgagor or otherwise.

**FIFTH: Tax Reserve:** Mortgagor shall pay to Mortgagee, at the times provided in the Notes for payment of installments of principal and/or interest and in addition thereto, an amount equal to one-twelfth (1/12) of one hundred five per cent (105%) of the prior year's real estate taxes and assessments on the premises. Said amounts paid to Mortgagee hereunder need not be segregated or kept in a separate fund and no interest shall accrue or be payable thereon. Mortgagee shall pay when due all taxes and assessments levied against the premises from the funds held in the tax reserve. If the amounts held in said reserve are insufficient to pay the real estate taxes or assessments when due, Mortgagor shall promptly deposit an amount sufficient to eliminate any such deficiency upon request by Mortgagee.

**SIXTH: Protection of Mortgagee's Security:** If default be made by the Mortgagor in the payment of any of the aforesaid tax reserve payments or in procuring and maintaining insurance and paying the premiums therefor, in keeping the premises in a proper state of maintenance and repair, or in performing any other covenant of Mortgagor herein, Mortgagee may at its option and without any obligation on its part so to do, pay from its own funds the real estate taxes and assessments levied against the premises, make such repairs and perform such maintenance, effect such insurance, pay such premiums, and perform any other covenant of Mortgagor herein. All reasonable amounts expended by Mortgagee hereunder shall be secured hereby and by the other Loan Documents and shall be due and payable by Mortgagor to Mortgagee forthwith on demand, with interest thereon at the highest default rate applicable under the Notes from the date of expenditure.

**SEVENTH: Reimbursement For Mortgagee Legal Expense:** Should Mortgagee incur any cost or expense, including attorneys' fees,

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in enforcing its rights hereunder or under any of the other loan Documents, or in protecting the premises, or in the event that Mortgagee is made a party to any suit or proceeding by reason of the interest of Mortgagee in the premises, or if Mortgagee institutes proceedings to foreclose the mortgage granted hereunder, Mortgagor shall reimburse Mortgagee for all reasonable costs and expenses, including reasonable attorneys' fees, incurred by Mortgagee in connection therewith, whether or not any legal action is filed. All amounts incurred by Mortgagee hereunder shall be secured hereby and by the other Loan Documents and shall be due and payable by Mortgagor to Mortgagee forthwith on demand, with interest thereon at the default rate under the Notes from the date of expenditure.

**EIGHTH: Acceleration:** Should a default occur as specified in paragraph Nineteenth herein or under of the any other Loan Documents, which default is not cured within the applicable grace period, or in the event judicial proceedings are instituted to foreclose a lien upon the mortgaged premises or any part thereof, Mortgagee may at any time after such default and expiration of such grace period, and without notice, declare the principal balance of the indebtedness secured hereby, together with interest thereon, to be due and payable immediately. The commencement of proceedings to foreclose this Mortgage shall, in any event, be deemed such declaration. In addition to any other right or remedy which Mortgagee may now or hereafter have by law, the Mortgagee shall have the right and power (a) to foreclose this Mortgage by legal action, as provided by Illinois Statute and the rule of practice relating thereto; and (b) to enter upon and take possession of said premises with the irrevocable consent of Mortgagor as given and evidenced by its execution of this instrument, and as Mortgagee in possession, let said premises, and receive all the rents, issues and profits thereof, which are overdue, due or to become due, and to apply the same, after the payment of all reasonable charges and expenses deemed by Mortgagee to be necessary, on account of the indebtedness secured hereby, Mortgagor for itself and any subsequent owner of said premises hereby agreeing to pay to Mortgagee in advance a reasonable rent for the premises occupied by it, and in default of so doing hereby agrees that it may be dispossessed by the usual legal proceedings available against any defaulting tenant of real estate and further agreeing to permit any action to be brought in its name to dispossess any tenant defaulting in the payment of rent to Mortgagee or violating the terms of its occupancy, which right and power are effective and may be enforced either with or without any action to foreclose this Mortgage.

