



**First Illinois Bank**  
of Evanston, N.A.

**OFFICIAL** NOW KNOWN AS  
BANK ONE, EVANSTON, N.A.

# UNOFFICIAL COPY

92-32366

## Mortgage, Security Agreement and Financing Statement

THIS MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT is made as of June 1, 1992, by

Journals

92325526

1990-1991  
1991-1992

as Trustee under Trust Agreement dated  
Trust No.

... not personally but  
19 ... and known as

8 George B. Martin 909 George B. Martin

13

corporation.

100

Written part of the test

10

• • •

d/b/a  
general partnership or joint venture

DEPT-11 RECORD.T \$37.50  
T07777 TRAN 7098 06/15/92 10:23:00  
48344-G-92-425526  
COOK COUNTY RECORDER

(‘Mordor’), whose training addresses the

**Bank One** **NOW KNOWN AS** **Bank One Chicago** We are located at 1900 Prairie Avenue, Chicago, IL 60601.

is jointly indebted to the Mortgagor  
including without limitation the principal sum of **\*\*\*\*\*Twenty Five Thousand and 00/100\*\*\*\*\*  
\*\*\*\*\* Dollars (\$\*\*\*\*\*25,000.00) or evidences thereof, and all interest thereon from date hereof until Note is  
made payable to the order of and delivered to the Mortgagor, and by the obligor promises to pay the Note, late charges,  
prepayment premiums if any and interest at the rate or rates, as provided in the Note. The final payment of principal  
and interest, if not so far paid, renewed, modified, extended or otherwise altered shall be due on June 1  
19 94. All such payments on account of the indebtedness secured hereby, shall be applied first to interest on the unpaid  
principal balance of the Note, secondly to any other sums due thereunder, thirdly to all other advances and sums secured  
hereby, and the remainder to principle.**

Mortgagor, in order to secure the payment of said principal sum of money, and said interest and late charges and prepayment premium, if any, in accordance with the terms, provisions, and covenants of this Mortgage and of the Note, (i) further, jointly and severally, agrees to and by, agreement, of payment of performance conditioned by the Mortgagee's being satisfied with the payment and of the payment of the principal sum of money due by the Mortgagor to be paid further, as follows: (a) for repayment of any amount then outstanding on the principal of Mortgagor's indebtedness hereafter, the Mortgagor, whether together or added, absolutely or contingently, primary or secondary, joint or several, and (v) in consideration of the sum of ONE DOLLAR (\$1.00) in hand paid to the receipt whereof Mortgagor acknowledged, Mortgagor does by these presents MORTGAGE GRANT REMISE RELEASE ACQUEN AND CONVEY unto the Mortgagee and its successors and assigns, the following described real estate and all of its present and hereafter acquired estate right, title and interest thereto, situated, lying and being in the County of Cook and State of Illinois, to wit:

SEE LEGAL DESCRIPTION ATTACHED HERETO  
AND MADE A PART HEREOF AS EXHIBIT "A"

Commonly known as \_\_\_\_\_ which, with the property, hereinafter described, is collectively referred to herein as the "Premises".

This Instrument Prepared By John C. Schellinger  
and Shall be Returned to Bank One, Evanston, IL  
Attn: John C. Schellinger  
800 Davis Street  
PO Box 712  
Evanston, Illinois 60204-0712

Real Estate Tax I.D. No.

Page 1 of 8 Pages

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TOGETHER with all improvements, fixtures,添附物, and other personalty to or upon the Premises, which may now or hereafter be held by Mortgagor, and all rents, issues and profits thereof for so long and during all such time as the same may be entitled thereto (which are pledged primarily and on a parity with said real estate and not secondarily), all tenements, servitudes, deposits, stocks, appurtenances, easements, pre-emption, right of way, to which Mortgagor may be entitled or which Mortgagor may be holding, and all other appurtenant, easement and other rights, other than inventories held for sale which relate to the use, occupancy and enjoyment of the Premises. All of the above estate and property, heretofore described, are personalty and real, whether affixed or annexed or not (except where otherwise hereinabove specifically set forth), are hereby conveyed and mortgagee thereon entitled to be used as a unit and are hereby understood, agreed and declared to be the main interest permitted by law to form part and parcel of the real estate and to be appropriated to the use of the real estate, and shall be further understood that the Mortgagee deems the real estate and conveyances aforesaid engaged hereby.

