

# UNOFFICIAL COPY

MORTGAGE 5 5 7 1 )

THIS INDENTURE WITNESSETH:

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That PIONEER BANK AND TRUST COMPANY, an Illinois Banking Corporation, not personally or individually, but solely as Trustee under Trust Agreement dated October 19, 1971 and known as Trust No. 5843, hereinafter called "Mortgagor", has contemporaneously herewith, for value received, executed and delivered two promissory notes, one payable to the order of CSA FRATERNAL LIFE, an Illinois Fraternal Life Insurance Company and one payable to the order of WESTERN FRATERNAL LIFE ASSOCIATION, a Fraternal Life Insurance Company, each for the principal sum of FIVE HUNDRED THOUSAND AND NO/100 (\$500,000.00) DOLLARS, each payable in the following manner, to-wit:

DEPT-01 RECORDING \$47.00  
 INDEXED FROM 4171 07/16/91 15.50.00  
 MORTGAGE # 15 91-352719

With interest at the rate of 10-1/2% per annum, computed on the basis of a 360 day year for actual days elapsed, payable in lawful money of the United States of America, said principal and interest being payable in monthly installments of \$5,527.00. All such monthly payments shall be made on the first day of each month following disbursement of the Loan evidenced hereby commencing on September 1, 1991, and shall be applied first to interest and the balance to principal.

The entire unpaid balance of the indebtedness provided for herein with all accrued and unpaid interest, if not sooner paid or declared due by the Note Holder, shall be due and payable without notice or demand on August 1, 2006. (The "Maturity Date").

Prepayment is permitted only as provided in said Notes.

THIS INSTRUMENT WAS PREPARED BY:  
 James P. Ziegler  
 STONE, POGRUND, KOREY & SPAGAT  
 221 North LaSalle Street, #3200  
 Chicago, IL 60601



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Any principal not paid after ten (10) days after the due date thereof shall bear interest thereafter at the default rate equal to 4% in excess of the current rate of interest until paid, and both principal and interest are to be paid on the due dates thereof at the office of FIRST CITY MORTGAGE CORP., 115 South LaSalle Street, Suite 2806, Chicago, IL 60603, or at such other place as the holders of such Notes may in writing appoint, provided should compliance with any agreement contained herein or in the Notes secured by this mortgage result in usury, then only so much interest shall be paid as will not amount to an extraction of interest in excess of that allowable by law.

1. Payments on account of principal of the Notes may be made prior to maturity only in accordance with the special provisions, if any, relating thereto, contained in the Notes.

2. NOW, THEREFORE, the said Mortgagor for the purpose of securing the payment of said Notes and interest thereon, as well as securing the performance of all the covenants, undertakings and provisions herein contained by the said Mortgagor to be performed, and in further consideration of the sum of ONE DOLLAR (\$1.00) and other valuable consideration to the Mortgagor in hand paid, the receipt whereof is hereby acknowledged does, by these presents, CONVEY and MORTGAGE unto CSA FRATERNAL LIFE, an Illinois Fraternal Life Insurance Company, at 2701 South Harlem Avenue, P.O. Box 249, Berwyn, IL 60402-0249 and to WESTERN FRATERNAL LIFE ASSOCIATION, a Fraternal Life Insurance Company, at 1900 First Avenue, N.E., Cedar Rapids, Iowa 52402 (hereinafter collectively called "Mortgagee"), and to their successors and assigns, the following

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TO HAVE AND TO HOLD the above described property with the  
apartments and fixtures thereto appertaining or belonging unto  
the mortgagee, its successors and assigns, forever, for the

lease or any such rents.  
have been assigned to mortgagee and shall not assign any such  
any rents that may be collectible under such lease or that may  
lease or any part thereof, nor anticipate for more than one month  
mortgagee and shall not modify, alter, waive or cancel any such  
mortgagee or any tenancy in which the rents are assigned to  
obligation of the lessee in every lease that is assigned to  
perform every obligation of the lessor and shall enforce every  
due for and recover any such payments when due. Mortgagee shall  
made under the terms of any such lease or leases, and to demand,  
any leases upon said premises, binding receipts for any payments  
authorized at its option, to execute and deliver to the holders of  
now or hereafter standing on said premises. Mortgagee is further  
and equipment in or that may at any time be placed in any building  
secured by this mortgage, and all apartments, fixtures  
with the property herein conveyed for the repayment of the moneys  
Mortgagee as additional security and as an equal and primary fund  
thereof, which are hereby expressly conveyed and assigned to the  
now or hereafter belonging and the rents, issues and profits  
covenants, hereditaments, apartments and easements thereunto  
hereafter be erected on placed thereon, and all and singular the  
together with all improvements thereon situated and which may

See legal description attached as Exhibit A  
described real estate, located in the County of Cook:

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purpose herein set forth and for the security of said Notes heretofore described.

3. It is mutually covenanted and agreed, by and between the parties hereto that, in addition to all other things which at law or by convention are regarded as fixtures, and specifically but not by way of limitation, all shades and awnings, screens, carpets, shrubbery, gas and electric fixtures, radiators, heaters, engines and machinery, boilers, ranges, elevators and motors, bathtubs, sinks, electric refrigerators, air conditioning apparatus, oil and gas burners, stokers and other heating equipment, cooking apparatus and appliances and other such goods and chattels as may ever be furnished by a landlord in letting and operating an unfurnished building, similar to any building now or hereafter standing on said premises, whether or not the same are or shall be attached to said building by nails, screws, bolts, pipe connections, masonry, or in any other manner whatsoever, which are now or hereafter to be used upon said described premises shall be conclusively deemed to be "fixtures" and an accession to the freehold and a part of the realty, whether affixed or annexed or not, and conveyed by this Mortgage; and all the estate, right, title, or interest of the said mortgagor in and to said premises, property, improvements, furniture, apparatus, furnishings and fixtures, are hereby expressly conveyed, assigned and pledged.

4. The mortgagor covenants and warrants that under the trust agreement above described it has full right and power to convey and mortgage the said mortgaged property, and covenants and

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agrees to execute and deliver, and cause to be executed and delivered all further instruments of title necessary or by the mortgagee deemed advisable to effectuate the first mortgage security hereby intended to be given, when, on reasonable notice, so requested by the mortgagee.