**NINTH: Application of Proceeds of Foreclosure:** Upon a foreclosure sale of said premises or any part thereof, the proceeds of such sale shall be applied in the following order:

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(a) To the payment of all costs of the suit of foreclosure, including reasonable attorneys' fees and the costs of title searches and abstracts;

(b) To the payment of all other expenses of Mortgagee incurred in connection with the foreclosure, including all money expended by Mortgagee and all other amounts payable by Mortgagor to Mortgagee hereunder, with interest thereon at the default rate under the Notes;

(c) To the payment of the principal and interest of the indebtedness secured hereby;

(d) To the payment of the surplus, if any, to Mortgagor or to whomsoever shall be entitled thereto.

**TENTH: Waiver of Homestead; Waiver of Redemption:**

Mortgagor waives and releases all rights and benefits under and by virtue of the Homestead Exemption Laws of Illinois and all other exemption laws, moratorium laws or other laws limiting the enforcement hereof. MORTGAGOR WAIVES ANY AND ALL RIGHTS OF REDEMPTION UNDER ANY JUDGMENT OF FORECLOSURE OF THIS MORTGAGE, AND ANY REDEMPTION RIGHTS GRANTED BY THE "ILLINOIS MORTGAGE FORECLOSURE LAW" ("IMFL"). ON BEHALF OF MORTGAGOR, THE TRUST ESTATE AND ALL PERSONS BENEFICIALLY INTERESTED THEREIN, AND EACH AND EVERY PERSON ACQUIRING ANY INTEREST IN OR TITLE TO THE MORTGAGED PREMISES AS OF OR SUBSEQUENT TO THE DATE OF THIS MORTGAGE. Further, Mortgagor hereby waives the benefit of all appraisal, valuation, stay or extension laws, and any reinstatement rights (e.g., as under Section 15-1602 of the IMFL), now or hereafter in force, and all rights of marshalling in the event of any sale hereunder of the Mortgaged Premises or any part thereof or any interest therein.

**ELEVENTH: Receiver, Mortgagee in Possession:** Upon or at any time after the filing of any bill, complaint or petition to foreclose this Mortgage, the court may, upon application of Mortgagee, place the Mortgagee in possession or appoint a receiver of the mortgaged premises. Such appointment may be made either before or after the sale, without notice, and without regard to the solvency or insolvency, at the time of application for appointment, 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 mortgaged premises or whether the same shall be then occupied as a homestead or not, and without bond being required of the applicant. Such receiver or mortgagee in possession to the extent permitted by law shall have the power to take possession, control, and care of said premises, and to collect the rent, issues and profits of said premises during the pendency of such foreclosure, and, in case of a sale and deficiency, during the full statutory period of redemption, if any, whether there be a redemption or not, as well as during any

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further times when Mortgagor, its successors and assigns, except for the intervention of such mortgagee in possession or 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 premises, during the whole of said period. The court from time to time may authorize the receiver to apply the net income in his hands in payment in whole or in part of: (a) the costs of management of the property and collection of rents, including but not limited to the fees of the receiver or mortgagee in possession, premiums for receiver's bonds and reasonable attorneys' fees; (b) the indebtedness secured hereby or of any judgment foreclosing this Mortgage or any tax, special assessment, or other lien which may be or become superior to the lien hereof, or of such judgment, provided such application is made prior to foreclosure sale; (c) the deficiency in case of sale and deficiency. Any such proceeding shall in no manner prevent or retard the collection of said indebtedness by foreclosure or otherwise.

**TWELFTH: Condemnation:** Any and all awards hereafter made or to be made to the present and all subsequent owners of the premises, by any governmental or other lawful authority for taking, by condemnation or eminent domain, the whole or any part of the premises or any improvement located thereon or any easement therein or appurtenant thereto (including any award from the United States Government at any time after the allowance of the claim therefor, the ascertainment of the amount thereof and the issuance of the warrant for payment thereof), are hereby assigned by Mortgagor to Mortgagee, which award Mortgagee is hereby authorized to collect and receive from the condemnation authorities, and Mortgagee is hereby authorized to give appropriate receipts and acquittance therefor. Mortgagor covenants and agrees that Mortgagor will give Mortgagee immediate notice of the actual or threatened commencement of any such proceedings under condemnation or eminent domain, affecting all or any part of the said premises or any easement therein or appurtenant thereto, including severance and consequential damage and change in grade of streets and will deliver to Mortgagee copies of any and all papers served in connection with any such proceedings. Mortgagor further covenants and agrees to make, execute, and deliver to Mortgagee, at any time or times upon request, free, clear and discharged of any encumbrances of any kind whatsoever, any and all further assignments and/or instruments deemed necessary by Mortgagee for the purpose of validly and sufficiently assigning all awards and other compensation heretofore and hereafter to be made to Mortgagor for any taking, either permanent or temporary, under any such proceeding. Mortgagee shall make available the proceeds of any award received in connection with and in compensation for any such damage or taking for the purpose of rebuilding and restoring so much of the improvements within the premises affected thereby,