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

## IT IS FURTHER UNDERSTOOD AND AGREED THAT

**1. MAINTENANCE, REPAIR AND RESTORATION OF IMPROVEMENTS, PAYMENT OF PRIOR LIENS, ETC.** Mortgagor shall: (a) promptly repair, restore or rebuild any buildings and other improvements now or hereafter on the Premises, which may become damaged or destroyed to substantially the same character as prior to such damage or destruction, without regard to the availability of adequacy of any casualty insurance proceeds or eminent domain awards; (b) keep the Premises constantly in good condition and repair without waste; (c) keep the Premises free from mechanics' liens or other liens or claims for lien not expressly subordinated to the lien hereof (hereby called "liens"); subject however to the rights of the Mortgagee set forth in the next Paragraph below; (d) immediately pay when due any indebtedness which may be secured by a lien or charge on the Premises on a parity with or superior to the lien hereof (no such subsequent lien to be permitted hereunder and upon request exhibit satisfactory evidence of the discharge of such lien to Mortgagee); (e) complete within a reasonable time any building(s) or other improvement(s) now or at any time in process of erection upon the Premises; (f) comply with all federal, state and local requirements of law, regulations, ordinances, orders and judgments and all covenants, easements and restrictions of record with respect to the Premises and the use thereof; (g) make no alterations in the Premises without Mortgagee's prior written consent; (h) suffer or permit no change in the general nature of the occupancy of the Premises without Mortgagee's prior written consent; (i) observe and comply with all conditions and requirements (if any) necessary to preserve and extend all rights, easements, licenses, permits (including without limit zoning variations and any non conforming uses and structures), privileges, franchises and concessions applicable to the Premises or contracted for in connection with any present or future use of the Premises; and (j) pay each item of indebtedness secured by this Mortgage when due according to the terms hereof and of the Note. As used in this Paragraph and elsewhere in this Mortgage, the term "indebtedness" means and includes the unpaid principal sum evidenced by the Note, together with all interest, additional interest, late charges and prepayment premiums thereon, (if any) and all other sums at any time secured by this Mortgage.

Anything in (c) and (d) above to the contrary notwithstanding, Mortgagor may, in good faith and with reasonable diligence, contest the validity or amount of any lien not expressly subordinated to the lien hereof, and defer payment and discharge thereof during the pendency of such contest provided: (i) that such contest shall have the effect of preventing the sale or forfeiture of the Premises or any part thereof, or any interest therein, to satisfy such lien; (ii) that within ten (10) days after Mortgagor has been notified of the assertion of such lien, Mortgagor shall have notified Mortgagee in writing of Mortgagor's intention to contest such lien; and (iii) that Mortgagor shall have deposited with Mortgagee a sum of money which shall be sufficient in the judgment of Mortgagee to pay in full such lien and all interest which might become due thereon, and shall keep on deposit an amount so sufficient at all times, increasing such amount to cover additional interest whenever in the judgment of Mortgagee, such increase is advisable. Such deposits are to be held without any allowance of interest. If Mortgagor shall fail to prosecute such contest with reasonable diligence or shall fail to pay the amount of the lien plus any interest, cost and expenses finally determined to be due upon the conclusion of such contest, to the extent such amount exceeds the amount which Mortgagee will pay as provided below or shall fail to maintain sufficient funds on deposit as hereinabove provided, Mortgagee may, at its option, apply the money so deposited in payment of or on account of such lien, or that part thereof then unpaid, together with all interest thereon. If the amount of money so deposited shall be insufficient for the payment in full of such lien, together with all interest thereon, Mortgagor shall forthwith, upon demand, deposit with Mortgagee a sum which, when added to the funds then on deposit, shall be sufficient to make such payment in full. Mortgagee shall, upon the final disposition of such contest, apply the money so deposited in full payment of such lien or that part thereof then unpaid (provided Mortgagor is not then in default hereunder), when so requested in writing by Mortgagor and when furnished by Mortgagor with sufficient funds to make such payment in full and with evidence satisfactory to Mortgagee of the amount of payment to be made.

**2 PAYMENT OF TAXES.** Mortgagor shall pay all general taxes before any penalty or interest attaches, and shall pay special taxes, special assessments, water charges, sewer service charges, and all other charges against the Premises of any nature whatsoever when due, and shall, upon written request, furnish to Mortgagee duplicate receipts therefor within thirty (30) days following the date of payment. Mortgagor shall pay in full "under protest" any tax or assessment which Mortgagor may desire to contest in the manner provided by law.