5. The Mortgagor covenants and agrees (which covenants and agreements are hereby expressly declared to be of the essence of this indenture but subject to the provisions of paragraph 22 hereinafter contained), that until the indebtedness aforesaid shall be fully paid, the mortgaged property shall be maintained in good repair and condition, and that all taxes and assessments levied or assessed upon the mortgaged property, or any part thereof, shall be promptly paid as and when the same become due, or deposit made as hereinafter provided, and that no part of the mortgaged property or any interest therein shall be sold or forfeited for any tax or assessment whatsoever nor shall any lien of mechanic or materialman or any person whatsoever be allowed to attach to said mortgaged property nor shall anything be permitted to be done on said mortgaged property that may impair the value or the security of the indebtedness to be effected by virtue of this indenture and in case of the failure of the mortgagor to pay such taxes or assessments as and when the same become due and payable or to keep the building, furniture, furnishings, apparatus, fixtures and appurtenances constituting a portion of the mortgaged property in good repair or to pay any such liens of mechanics or materialmen or to pay premiums for insurance hereafter required or keep and observe and pay promptly when due and in full all of the

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terms and conditions and rental provided for in any master lease, then the mortgagee may, at its or their option, pay such premiums, taxes or assessments or redeem the mortgaged property from any tax sale or purchase any tax title obtained thereon, and the mortgagee may at any time pay or settle any or all suits or claims for liens or mechanics or materialmen or any other claims that may be made against the mortgaged property, or make repairs to the mortgaged property and all moneys paid for such purposes, and any other moneys disbursed by the mortgagee, to protect the lien of this indenture, with interest thereon at the default rate from the date of the payment thereof by the mortgagee, shall become so much additional indebtedness secured by this indenture, and shall be a charge on the mortgaged property prior and paramount to the note and interest thereon, and shall be included in any decree foreclosing this indenture and be paid out of the rents or proceeds of sale of the mortgaged property if not otherwise paid by the mortgagee; and it shall not be obligatory to inquire into the validity of such tax deed, taxes or assessments or sale thereof or of liens of mechanics or materialmen or into the necessity of such repairs in advancing money in that behalf, but nothing herein contained shall be construed as requiring the mortgagee to advance or expend any money for taxes, special assessments or for other purposes aforesaid, nor shall the making of any payment or advancement by the mortgagee be in any event construed as a waiver of the right to avail of any breach of covenant committed, but suit for foreclosure against mortgaged property may, at the option of the mortgagee be entered for said

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6. The Mortgagor further covenants and agrees if the Mortgagor shall desire to contest in good faith the amount or validity of any taxes or any portion thereof levied or assessed against the said property, then the Mortgagor will, out of the property and funds held by the Mortgagor as Trustee under the Trust Agreement above described, deposit with the Mortgagee hereunder, an amount equal to one hundred percent (100%) of the taxes remaining unpaid and such additional amounts from time to time as may be necessary to keep on deposit at all times an amount equal to one hundred (100%) of the said taxes remaining unpaid and all interest, penalties and costs accrued or accumulated thereon by reason of such contest. In lieu of such deposit, and in the event Mortgagor desires to contest in good faith the amount or the validity of any future Mechanics' Lien claim asserted against the real estate and premises described in attached Exhibit "A", at the option of Mortgagor, Mortgagor, at its sole cost and expense, may obtain and deliver to Mortgagee a title indemnity in form and amount satisfactory to Mortgagee and by a title insurance company acceptable to Mortgagee, insuring the priority of the lien created hereby over such taxes or such Mechanic's Lien claim. Mortgagor shall further advance to Mortgagee and agrees to pay for any and all reasonable attorneys' fees incurred by Mortgagee in reviewing and approving such title indemnity prior to Mortgagee being obligated to accept such title indemnity. The holder of any such deposited funds (whether the Mortgagee hereunder or the depositary), shall have full power and authority to apply any

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amount so deposited to the payment of any unpaid taxes or  
 Mechanic's Lien claim to prevent the sale or forfeiture of the  
 mortgage property for nonpayment thereof. The said holder,  
 however, shall not be liable for any failure to apply any amount  
 so deposited unless the mortgagor, prior to any other application  
 of such funds by the holder thereof as aforesaid, shall have  
 unconditionally, in writing, requested the application of such  
 amount to the payment of the particular taxes or mechanic's lien  
 claim with reference to which they were deposited. Nothing in  
 this instrument contained shall require the mortgagor to pay,  
 discharge or remove any charge, assessment, taxes, levy, lien or  
 other imposition upon or against the mortgaged property, or any  
 part thereof, (which charge, assessment, tax, levy, lien or other  
 imposition is hereinafter sometimes referred to as "imposition")  
 so long as the mortgagor in good faith shall proceed to contest  
 the same or the validity thereof by appropriate legal proceedings  
 which shall operate to prevent the collection of the imposition so  
 contested and the sale of the mortgaged property, or any part  
 thereof, to satisfy the same, and so long as the mortgagor shall  
 have deposited, as security for the satisfaction of such  
 imposition, moneys in amount and in the manner hereinabove  
 provided, then during the pendency of any such legal proceedings  
 neither the mortgagor nor the depositary shall have the right to  
 pay, remove or discharge said imposition so contested. Upon the  
 termination of such legal proceedings, said moneys shall be  
 applied by the mortgagor or the depositary to the payment, removal  
 and discharge of such imposition, and the interest and penalties



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in connection therewith and charges accruing in such legal proceedings, and the balance, if any, shall be paid to the mortgagor, provided that the mortgagor is not in default under this indenture, and in the event that such moneys shall be insufficient for this purpose, the mortgagor shall forthwith, out of the property and funds held by the mortgagor as trustee under the Trust Agreement above described, pay over to the mortgagee or the depositary, an amount of money sufficient, together with the moneys then held pursuant to this paragraph, to pay the same. In the event of any default by the mortgagor under this indenture, the holder of any such deposited funds is authorized to use the money deposited under this paragraph to cure or remedy said default or to pay the said imposition, as the mortgagee may in its sole discretion elect.