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subject to the following conditions; (a) that Mortgagor is not then in default under any of the terms, covenants and conditions hereof, under the Notes or under any of the other Loan Documents, (b) that all then existing leases affected in any way by such damage or taking shall continue in full force and effect without reduction or abatement of rental (except during the period of untenability); (c) that Mortgagee shall first be given satisfactory proof that such improvements have been fully restored or that by the expenditure of such money will be fully restored, free and clear of all liens, except as to the lien of this Mortgage; (d) that in the event such award shall be insufficient to restore or rebuild the said improvements, Mortgagor shall deposit promptly with Mortgagee the amount of such deficiency, which, together with the award proceeds, shall be sufficient to restore and rebuild the said premises; (e) that in the event Mortgagor shall fail within a reasonable time, subject to delays beyond its control, to restore or rebuild the said improvements, Mortgagee, at its option, may restore or rebuild the said improvements for or on behalf of the Mortgagor and for such purpose may do all necessary acts including using said funds deposited by Mortgagor as aforesaid; (f) that the excess of said award not necessary for completing such restoration shall be applied as hereinafter provided as a credit upon any portion, as selected by Mortgagee, of the indebtedness secured hereby. In the event any of the said conditions are not or cannot be satisfied, then the proceeds shall be paid over to Mortgagee and shall be applied toward the payment of all amounts payable by Mortgagor to Mortgagee, whether or not then due and payable. Under no circumstances shall Mortgagee become personally liable for the fulfillment of the terms, covenants, and conditions contained in any of the said leases of the said premises nor obligated to take any action to restore the said improvements.

**THIRTEENTH: Business Loans:** Mortgagor warrants that the proceeds of the Notes secured by the Mortgage will be used for the purposes specified in Federal Reserve Banking Regulation Z and in Illinois Revised Statutes, Chapter 17, Section 6404, and that the indebtedness secured hereby constitutes a business loan which comes within the purview of said statute.

**FOURTEENTH: Severability:** Nothing contained herein or in the Notes nor any transaction related thereto, shall be construed or shall so operate either presently or prospectively, (a) to require Mortgagor to pay interest at a rate greater than is now lawful in such case to contract for, but shall require payment of interest only to the extent of such lawful rate, or (b) to require Mortgagee to make any payment or do any act contrary to law, and if any clause or provision herein contained shall otherwise so operate to invalidate this Mortgage, in whole or in part, then such clauses and provisions only shall be held for naught as though not herein contained and the remainder of this

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Mortgage shall remain operative and in full force and effect, and Mortgagee shall be given a reasonable time to correct any error.

**FIFTEENTH: Partial Releases:** Mortgagee, without notice, and without regard to the consideration, if any, paid therefor, and notwithstanding the existence at that time of any inferior liens, may release any part of the premises or any person liable for any indebtedness secured hereby, without in any way affecting the liability of any party to the Notes and this Mortgage or any other security given for the indebtedness secured hereby and without in any way affecting the priority of the lien of this Mortgage and may agree with any party obligated on said indebtedness herein to extend the time for payment of any part or all of the indebtedness secured hereby. Such agreement shall not, in any way, release or impair the lien created by this Mortgage, or reduce or modify the liability, of any person or entity personally obligated for the indebtedness secured hereby.