**3 TAX DEPOSITS.** Unless waived from time to time by Mortgagee in writing, Mortgagor shall deposit with the Mortgagee, commencing on the date of disbursement of the proceeds of the loan secured hereby and on the first day of each month following the month in which said disbursement occurs (unless otherwise agreed to by Mortgagee), a sum equal to the amount of all real estate taxes and assessments (general and special) next due upon or for the Premises (the amount of such taxes next due to be based upon the Mortgagee's reasonable estimate as to the amount of taxes and assessments to be levied and assessed reduced by the amount, if any, then on deposit with the Mortgagee divided by the number of months to elapse before two months prior to the date when such taxes and assessments will first become due and payable). Such deposits are to be held without any allowance or payment of interest to Mortgagor and are to be used for the payment of taxes and assessments (general and special) on the Premises next due and payable when they become due. If the funds so deposited are insufficient to pay any such taxes or assessments (general or special) when the same become due and payable, the Mortgagor shall, within ten (10) days after receipt of demand of the same from the Mortgagee, deposit such additional funds as may be necessary to pay such taxes and assessments (general and special) in full. If the funds so deposited exceed the amount required to pay such taxes and assessments (general and special) for any year, the excess shall be applied on a subsequent deposit or deposits. Said deposits need not be kept separate and apart from any other funds of the Mortgagee.

Anything in this Paragraph 3 to the contrary notwithstanding, if the funds so deposited are insufficient to pay any such taxes or assessments (general or special) or any installment thereof, Mortgagor will not later than the thirtieth (30th) day, prior to the last day on which the same may be paid without penalty or interest, deposit with the Mortgagee the full amount of any such deficiency.

If any such taxes or assessments (general or special) shall be levied, charged, assessed or imposed upon or for the Premises, or any portion thereof and if such taxes or assessments shall also be a levy, charge, assessment or imposition upon or for any other premises not encumbered by the lien of this Mortgage, then the computation of any amount to be deposited under this Paragraph 3 shall be based upon the entire amount of such taxes or assessments, and Mortgagor shall not have the right to apportion the amount of any such taxes or assessments for the purposes of such computation.

**3a. INSURANCE DEPOSITS.** For the purpose of providing funds with which to pay premiums when due on all policies of fire and other hazard insurance covering the Premises and the Collateral (defined below) and unless waived from time to time by Mortgagee in writing, Mortgagor shall deposit with the Mortgagee, commencing on the date of disbursement of the proceeds of the loan secured hereby and on the first day of each month following the month in which said disbursement occurs (unless otherwise agreed to by Mortgagee), a sum equal to the Mortgagee's estimate of the premiums that will next become due and payable on such policies reduced by the amount, if any, then on deposit with the Mortgagee, divided by the number of months to elapse before two (2) months prior to the date when such premiums become due and payable. No interest shall be allowed or paid to Mortgagor on account of any deposit made hereunder and said deposit need not be kept separate and apart from any other funds of the Mortgagee.

**4. MORTGAGEE'S INTEREST IN AND USE OF TAX AND INSURANCE DEPOSITS; SECURITY INTEREST.** In the event of a default hereunder the Mortgagee may, at its option but without being required so to do, apply any monies at the time of deposit pursuant to Paragraphs 3 and 3a hereof on any of Mortgagor's obligations contained herein or in the Note in such order and manner as the Mortgagee may elect. When the indebtedness has been fully paid, any remaining deposits shall be paid to Mortgagor or to the then owner or owners of the Premises as the same appear on the records of the Mortgagee. A security interest, within the meaning of the Uniform Commercial Code of the State in which the Premises are located, is hereby granted to the Mortgagee in and to all monies at any time on deposit pursuant to Paragraphs 3 and 3a hereof and such monies and all of Mortgagor's right, title and interest therein are hereby assigned to Mortgagee, all as additional security for the indebtedness hereunder and shall, in the absence of default hereunder be applied by the Mortgagee for the purposes for which made hereunder and shall be subject to the direction or control of the Mortgagor, provided, however, that Mortgagee shall not be liable for any failure to apply to the payment of taxes or assessments or insurance premiums any amount so deposited unless Mortgagor, while not in default hereunder, shall have furnished Mortgagee with the bills thereto and requested Mortgagee in writing to make application of such funds to the payment of the particular taxes or assessments or insurance premiums for payment of which they were deposited, accompanied by the bills for such taxes or assessments or insurance premiums. Mortgagee shall not be liable for any act or omission taken in good faith, but only for its gross negligence or willful misconduct.