7. The mortgagor further covenants and agrees (which covenants and agreements are hereby expressly declared to be of the essence of this indenture but subject to provisions of paragraph 2 hereinafter contained) to pay or cause to be paid out of the property and funds held by the mortgagor as trustee under the Trust Agreement above described, insurance premiums necessary to keep all buildings, improvements and fixtures constituting part of the mortgaged premises until the indebtedness secured hereby is fully repaid, insured for public liability and property damage and against rental loss and loss or damage, by fire, lightning, tornado, war damage or such other casualty as may be determined by the mortgagee for such amounts and in such insurance company or companies as may be satisfactory to the mortgagee, and it is

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hereby expressly agreed that the mortgagee shall not be liable for any failure to insure or for the insolvency or irresponsibilities of any such insurance company or companies. All sums recoverable on any such insurance policy shall be made payable to the mortgagee, as an additional insured and/or by a mortgage clause, satisfactory to the mortgagee, to be attached to such policies, except in case of sale pursuant to a foreclosure of this mortgage from which time and until the period of redemption shall expire, said insurance policy or policies shall be made payable to the holder of the certificate of sale. All such policies shall be deposited and retained by the mortgagee as additional security for the indebtedness secured by this mortgage and by the holder of the certificate of sale for the amount secured by any certificate of sale or decree of foreclosure, and in the event any such insurance policy shall expire during the life of this mortgage, or any extension thereof, the mortgagee hereby agrees to procure and pay for insurance policies complying with the above qualifications replacing said expired policies and deposit them with the mortgagee together with receipts (showing the premiums therefore have been paid in full) ten (10) days prior to said expiration date. In cases of loss the mortgagee or the holder of any certificate of sale or the holder of the decree of sale, is hereby authorized to settle and adjust any claims under such policies or to allow said mortgagee to settle with the insurance company or companies the amount to be paid upon the loss, and in either case such holder of the policy is authorized to collect and receipt for any such insurance money and apply it, at the option of the

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Mortgagee, in reduction of the principal or any other indebtedness hereby secured, whether due or not, or may allow the mortgagee to use said insurance money, or any part thereof, in repairing the same or restoring the improvements, without affecting the lien hereof for the full amount secured hereby and during the time said insurance money may be retained by the mortgagee the mortgagee shall not be liable for any interest thereon; that in case of a loss after foreclosure proceedings have been instituted, the proceeds of any such insurance, if not applied as aforesaid in repairing damage or restoring improvements, shall be used to pay the amount due in accordance with the decree of foreclosure and any other indebtedness secured hereby, and the balance, if any, shall be paid to the owner of the equity of redemption on reasonable request or as the court may direct. Notwithstanding, and in addition to the above and foregoing, mortgagee agrees to maintain and pay for the following insurance:

(A) All-risk casualty insurance issued by companies and in form acceptable to mortgagee, in amounts sufficient to satisfy all co-insurance requirements, and for not less than the full replacement cost of all buildings and improvements now or hereafter located on the subject real estate and premises and including a mortgagee's clause acceptable to mortgagee showing mortgagee as such without contribution.

(B) Loss of Rents insurance coverage for a period of at least one year, payable 1/12th month, and in amounts reasonably satisfactory to mortgagee. (Such insurance coverage must contain at mortgagee's sole option, agreed amount endorsements.)

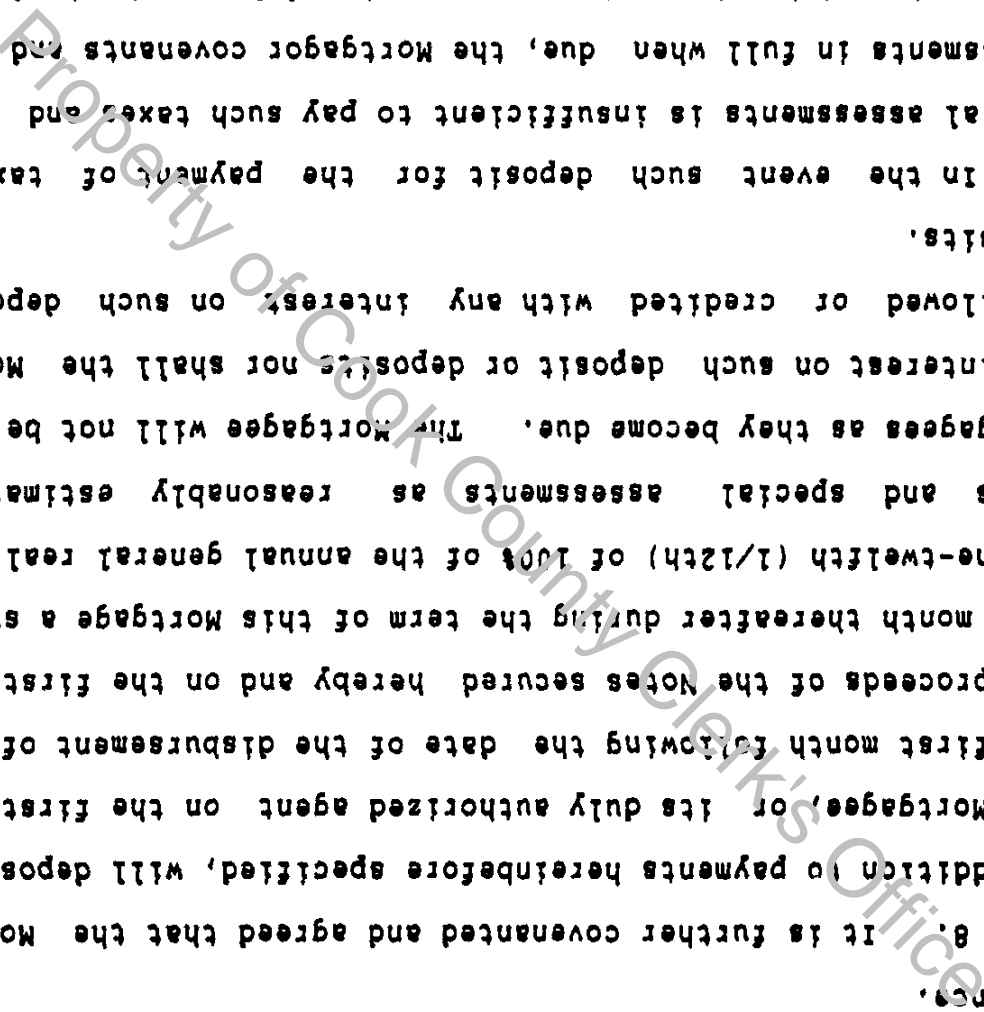
(c) Comprehensive General Liability Insurance coverage in amounts reasonably satisfactory to Mortgagee.

All policies of insurance shall be with companies and in form reasonably satisfactory to Mortgagee, and shall contain provisions for at least 30 days written notice to Mortgagee prior to cancellation or non-renewal. Mortgagee shall deposit original policies or certified true copies thereof with Mortgagee together with receipts showing all premiums paid for at least one year in advance.