**SIXTEENTH: Environmental Matters:**

(a) The Mortgagor hereby represents to the Mortgagee that neither Mortgagor, the Beneficiaries, nor any of their subsidiaries or affiliates, has any reason to know of the presence of any hazardous or toxic substances or wastes, solid waste or any petroleum product on, under or in the premises. The Mortgagor and/or the Beneficiaries has performed or has caused to be performed all appropriate inquiry into the previous ownership and uses of the premises consistent with good commercial or customary practice as is required to satisfy the innocent purchaser provisions of Section 601 of the Comprehensive Environmental Responses Compensation and Liability Act of 1980 as now or hereafter amended. The Mortgagor hereby represents to the Mortgagee that neither the Mortgagor, the Beneficiaries, nor any of their subsidiaries and affiliates have any contractual relationship with any other person or entity with respect to transportation, storage or disposal of any Hazardous Substance to or from the premises.

(b) The Mortgagor hereby represents to the Mortgagee that neither the Mortgagor, the Beneficiaries, nor any of their affiliates or subsidiaries, nor any other person or entity, has ever caused or permitted any Hazardous Substance or petroleum product to be used, created, treated, transferred, stored, released, placed, held, located or disposed of on, under or in the premises or any part thereof, and that the premises have never been used by the Mortgagor, the Beneficiaries, or any of their affiliates or subsidiaries, or by any other person or entity, as a temporary or permanent facility for the processing, disposal or storage site for any Hazardous Substance. "Hazardous Substance" means any solid waste, any hazardous or toxic substance or waste or any material defined as hazardous in or for purposes of the Comprehensive Environmental Responses

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Compensation and Liability Act ("CERCLA"), the Toxic Substance Control Act, ("TSCA"), the Resource Conservation and Recovery Act, ("RCRA"), the Solid Waste Disposal Act ("SWDA"), any so-called "Superfund" or "Superlien" law, any Environmental Law (as defined below), or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability or standards on conduct concerning any solid waste, any hazardous or toxic substance, or material or waste or any petroleum product as now or at any time hereafter in effect.

(c) Mortgagor hereby agrees to defend, indemnify and hold the Mortgagee harmless from and against any and all losses, liabilities, damages, injuries, costs, attorneys' fees, testing costs, sampling costs, investigation costs, experts fees, expenses and claims of any kind whatsoever including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any of the following: CERCLA, RCRA, TSCA, SWDA, any so-called "Superfund" or "Superlien" law, or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree, now or hereafter in force, regulating, relating to, or imposing liability or establishing standards of conduct concerning any Hazardous Substance or petroleum product (collectively, "Environmental Laws") paid, incurred, suffered by or asserted against the Mortgagee as a direct or indirect result of any of the following regardless of whether or not caused by, or within the control of, the Mortgagor, or the Beneficiaries: (i) the transportation, use, storage, disposal or presence of any Hazardous Substance on, in or under the premises, or the escape, seepage, leakage, spillage, discharge, emission, discharging or release of any Hazardous Substance from or to (A) the premises or any part thereof, or (B) any other real property in which the Mortgagor, the Beneficiaries, or any of their affiliates or subsidiaries holds any estate or interest whatsoever (including, without limitation, any property owned by a land trust the beneficial interest in which is owned, in whole or in part, by the Mortgagor, the Beneficiaries, or any of their affiliates or subsidiaries), or (ii) any liens against the premises permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligations of the Mortgagor, the Beneficiaries, or any of their affiliates or subsidiaries under any Environmental Laws, or (iii) any actual or asserted liability or obligations of the Mortgagor, the Beneficiaries, or any of their affiliates or subsidiaries under any Environmental Law relating to the premises, or (iv) any liability associated with the breach of any of the representations made herein.

(d) The Mortgagor hereby represents to the Mortgagee that the premises do not now and have never contained any facility or facilities which are subject to the reporting requirements under the Emergency Response and Community Right-to-Know Act of 1986,

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as now or hereafter amended and that there are no facility or facilities required to be registered as an underground storage tank under the Illinois Underground Storage Tank Program, as now or hereafter amended, or under any Environmental Laws.