8. It is further covenanted and agreed that the Mortgagee, in addition to payments heretofore specified, will deposit with the Mortgagee, or its duly authorized agent on the first day of the first month following the date of the disbursement of any of the proceeds of the Notes secured hereby and on the first day of each month thereafter during the term of this Mortgage a sum equal to one-twelfth (1/12th) of 100% of the annual general real estate taxes and special assessments as reasonably estimated by Mortgagee as they become due. The Mortgagee will not be liable for interest on such deposit or deposits nor shall the Mortgagee be allowed or credited with any interest on such deposit or deposits.

In the event such deposit for the payment of taxes and special assessments is insufficient to pay such taxes and special assessments in full when due, the Mortgagee covenants and agrees to deposit with the Mortgagee, or its duly authorized agent, forthwith and without demand, a sum sufficient to enable such taxes and special assessments to be paid in full. In the event

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9. The mortgagor covenants and agrees on demand to make, execute and deliver such further and other instruments in the nature of a security interest or otherwise, in form satisfactory to the mortgagee as the mortgagee may from time to time demand, conveying and granting unto the mortgagee a good and lawful lien upon the furniture, furnishings, apparatus and equipment now or hereafter located on the mortgaged premises (and now or hereafter owned by the mortgagor), and duly acknowledge the same, and record the same to the end that a first lien thereon may exist in favor of said mortgagee, and will make, execute, acknowledge, record and deliver from time to time and when requested by the mortgagee such further and other affidavits and instruments which may be necessary in law or in equity to preserve and keep the lien upon said furniture, furnishings, apparatus and equipment now or hereafter located on the mortgaged premises (and now or hereafter owned by the mortgagor), a good first lien upon the same for the purposes aforesaid. Nothing in this paragraph contained shall be construed as making any of the mortgaged property personally or as changing the intention of the parties hereto as to the real estate, it being understood and agreed, anything herein contained to the contrary notwithstanding, that any and all of the mortgaged

the amount so deposited for taxes and special assessment exceeds the amount required to pay said taxes and special assessments in full, the surplus shall be treated as a deposit on account of the taxes and special assessments next falling due and shall pro-rata reduce the amount required to be deposited under this paragraph on the next payment date or dates.

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property constitutes an integral part of the real estate and is appropriated to the use thereof, and that such security interest and other instruments are intended to be effective only if as a matter of law any of the mortgaged property is not real estate.

10. It is expressly understood and agreed that in the event of the passage, after the date of this indenture, of any law of the State of Illinois, changing or modifying the foreclosure laws of said State or the effect thereof, the mortgagee may in the event of default institute foreclosure proceedings either (a) under the laws of the State of Illinois as such laws existed at the date of this indenture, or (b) under the laws of the State of Illinois as they shall exist at the date of the commencement of proceedings to foreclose the lien of this indenture. This mortgage shall be governed by and construed according to the laws of the State of Illinois.

11. It is expressly understood and agreed that in the event of the passage, after the date of this indenture, of any law of the State of Illinois, deducting from the value of land for the purpose of taxation any lien thereon or changing in any way the laws now in force for the taxation of mortgages or trust deeds for state or local purposes, or the manner of the collection of any such taxes, so as to make it obligatory on the mortgagee to pay such taxes, then the mortgagor shall out of the property or funds held by the mortgagee as trustee, as aforesaid, pay or promptly reimburse the mortgagee for the payment of such taxes, and upon failure of the mortgagor so to do, the whole of the principal so secured by this indenture, together with the interest accrued

Statutes.

Paragraph 6404, 4(1)(c) of Chapter 17 of the Illinois Revised a business of the mortgagor pursuant to the provisions of hereby secured is made for the purpose of carrying on or acquiring

12. a. Mortgagor represents and warrants that the loan and payable without notice to the mortgagor.

other amounts due hereunder shall at once become immediately due unpaid, together with unpaid accrued interest thereon, and any period, the principal amount of said notes at such time remaining of the mortgage, and after expiration of any applicable grace into the possession or control of any court, then, at the option enforce or collect any junior lien or if said premises shall come premises, or in the event that any proceeding shall be begun to demolition of any improvements or portion thereof on said the mortgagor, or in the event of the threatened removal or conditions contained herein or in said notes to be performed by performance of any of the other covenants, provisions or principal of the notes, or in the event of default in the the notes, or in the event of default in the payment of the 12. in the event of default in the payment of interest on

rate permitted by law.

not amount to an exaction of interest in excess of the highest portion of tax or charge shall be paid by the mortgagor as will the payment of such tax or charge result in usury, then only such mortgagor become due and payable. Provided, however, that should said mortgage, after thirty (30) days prior notice to the thereon, and the amount of such taxes, shall at the option of the

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Property of Cook County Clerk's Office

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16.

13. The Mortgagor covenants and agrees (which covenants and agreements are hereby expressly declared to be of the essence of this indenture but subject to the provisions of paragraph 22 hereinafter contained) that in the event of any default by the Mortgagor hereunder the Mortgagor will, whether before or after the whole of said Notes are 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 the sale therein, forthwith upon demand of the Mortgagee surrender to the Mortgagee, and the Mortgagee shall be entitled to take actual possession of the mortgaged property, or of any part thereof, personally or by its agents or attorneys as for condition broken and in its discretion may, with or without force, and without process of law, enter upon, take and maintain possession of all, or any part of said mortgaged property, together with all documents, books, records, papers and accounts of the Mortgagor relating thereto, and may exclude the Mortgagor, its agents or servants, wholly therefrom, and may, in its own name as Mortgagee and under the powers herein granted, hold, operate, manage and control the mortgaged property and conduct the business thereof, either personally or by its agents, and the Mortgagee may at the expense of the mortgaged property, from time to time, either by purchase, repair or construction, make all necessary or proper repairs, renewals, replacements, useful alterations, additions, betterments and improvements to the mortgaged property as to it may seem judicious, and may insure and reinsure the same, and may lease said mortgaged property in such parcels and for such times

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notes)

(2) To the payment of the interest accrued and unpaid on the

overdue interest on the Notes at the rate therein provided;