(e) The Mortgagor, after diligent inquiry, hereby represents and warrants to the Mortgagee that Mortgagor, the Beneficiaries, and their affiliates and subsidiaries have no knowledge of any federal, state or local enforcement action under any Environmental Law pending or completed with respect to any facility located on the premises or any present or prior owner or operation of the premises or any facility located therein; that to their knowledge there are no outstanding administrative orders under any Environmental Law applicable to any present or prior owners or operators of the premises or facilities located on any part of the premises; no present or prior owner or operator of the premises or a facility located on any part of the premises has entered into any consent decree or administrative consent decree under any Environmental Laws with respect to the premises or a facility located on any part of the premises or any Hazardous Substance on, in or under the premises; no present or prior owner in operation of the premises or any facility located on any part of the premises has received any notice of violation, notice, request for information, notice and demand letter or administrative inquiry from any governmental or quasi-governmental entity concerning environmental practices at the premises or any facility on any part of the premises.

(f) The representations, warranties, covenants, and indemnities made in this paragraph Sixteenth shall survive any foreclosure of this Mortgage and shall be deemed made to Mortgagee as long as Mortgagee has any interest in the premises, including any deed in lieu of foreclosure.

**SEVENTEENTH: Secondary Financing:** Without the Mortgagee's prior written consent, no part of the premises shall be pledged, hypothecated or in any other manner used as security for any other indebtedness of the Mortgagor or the Beneficiaries.

**EIGHTEENTH: Warrant and Defense of Title:** At the time of the execution and delivery of this instrument, Mortgagor is truly seized of the premises in fee simple, free of all liens and encumbrances whatsoever. Mortgagor will forever warrant and defend the same against any and all claims whatever, and the lien created hereby is and will be kept a first lien upon said premises and every part thereof. Mortgagor shall not permit any other lien or encumbrance to be placed against the premises or any part thereof without Mortgagor's prior written consent. Mortgagor shall pay when due all water charges, sewer service charges and all other amounts which might become a lien upon the premises prior to this Mortgage and shall, upon written request, furnish to Mortgagee duplicate receipts therefor.

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NINETEENTH: Default: (a) The occurrence of any of the following events or conditions shall constitute a default hereunder ("Event of Default"):

(i) the Mortgagor or the Beneficiaries, as the case may be, fails to pay the principal sums secured hereby, any installment thereof, interest thereon, or any installment thereof, as they severally become due;

(ii) the Mortgagor fails to perform or observe any other term, covenant, or condition in this Mortgage;

(iii) an event of default occurs under any of the Loan Documents which is not cured within any applicable grace periods;

(iv) a petition under the Federal Bankruptcy Code or any similar law, state or federal, whether now or hereafter existing, is filed by or against Mortgagor, or either of the Beneficiaries, which is not dismissed within sixty (60) days thereafter;

(v) the Mortgagor, or either of the Beneficiaries, are unable to pay their respective debts as they become due;

(vi) a trustee or a receiver is appointed for all or any portion of the premises, or for the Mortgagor or either of the Beneficiaries, for a substantial portion of their respective assets, and such trustee or receiver is not discharged within sixty (60) days thereafter;

(vii) the Mortgagor, or either of the Beneficiaries, makes an assignment for the benefit of creditors;

(viii) any financial statement of any type, previously submitted to the Mortgagee in connection with its agreement to make the aforesaid loans or submitted thereafter, is materially false, incorrect, or incomplete;

(ix) the Mortgagor or either of the Beneficiaries suffers final judgments for payment of money aggregating in excess of ten percent of the total balance due the Mortgagee under the Notes;

(x) a judgment creditor of the Mortgagor, or either of the Beneficiaries, obtains a lien on or possession of any part of said parties' assets or of the premises by any means, which is not discharged or released within sixty (60) days thereafter;

(xi) a notice of lien, levy or assessment is delivered to Mortgagor, or either of the Beneficiaries or is filed of record, with respect to the premises or any part of said parties' assets, by the United States or any department, instrumentality or agency thereof, or by any state, county, municipal or other governmental

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agency, including without limitation the Pension Benefit Guaranty Corporation;

(xii) there occurs any material uninsured damage or destruction to the premises;

(xiii) the Beneficiaries' Guaranty of Payment and Performance, at any time after its execution and delivery, ceases to be in full force and effect or is declared null and void for any reason;

(xiv) the Mortgagor or the Beneficiaries cease their business operations or sell or otherwise transfer all or substantially all of their assets, and

(xv) any event or reportable event occurs which the Mortgagee in good faith determines to constitute grounds for the termination of any employee benefit plan, qualified retirement plan or other plan maintained for employees of the Mortgagor or the Beneficiaries or for the appointment of a trustee to administer any such plan; proceedings have been initiated to terminate any such plan or appoint a trustee therefor which are not dismissed within thirty (30) days thereafter; or a trustee is appointed to administer any such plan.

(b) Upon the occurrence of an Event of Default, Mortgagee shall provide Mortgagor and Beneficiaries written notice thereof. Unless a greater period is specifically provided, Mortgagor and the Beneficiaries, as the case may be, shall have ten (10) days from the date of the notice to cure any such default. In the event the default is not cured, the entire indebtedness secured hereby shall, at the option of the Mortgagee, without further notice to Mortgagor or the Beneficiaries, become immediately due and payable, and, thereupon, or at any time during the existence of any such default, the Mortgagee may proceed to foreclose this Mortgage by judicial proceedings according to the statutes in such case provided, and any failure to exercise said option shall not constitute a waiver of the right to exercise the same at any other time. Mortgagee shall additionally have the right to file an action at law on the Notes and any other remedy provided by law, which remedies shall be concurrent and may be pursued simultaneously. Furthermore, the Mortgagor shall no longer be required to make any additional advances pursuant to the Loan Agreement or Line of Credit Note.

(c) In any case in which, under the provisions of this Mortgage, the Mortgagee has a right to institute foreclosure proceedings, whether or not the entire principal sum secured hereby is declared to be immediately due as aforesaid, or whether before or after the institution of legal proceedings to foreclose the lien hereof or before or after sale thereunder, upon demand of Mortgagee, Mortgagor shall surrender to Mortgagee and

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Mortgagee shall be entitled to take actual possession of the premises, or any part thereof, personally or by its agents or attorneys, as for condition broken and Mortgagee in its discretion may enter upon and take and maintain possession of all or any part of said premises, together with all documents, books, records, papers, and accounts of the Mortgagor or the then owner of the premises relating to the ownership, operation and maintenance of the premises, and may exclude the Mortgagor, the Corporation, the Guarantors and their agents or servants, wholly therefrom and may, as attorney in fact or agent of the Mortgagor, or in its own name as Mortgagee and under the powers herein granted: (i) hold, operate, manage, and control the premises, either personally or by its agents, and with full power to use such measures, legal or equitable, as in its discretion or in the discretion of its successors or assigns may be deemed proper or necessary to enforce the payment or security of the avails, rents, issues, and profits of the premises including actions for recovery of rent, actions in forcible detainer and actions in distress for rent, hereby granting full power and authority to exercise each and every of the rights, privileges, and powers herein granted at any and all times hereafter, without notice to the Mortgagor; (ii) cancel or terminate any lease or sublease for any cause or on any ground which would entitle Mortgagor to cancel the same; (iii) elect or disaffirm any lease or sublease made subsequent to this Mortgage or subordinated to the lien hereof; (iv) extend or modify any then existing leases and make new leases, which extensions, modifications and new leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the maturity date of the Notes and the date of issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such leases, and the options or other such provisions to be contained therein, shall be binding upon Mortgagor and all persons whose interest in the premises are subject to the lien hereof and to be binding also upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from sale, discharge of the mortgage indebtedness, satisfaction of any foreclosure judgment, or issuance of any certificate of sale or deed to any purchaser; (v) make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments, and improvements to the premises as to Mortgagee may seem judicious; and (vi) insure and reinsure the premises against all risks incidental to Mortgagee's possession, operation, and management thereof and receive all avails, rents, issues, and profits therefrom.