(1) To the payment of interest on overdue principal and

accrued interest as follows:

business thereof, the Mortgagee shall apply the money arising as  
 and control of the mortgaged property and the conduct of the  
 for services rendered in connection with the operation, management  
 servants and others employed by it properly engaged and employed  
 services of the Mortgagee and of the attorneys, agents, clerks,  
 thereof, including the just and reasonable compensation for the  
 prior or proper charges on the mortgaged property, or any part  
 payments which may be made for taxes, assessments, insurance and  
 alterations, additions, betterments and improvements and all  
 and of all maintenance, repairs, renewals, replacements,  
 after deducting the expenses of conducting the business thereof  
 issues, profits and income of the same and any part thereof, and  
 entitled to collect and receive all earnings, revenues, rents,  
 thereof, as it shall deem best, and the Mortgagee shall be  
 exercise all rights and powers of the Mortgagor with respect  
 mortgage property and to carry on the business thereof, and to  
 case the Mortgagee shall have the right to manage and operate the  
 mortgaged property and to carry on the same, and in every such  
 the Mortgagee shall have the right to manage and operate the  
 entitle the Mortgagor to cancel the same, and in every such case  
 lease or sublease for any cause or on any ground which would  
 expiring beyond the maturity of the Notes) and may cancel any  
 and on such terms as to it may see fit (including leases for terms

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(3) To the payment of the principal of the Notes at such time remaining outstanding and unpaid;

(4) To the payment of all other charges secured by or created under this indenture; and

(5) The balance, if any, after the payment in full of the items hereinabove in subparagraphs (1), (2), (3) and (4) of this paragraph enumerated, shall be paid to the Mortgagor.

14. The Mortgagee shall have the right, although it shall not be required so to do, to remain in possession of the mortgaged property and to collect the rents, issues and profits therefrom until the issuance of a Sheriff's Deed to the mortgaged property pursuant to any decree of foreclosure in any proceeding to foreclose the lien created by this indenture, notwithstanding the sale of the mortgaged property pursuant to any such decree unless the amount bid at such sale shall be sufficient to pay in full the amount due under the terms of such decree and under the terms of this indenture, and the net rents, issues, and profits accruing from the mortgaged property after the sale thereof pursuant to such decree remaining after the payment of all charges and expenses paid or incurred by the Mortgagee in accordance with the provisions of this paragraph shall be applied by the Mortgagee from time to time in partial satisfaction of any deficiency reported to the Court after such sale. The Mortgagee in its discretion, is hereby authorized to surrender, after the approval of the Sheriff's Report of Sale, possession of the premises to any person who may redeem the property from the Sheriff's Sale, provided that the Mortgagee shall take proper steps to insure the

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15. The mortgagee covenants and agrees (and it is expressly declared that the mortgagee would not have made the loan secured by this indenture if the mortgagee did not so covenant and agree, and such covenants and agreements are hereby expressly declared to be the essence of this indenture but subject to the provisions of paragraph 22 hereinafter contained) that in the event the mortgagee shall default hereunder and the Notes shall become due and payable, either by lapse of time or by acceleration as herein provided, the mortgagee shall have the right immediately to

modify any other right or remedy hereunder. Therefore shall arise and their exercise shall not suspend or there to as herein provided may be exercised as often as occasion had not been made. The power of entry and the powers incidental thereto shall be subject to this indenture the same as if such entry mortgagee possession of the mortgaged property, which shall time, declaration or otherwise, the mortgagee shall restore to the which shall then be due and payable hereunder whether by lapse of security thereof. Upon the payment in full of the indebtedness mortgagee for the acceptance of the Notes and this indenture as this indenture and are a part of the consideration to the foreclosure and any proceedings to foreclose the lien created by The provision of this paragraph shall survive any decree of paid in full or until the issuance of a Sheriff's Deed thereto. the mortgaged property until the indebtedness secured hereby is remain in full force as a lien on the rents, issues and profits of payment of the deficiency decree, if any. This indenture shall segregation of the rents, issues and profits applicable to the

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foreclose the lien of this indenture and upon the filing of any bill for that purpose the court in which such bill is filed may at any time thereafter, either before or after sale, and without notice to the mortgagor, or any party claiming under the mortgagor, and without regard to the solvency or insolvency at the time of the application for a receiver of the person or persons liable for the payment of the indebtedness secured hereby, and without regard to the then value of the mortgaged property or whether the same shall then be occupied by the owner of the equity of redemption as a homestead, appoint a receiver, whether nominated by the plaintiff, or otherwise, in such foreclosure suit for the benefit of the mortgagor, with power to collect the rents, issues and profits of the mortgaged property during the pendency of such foreclosure suit, and in case of sale and deficiency, until the issuance of a Sheriff's deed to the mortgaged property, and the mortgagor hereby consents to the application from time to time of the net amount in receiver's hands in payment, in whole or in part, of any or all of the following items: (1) Amounts due upon the indebtedness secured hereby. (2) Amounts due upon any decree entered in any suit foreclosing this indenture. (3) Insurance of the mortgaged property; or (4) taxes, special assessment or any other lien or charge upon the mortgaged property, whether superior or subordinate to the lien of this indenture, or any decree foreclosing the same.

16. In case of foreclosure of the lien of this indenture by the mortgagor in any court of law or equity, there shall be allowed reasonable compensation for all court costs and expenses

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incurred by the Plaintiff, including attorneys' fees, stenographer's charges, costs of procuring abstracts of title and continuations thereof, opinions of title or title guaranty policies and continuations thereof, and costs of procuring testimony and evidence and statements of witnesses and documentary evidence, if any, incurred by the mortgagee in and about any suit or proceeding or in the preparation therefor, and in case the mortgagee shall be made party to any suit or legal proceeding by reason of this indenture, its costs, expenses, reasonable fees and the charges of its counsel, for services in such suit or proceeding, shall be a further lien or charge upon the mortgaged property. All such fees and expenses allowable pursuant to the provisions of this paragraph shall be so much additional indebtedness secured hereby and shall be a charge on said mortgaged property prior and paramount to the notes and interest thereon, and whenever possible shall be provided for in any judgment or decree entered in any such proceeding. There shall be included in any decree enforcing the lien of this indenture and be paid out of the rents or proceeds of any sale made in pursuance of any such decree in the following order (1) all costs of such suit or suits, advertising, sale and conveyance, including attorneys' and stenographers' fees, outlays for documentary evidence and costs of said abstract and examination of title; (2) all moneys advanced by the mortgagee for any purpose authorized in this indenture, with interest on such advances at the default rate from the date of such advances; (3) all the accrued interest remaining unpaid on the indebtedness hereby secured; (4) all of

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the principal of the Notes and any other amounts due under the provisions of this Indenture at such time remaining unpaid. The over-plus of the proceeds of the sale, if any, shall then be paid to the Mortgagor on reasonable request. In case, after legal proceedings are instituted to foreclose the lien of this Indenture, tender is made of the entire indebtedness due hereunder, the Mortgagee shall be entitled to reimbursement for expenses incurred in connection with such legal proceedings, including such expenditures as are enumerated above, and such expenses shall be so much additional indebtedness secured by this Indenture.