(d) Any avails, rents, issues and profits of the premises received by the Mortgagee after having possession of the premises, or pursuant to any assignment thereof to the Mortgagee under the provisions of this Mortgage or the Assignment of Rents shall be applied in payment of or on account of the following, in

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such order as the Mortgagee (or in case of a receivership, as the court) may determine in its reasonable business judgment:

(i) to the payment of the operating expenses of the premises, including reasonable compensation to the Mortgagee or the receiver and its agent or agents, if management of the premises has been delegated to an agent or agents, and shall also include lease commissions and other compensation and expenses of seeking and procuring tenants and entering into leases, established claims for damages, if any, and premiums on insurance hereinabove authorized;

(ii) to the payment of taxes, special assessments, and water taxes now due or which may hereafter become due on the premises, or which may become a lien prior to the lien of this Mortgage;

(iii) to the payment of all reasonable repairs, decorating, renewals, replacements, alterations, additions, betterments, and improvements of said premises, to place said property in such condition as will, in the reasonable judgment of Mortgagee or receiver, make it readily rentable;

(iv) to the payment of any indebtedness secured hereby or any deficiency which may result from any foreclosure sale; and

(v) any overplus or remaining funds to the Mortgagor, its successors, or assigns, as their rights may appear.

**TWENTIETH: Transfer of Property:** If all or any part of the premises is sold, transferred, conveyed assigned or alienated in any manner (which shall include the execution of any form of installment agreement for deed or assignment of beneficial interest), without the Mortgagee's prior written consent, Mortgagee may, at Mortgagee's option, declare all the sums secured by this Mortgage to be immediately due and payable without notice.

**TWENTY-FIRST: Notice:** All notices, demands and requests required or permitted to be given to Mortgagor, Beneficiaries, or Mortgagee hereunder or by law shall be deemed given when delivered in person or two days after deposit in the United States mail with full postage prepaid by certified or registered mail, return receipt requested, addressed as follows:

Mortgagor at: Trust Department, First Colonial  
Trust Company  
104 N. Oak Park Avenue  
Oak Park, IL 60301



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Beneficiaries at: 1060 Winwood Drive  
Lake Forest, IL 60045

with a copy to: Harry Gabrielides  
5711 North Lincoln Avenue  
Chicago, IL 60659

Mortgagee at: 850 N. Milwaukee Avenue  
Vernon Hills, IL 60061  
Attention: Edward Werdell

or to such other address as the party to be served with notice may have furnished in writing to the party seeking or desiring to serve notice as a place for the service of notice.

**TWENTY-SECOND: Remedies Cumulative:** Each and every of the rights, remedies and benefits provided to Mortgagee herein shall be cumulative and shall not be exclusive of any other rights, remedies or benefits provided by any of the Loan Documents or of any other rights, remedies, or benefits allowed by law. Any waiver by Mortgagee of any default shall not constitute a waiver of any similar or other default.

**TWENTY-THIRD: Successors and Assigns Bound; Joint and Several Liability; Captions:** All of the covenants and conditions hereof shall run with the land and shall be binding upon and inure to the benefit of the successors and assigns of Mortgagor and Mortgagee respectively, and all persons claiming through or under them. Any reference herein to Mortgagee shall include the successors and assigns of Mortgagee. All covenants and agreements of Mortgagor shall be joint and several. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

**TWENTY-FOURTH: Gender and Number:** All nouns, pronouns and relative terms relating to Mortgagor shall be deemed to be masculine, feminine, or neuter, singular or plural, as the context may indicate.

**TWENTY-FIFTH: Venue:** Any action concerning this Mortgage shall be filed in a state or federal court located in the Counties of Lake or Cook, State of Illinois and the Mortgagor hereby consents to the jurisdiction and venue of any such court.

**TWENTY-SIXTH: Future Advances:** This Mortgage secures all advances made and indebtedness outstanding under the Line of Credit Note from time to time (whether such advances or indebtedness represent obligatory or discretionary advances) within 20 years from the date of this Mortgage. The advances outstanding shall be secured to the same extent as if each was

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made on the date of this Mortgage, and the fact that there is no outstanding indebtedness under the Line of Credit Note shall not affect the priority of the lien of this Mortgage as it exists on the date of the Mortgage. This Mortgage shall be prior to all subsequent liens and encumbrances (except for tax liens and assignments levied on the premises) even if there is no indebtedness owing under the Line of Credit Note, to the extent of the credit limit shown in said Note, plus all other amounts owing under the Line of Credit Note and/or secured by or which may be secured by this Mortgage.