17. It is expressly understood and agreed that the Mortgagor shall remain liable for the payment of the Notes and all interest thereon and all other indebtedness secured by this Indenture (but which liability shall be regarded as binding upon the Mortgagor only to the extent of the property and funds held by the Mortgagor as trustee under the trust agreement above described) notwithstanding any extension of time of payment of principal or interest on the Notes or any indulgence of any kind or nature of any sort whatsoever which the Mortgagee or the depositary may give, grant or permit to any subsequent ownership of the mortgaged property without notice to the Mortgagor and the Mortgagor hereby expressly waives any such notice.

18. The invalidity of any one or more covenants, phrases, sentences, clauses or paragraphs of this Indenture shall not affect the remaining portions of the Indenture, or any part thereof, and in the event that any one or more of the covenants,

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phrases, clauses, sentences or paragraphs contained herein should be invalid, this indenture shall be construed as if such invalid covenants, phrases, clauses, sentences or paragraphs had not been inserted.

19. The covenants, agreement, conditions, promises and undertakings in this indenture contained shall extend to and be binding upon the Mortgagor and any and all persons claiming any interest in the mortgaged property by, through or under the Mortgagor, the same as if they were in every case named and expressed, and all of the covenants hereof shall bind them and each of them, both jointly and severally and shall inure to the benefit of the Mortgagor, its successors and assigns.

20. The Mortgagor is hereby expressly authorized and empowered, at its option, to collect and receive any and all condemnation awards heretofore made or hereafter to be made to any owner of the mortgaged premises and, after deducting from the proceeds of any such award any expenses incurred by it in the collection or handling of said fund, to apply the net proceeds as a credit on any portion of the mortgage debt selected by it, whether then matured or subsequently to mature, or on any deficiency decree) and Mortgagor shall not be held responsible for any failure to collect any awards, regardless of the cause of such failure. In the event Mortgagor does not exercise its option to collect such award and the same is collected by the Mortgagor the Mortgagor agrees to pay over to Mortgagor promptly the next proceeds of any such award to be applied on the mortgage debt as aforesaid. Mortgagor hereby agrees that the foregoing power and

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22. This instrument is executed by the undersigned <sup>Successor</sup> Mortgagor, not personally, but as trustee under the terms of that certain Trust Agreement, dated the 15th day of October, 1971, and is enforceable only against, and is payable out of the trust property held hereunder, or its evidence only of a right of payment out of the income, proceeds or avails of the trust property, as the case may be; and it is expressly understood and agreed by the parties hereto, anything herein to the contrary notwithstanding, that each and all of the covenants, warranties, undertakings and agreement herein made are made and intended not as personal covenants, warranties, undertakings and agreements of the Mortgagor, or for the purpose of binding them or any of them

hereunder, or under the Notes secured hereby. obtain a partial release of this mortgage from Mortgagor and further acknowledges that it has no right to this mortgage; and (b) any and all rights to a partial release of or redemption from sale under order or decree of foreclosure of the mortgaged premises subsequent to the date hereof, hereby expressly waives and releases the following (a) any and all right and for any and all persons acquiring any interest in or title to 21. The Mortgagor for itself, its successors and assigns,

above granted powers and authority. foreclosure of the lien hereof shall not affect or impair the entire balance of the debt hereby secured. Entry of a decree of this mortgage or the liability of Mortgagor for payment of the nothing in this section shall in any way affect the security of authority is irrevocable and coupled with an interest, and that



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personally, but this instrument is executed and delivered by the  
Mortgagor as trustee, solely in the execution of the powers  
conferred upon it as such trustee, and no personal liability or  
personal responsibility is assumed by; nor shall at any time be  
asserted or enforced against said Mortgagor, on account hereof, or  
on account of any covenants, warranty, undertaking or agreement  
herein contained, either expressed or implied, all such personal  
liability, if any, being hereby expressly waived and released by  
the parties hereto or holders hereof and by all persons claiming  
by or through or under said parties or holders, but nothing  
contained herein shall modify or discharge the personal liability  
expressly assumed by any guarantor of Mortgagor's obligations  
hereby created or created in the Notes or other documents secured  
hereby, which guarantor may be the beneficiary of Mortgagor.

23. The Mortgagor covenants and agrees on or before ninety  
(90) days after the end of the Mortgagor's Fiscal Year (as  
hereinafter defined) to furnish the Mortgagor, or cause to be  
furnished to the Mortgagor, each year until the indebtedness  
secured hereby is fully paid, financial statements for such fiscal  
year certified by the beneficiary of Mortgagor and in such detail  
as is satisfactory to the Mortgagor. Said statements shall be  
prepared exclusively for the mortgaged premises and shall include,  
but not necessarily be limited to, a balance sheet, a statement of  
the annual income derived from the leasing or other utilization of  
the premises, the detailed operating expenses and an occupancy  
statement disclosing tenant information satisfactory to the  
Mortgagor. Mortgagor's Fiscal Year shall be a twelve month

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accounting period used by the mortgagor for the determination of the financial operations of the mortgaged premises. In the event of a monetary default under this mortgage or the Notes secured hereby, or if said required financial statement is not received by the mortgagor on or before the due date, the mortgagor shall have the right to have independent auditors of its choice inspect the books and records of the mortgagor and its beneficiary in order to obtain and verify the necessary information required by this provision. The cost and expense of any such examination by the auditors chosen by the mortgagor shall be paid for by the mortgagor.

24. Mortgagor in addition to the required payments of principal and interest and the required deposits for payment of taxes and special assessments will deposit with the mortgagor monthly commencing with the first installment of principal and interest a sum equal to 10% of the premiums which will next become due on policies of fire and other insurance requirements of this mortgage (all as estimated by the mortgagor) divided by the number of months to elapse before one month prior to the date when such premiums will become due, such sums to be held by the mortgagor, without interest accruing thereon, to pay such premiums when due. If the amount of such deposits shall exceed payments by the mortgagor for such premiums the excess shall be credited on subsequent deposits to be made by the mortgagor. If such deposits shall be insufficient to pay such premiums when due, mortgagor shall pay to the mortgagor the amount of the deficiency on the first day of the month following the determination of the amount

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of the deficiency. Such deposits shall be based upon 100% of the prior year's insurance premiums.

25. The Mortgagor shall provide for the management of the mortgaged premises in a satisfactory manner. Any management agreement or contract entered into by the Mortgagor shall contain a provision that it shall be subject to termination by the Mortgagor, without penalty and with or without cause, upon written request. In the event of a default of any nature in the Notes secured hereby, in this mortgage or in any other security instrument held by the Mortgagor, and the expiration of any applicable cure period, the Mortgagor shall have the right to terminate any management agreement, contract or agents/managers responsible for the property management, if, in the sole opinion of the Mortgagor, said property management is unsatisfactory in any respect. Upon receipt of written request from the Mortgagor, the Mortgagor shall immediately terminate any such management agreement, contract or agents/managers. The Mortgagor shall then make arrangements for the continuing management of the mortgaged premises which are satisfactory to the Mortgagor. If the Mortgagor has not terminated the management agreement, contract or agents/managers within fifteen (15) days after receipt of the Mortgagor's request, the Mortgagor may terminate said management arrangements by forwarding a termination notice to the management agent, with a copy to the Mortgagor.

26. Mortgagor covenants and agrees that it shall suffer or permit no secondary financing, nor subordinate debt instrument of any kind, nor other encumbrance against the premises nor against

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28.

the beneficial interest in said Trust Number 5643 with the express written consent of Mortgagee (such consent shall not be unreasonably withheld so long as such financing provided by commercial banks is secured by the beneficial interest in Mortgagee and shall at all times be expressly subordinate to the interests of Mortgagees) during the term hereof and that none exist at the date hereof.

27. The Mortgagee and its successors and assigns covenant and agree that there shall be no sale or transfer of all, or any, or its interest (or the interest of its beneficiary or the sale, transfer or assignment of any interest of any partners or shareholders (such beneficiary) in the mortgaged premises or in the beneficial interest of Mortgagee or any interest of any partner or shareholders in such beneficiary without the prior written approval of the Mortgagee. In the event the mortgaged premises, the beneficial interest of Mortgagee, or any part thereof are sold or transferred by the Mortgagee (or any interest therein or in the beneficial interest of Mortgagee by its beneficiary or any interest of any partners or shareholders in such beneficiary) without the prior written consent of the Mortgagee, same shall conclusively be deemed to increase the risk of the Mortgagee and the Mortgagee may declare the entire unpaid principal of the Notes secured by this Mortgage and all accrued interest thereon and prepayment penalty provided in the Notes secured hereby immediately due and payable.

The Mortgagee specifically reserves the right to condition its consent to a sale, transfer, assignment or conveyance (by way of illustration and not by way of limitation) upon the approval of

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the financial and/or management ability of the purchaser, assignee, transferee or subsequent owner of the mortgaged premises, and until the following provisions having been satisfied: (1) the payment of a transfer fee of 2% of the then outstanding principal balance; (2) the payment of any expenses incurred by the holder hereof as a result of that sale, transfer, assignment or conveyance; and (3) the agreement of such purchaser, assignee, transferee or subsequent owner to personally guaranty the debt secured hereby.

For the purposes of the preceding two paragraphs, the terms, "sale or transfer" shall include in addition to the common and ordinary meaning of those terms and without limiting their generality, any assignment, exchange, trade or other disposition of the undesignated (or its beneficiary's) interest in all or any part of the premises or of the beneficial interest in the undesignated or of any interest of any partners or shareholders in such beneficiary. The mortgagee specifically consents to, without condition (including payment of any fee), to any transfer or conveyance of the beneficial interest in mortgage to any of the following: (1) so long as LADDIE A. SANDA, JR. and PATRICIA R. SANDA shall continue to personally manage the premises that are the subject of this mortgage, any transfer by LADDIE A. SANDA, JR. to members of his immediate family, (for the purpose hereof "immediate family" is defined as the spouse and/or natural or adopted children of LADDIE A. SANDA, JR. and PATRICIA R. SANDA); or (2) to any member of the immediate family of LADDIE A. SANDA, JR., upon his death.

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The failure of the holder hereof to exercise any of its options in the event of a sale or transfer on any one occasion shall not be deemed a waiver of its right to exercise any of its options in the event of a subsequent sale or transfer of the mortgaged premises or any interest therein.

28. In the event that any monthly installment of principal and interest is not received on or before ten (10) days after the due date thereof by the holder of the Notes, in addition to any other permitted charges under the Notes, a "late payment" fee shall be due and owing to the holder of the Notes in the amount of four percent (4%) of the amount of the past due monthly installment plus an additional four percent (4%) for each and every subsequent calendar month, or portion thereof, that such monthly installment of principal and interest remains outstanding; provided, however, that nothing in this paragraph shall affect the accruing of interest at the rate set forth in the Notes which is due on any principal amount outstanding until paid, and nothing in this paragraph contained shall authorize the holder of the Notes to collect or demand any payment which would result in the imposition of interest in excess of the maximum amount allowed by law.

29. The mortgagor covenants and agrees:

(a) Any and all future leases executed in connection with the mortgaged premises shall be on a standard lease form, or forms, approved by the mortgagee;

(b) If required by the mortgagee, all submitted leases shall be accompanied by current credit and

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financial information on the proposed tenant and the mortgagee shall be furnished with a schedule of leases signed by the mortgagor (or its beneficiaries) containing all information required by the mortgagee;

(c) All amendments to existing leases and all future leases entered into during the term of this mortgage will contain no rent concessions, be for terms not to exceed two (2) years, shall contain no options to renew or purchase and shall be at the then prevailing market rental.

(d) On demand to make, execute, have executed and delivered during the term of this mortgage such specific assignment of lessor's interest in leases on the form commonly required by the mortgagee, as may be required by the mortgagee, which said assignments shall provide that the assignor shall have the right to collect rents as long as there are no defaults under this mortgage, the Notes secured hereby, or under any other security instrument held by the mortgagee, and the mortgagee, at its option, notify Tenant of said assignments and give notice to Tenant that no payment of rents in advance of the requirements of said leases are to be made.

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30. The mortgagor represents and covenants to the best of its knowledge that all improvements on the mortgaged premises have been constructed in compliance with all applicable zoning and building regulations and that the improvements contain no asbestos material.

31. Mortgagor shall have the right to inspect the mortgaged premises at all reasonable times and access thereto shall be permitted for that purpose.