**TWENTY-SEVENTH: Trustee Exculpation:** This Mortgage is executed by First Colonial Trust Company, not personally but as Trustee as aforesaid in the exercise of the power and authority conferred upon and vested in it as such Trustee (and First Colonial Trust Company hereby warrants that it possesses full power and authority to execute this instrument), and it is expressly understood and agreed that nothing herein or in said Notes contained shall be construed as creating any liability on First Colonial Trust Company personally to pay said Notes or any interest that may accrue thereon, or any indebtedness accruing hereunder, or to perform any covenant, either expressed or implied herein contained. All such liability, if any, being expressly waived by Mortgagee and every person now or hereafter claiming any right or security hereunder, and that so far as First Colonial Trust Company is concerned, the legal holder or holders of said Notes and the owner or owners of the indebtedness accruing hereunder shall look solely to any one or more of: (1) the premises hereby conveyed and the rents, issues, and profits therefrom, for the payment thereof, by the enforcement of the lien hereby created, in the manner herein and in said Notes provided; (2) any other security given to secure said indebtedness; or (3) the personal liability of the Beneficiaries under their Guaranty of Payment and Performance.

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IN WITNESS WHEREOF, First Colonial Trust Company, as Trustee as aforesaid and not personally, has executed this Mortgage as of the date first written above.

(Seal)

FIRST COLONIAL TRUST COMPANY,  
not personally but as Trustee  
as aforesaid

ATTEST:

BY: *Norma J. Haworth*  
Title: Norma J. Haworth  
Land Trust Officer

BY: *Mary E. Rooney*  
Title: Mary E. Rooney  
Vice President

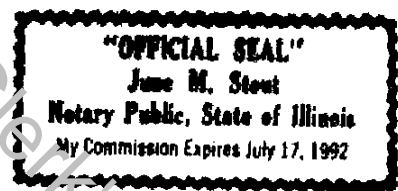
Example of text from document: ...  
its individual ... for the  
purpose of ...  
express ...  
that no personal liability or responsibility is assumed by First Colonial  
Trust Company.  
Trust No. 5603

STATE OF ILLINOIS )  
                          ) SS.  
COUNTY OF Cook )

The foregoing instrument was acknowledged before me this  
9th day of July, 1990 by Mary E. Rooney  
and Norma J. Haworth of FIRST COLONIAL TRUST COMPANY,  
not personally but as trustee u/t/a dated June 15, 1990 and known  
as trust number 5603, on behalf of said Trustee.

*Jane M. Stout*  
NOTARY PUBLIC

COMMISSION EXPIRES: \_\_\_\_\_



This mortgage was prepared  
by and after recording return  
to:

Murray L. Manus  
Richards, Ralph, Eiden, Eckert,  
& O'Donnell, Chtd.  
175 E. Hawthorn Parkway, Suite 401  
Vernon Hills, IL 60061  
(312) 367-2750

*Box 303*

COOK COUNTY, ILLINOIS  
FILED FOR RECORD

90-1158A\esp  
6/28/90/ajh

1990 JUL 16 PM 3 24

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## LEGAL DESCRIPTION

1. THE EASTERLY 30 FEET OF THE SOUTHERLY 150 FEET OF LOT 17 IN BLOCK ONE IN JAMES ANDERSON'S SUBDIVISION OF LOT 340 AND PART OF LOT 334 IN THE CITY OF LAKE FOREST IN THE NORTH WEST QUARTER OF SECTION 33, TOWNSHIP 44 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN ACCORDING TO THE PLAT OF JAMES ANDERSON'S SUBDIVISION, RECORDED MARCH 18, 1892 AS DOCUMENT 48827, IN BOOK "C" OF PLATS, PAGE 5, IN LAKE COUNTY, ILLINOIS.

Commonly known as: 250-252 East Deerpath and also 636-654 North Bank Lane, Lake Forest, Illinois.

P.I.N. - 12-33-113-007.

2. LOTS 8,9, AND 10 AND THE NORTH WESTERLY 15 FEET OF LOT 11 (EXCEPT PARTS TAKEN FOR STREETS) IN JAMES RICE BROWN'S ADDITION TO KENILWORTH IN SECTION 28, TOWNSHIP 42 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Commonly known as: 626-630 Green Bay Road, Kenilworth, Illinois.

P.I.N. - 05-28-103-118.

ajh\90-1158c (jh)

6/27/90

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