32. Mortgagor hereby assigns, transfers and sets over to mortgagor the entire proceeds of any award or any claim for damages for any of the premises taken or damaged under the power of eminent domain or by condemnation. Mortgages may affect to apply the proceeds of the award upon or in reduction of the indebtedness secured hereby, whether due or not, or to require mortgagor to restore or rebuild, in which event the proceeds shall be held by mortgagor and used to reimburse mortgagor for the cost of the rebuilding or restoring or improving on said premises, in accordance with plans and specifications to be submitted to and approved by mortgagor. If the amount of such award is insufficient to cover the cost of rebuilding or restoring, mortgagor shall pay such cost in excess of the award, before being entitled to the reimbursement out of the award. Any surplus which may remain out of said award after payment of such cost of rebuilding or restoration shall, at the option of mortgagor, be applied on account of the indebtedness secured hereby or be paid to any other party entitled thereto. In applying the proceeds of any award on account of the indebtedness



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secured hereby, Mortgagee shall be entitled to collect, out of the proceeds of the award, a premium on the amount prepaid, at the same rate as though Mortgagee had elected at the time of such application of proceeds (or if Mortgagee then has no such election, at the first succeeding date on which Mortgagee could so elect) to repay the indebtedness in accordance with the terms of the Notes secured hereby.

33. Any forbearance by Mortgagee in exercising any right or remedy hereunder shall not be a waiver of or preclude the exercise of any right or remedy thereafter.

34. Notwithstanding anything contained herein to the contrary, it is agreed that WESTERN PATERNAL LIFE ASSOCIATION and CBA PATERNAL LIFE each enjoy and own and are entitled to an undivided 50% interest in and to the rights and privileges granted to Mortgagee hereunder. In the event of a default by Mortgagee hereunder or under either of the two Notes secured hereby or under any of the other loan documents further securing such Notes, each Mortgagee shall bear and be responsible for 1/2 of the cost of any and all collection efforts and the costs and expenses incurred in realizing on any collateral given to secure the Notes and upon foreclosure of this Mortgage shall be entitled to an undivided 50% interest in and to any proceeds of any foreclosure sale and shall take title to any collateral sold as tenants in common. At no time shall this Mortgage secure a total indebtedness exceeding Three Million Dollars.

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Property of Cook County Clerk's Office

PIONEER BANK AND TRUST COMPANY, an Illinois Banking Corporation, not personally or individually, but as Trustee under Trust Agreement dated October 19, 1971 and known as Trust No. 5843.

DANIEL M. WLODEK - Trust Officer

BY: *[Signature]*

\* Successor Trustee to Lawrence Trust Savings Bank

Assistant Secretary

PHYLLIS ROBINSON

BY: *[Signature]*

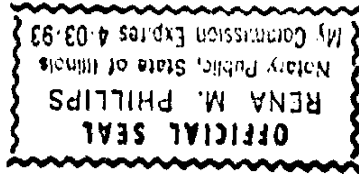
ATTEST:

IN WITNESS WHEREOF, the Mortgagor, not personally or individually, but as trustee under trust agreement dated the 19th day of October, 1971, known as Trust No. 5843, has affixed its hand and seal, has caused these presents to be executed, for and on behalf of its Trust Officer, attested by its Assistant Secretary and its corporate seal to be hereunto affixed, this 3rd day of July, 1991.

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35.



My Commission Expires:

Notary Public

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July

February 1991.

GIVEN UNDER MY HAND AND NOTARIAL SEAL this 3rd day of

uses and purposes therein set forth, act, and as the free and voluntary act of said company, for the of said company to said instrument as his own free and voluntary corporate seal of said company, did affix the said corporate seal did also then and there acknowledge that he as custodian of the decree foreclosing this mortgage, and the said Assistant Secretary any and all rights of redemption from sale under any order or including the release and waiver of the right of homestead and of act of said company, for the uses and purposes therein set forth their own free and voluntary act, and as the free and voluntary acknowledged that they signed and delivered the said instrument as respectively appeared before me this day in person and instrument as such \_\_\_\_\_ Assistant Secretary, the same persons whose names are subscribed to the foregoing Secretary of said company, personally known to me and known to be COMPANY, an Illinois Banking Corporation and PHYLIS ROBINSON, Asst. WLODER - Trust Officer, President of PIONEER BANK AND TRUST County, in the state aforesaid, do hereby certify that DANIEL N. I, Rena M. Phillips, a Notary Public in and for said

STATE OF ILLINOIS )  
COUNTY OF COOK )

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*2610 Edgington Park*  
*Franklin Park*

PIN#12 27 300 039 AFFECTS PARCEL 1  
PIN#12 27 300 038 AFFECTS PARCEL 2

PARCEL TWO:  
THAT PART OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION TWENTY-SEVEN, TOWNSHIP FORTY NORTH, RANGE TWELVE, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE WEST LINE OF THE EAST 880.0 FT. OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION TWENTY-SEVEN, AFORESAID, 420.43 FT. NORTH OF THE SOUTH LINE THEREOF; THENCE WEST 173.91 FT.; THENCE SOUTH 0 DEGREES 10 MINUTES 08 SECONDS EAST 30.0 FT.; THENCE SOUTH 8 DEGREES 01 MINUTES 32 SECONDS WEST 30.3 FT.; THENCE EAST 178.06 FT. TO THE WEST LINE OF THE EAST 880.0 FT. OF SAID NORTHWEST QUARTER OF THE SOUTHWEST QUARTER; THENCE NORTH ALONG SAID WEST LINE 60.0 FT. TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL ONE:  
THAT PART OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION TWENTY-SEVEN, TOWNSHIP FORTY NORTH, RANGE TWELVE, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE WEST LINE OF THE EAST 880.0 FT. OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION TWENTY-SEVEN, AFORESAID, 580.43 FT. NORTH OF THE SOUTH LINE THEREOF; THENCE WEST 178.06 FT.; THENCE SOUTH 8 DEGREES 01 MINUTES 32 SECONDS WEST 95.94 FT.; THENCE SOUTH 0 DEGREES 10 MINUTES 08 SECONDS EAST 393.43 FT.; THENCE NORTH 8 DEGREES 01 MINUTES 32 SECONDS EAST 120.24 FT.; THENCE NORTH 0 DEGREES 10 MINUTES 08 SECONDS WEST 30.0 FT.; THENCE EAST 12.71 FT.; THENCE NORTH 333.43 FT. TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

LEGAL DESCRIPTION

EXHIBIT A TO MORTGAGE