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**5 INSURANCE** Mortgagor shall obtain insurance covering the property described in the Schedule of Insured Items, as follows: (a) fire and other hazards, including contents, before quoted the Mortgagee prior to the date of recording of the mortgage. The terms of the insurance policy shall be underwritten by an insurance company acceptable to the Mortgagee. Mortgagor shall pay all premiums and other expenses associated with the issuance of Mortgagor's policy to protect the property. Mortgagor shall pay all expenses associated with the repair or replacement of any damage to the property, damage to Mortgagor's property, or damage to third parties. At present, the insurance coverage is not sufficient for the purpose of protection and is satisfactory to Mortgagor with regard to investigation and repair of damage to the property. Mortgagor shall obtain insurance covering the property described in the Schedule of Insured Items, as follows: (a) fire and other hazards, including contents, before quoted the Mortgagee prior to the date of recording of the mortgage. The terms of the insurance policy shall be underwritten by an insurance company acceptable to the Mortgagee. Mortgagor shall pay all premiums and other expenses associated with the issuance of Mortgagor's policy to protect the property. Mortgagor shall pay all expenses associated with the repair or replacement of any damage to the property, damage to Mortgagor's property, or damage to third parties.

Mortgagor shall have the right to separate the real estate from the mortgaged property and to sell it separately, provided that he or she has given notice of his or her intention to do so to the mortgagee at least one month before the date of sale, and that the mortgagee has not responded to be maintained free and clear of all debts, taxes, expenses, and other charges which may be due on the property. Mortgagor shall then have the right to sell the real estate separately, and the mortgagee shall have the right to require payment of principal and interest on the original principal amount of the mortgage, plus interest accrued from the date of the sale to the date of the payment, either in one or two installments. Mortgagor, notwithstanding the sale of the real estate, shall remain liable for the payment of principal and interest on the original principal amount of the mortgage, plus interest accrued from the date of the sale to the date of the payment, either in one or two installments.

Within ninety (90) days following the end of each fiscal year of Mortgagor, at the request of the Mortgagor, Mortgagor agrees to furnish my broker or replacement cost, without cost to the Mortgagor, such information as may reasonably be required by insurance companies to determine the then replacement cost of the building(s) and other improvements on the property.

## **7 STAMP TAX, EFFECT OF CHANGES IN LAWS REGARDING TAXATION**

5. In the event of the occurrence of any one of the events which are set forth in Article 10 of the Mortgagor's Agreement, the payment of the whole or any part of taxes, assesses and/or other amounts paid in respect of the Mortgaged property by the Mortgagor in respect of the Mortgaged property or debt incurred by the Mortgagor in respect of the Mortgaged property, the sum due under the Mortgagor's Agreement, called the "Mortgage debt" or the debts so covered hereby by the holder thereof, shall and may be paid from the Mortgaged property, and the holder of the Mortgage debt may pay such charges as are due and/or reimburse the Mortgagor thereof or proceed towards that to the amount of such Mortgage debt the holder of such Mortgage debt may pay to the holder of such Mortgage debt to make such payment, or the holder of such payment, or payment resulting from payment so incurred by the holder of such Mortgage debt, the amount so paid to him by law, and in any such event the Mortgagor shall incur by that amount of payment the holder of the Mortgage debt or the holder of the enforceable bonds to be paid by the holder of the Mortgage debt.

**B. OBSERVANCE OF LEASE ASSIGNMENT.** As additional security for the payment of the sum demanded and for the faithful performance of the terms and conditions contained herein, Mortgagor and its beneficiary or beneficiaries shall hereby assign to the Mortgaggee all their right, title and interest as landlords in and to the present leases and all future leases of the Premises. Any lease of the Premises after subject to the approval of the Mortgaggee as to term, content and tenancy.

**Term:** content and tenancy  
Mortgagor will not and Mortgagor will not, in respect of any interest which it has in the Mortgaged property, consent to or execute any assignment or  
pledge of any rents or other income of the Property or any part thereof, or any part of the Mortgaged property, or any right  
to any payment of any amount (whether or not more than \$1,000) of and to receive and demand the same, and the Mortgagor, on or before

Most properties that I hold the freehold in, I will pay a premium to acquire the freehold of my lessee's property. In contrast, I expect most of my properties to be sold at a discount to the present value of the freehold interest. A property owner will expect a premium if M&S is participating in the freehold interest, as it may be able to increase the value of the property by adding value to the freehold interest.

Mutual prototypicity of the two words is also of interest. In 1972, it was reported that prototypicality of the word *man* is related to the frequency of the word *man* in the language (Baker & Patterson, 1972).

Nothing in this Mortgage purports to restrict the holder from bringing the holder or the Mortgagor, or a person connected with the holder or the Mortgagor, before a court of competent jurisdiction to prosecute Mortgagor's bankruptcy, or by implication to perform any other or relevant of the conditions of the mortgage, or to make a claim against Mortgagor to pay over the sum of money or damages thereon provided to be paid by the holder and demand of which, notwithstanding payment of Mortgagor's agreed to perform and pay or cause to be performed and paid.

At the option of the Mortgagor, this Mortgage shall become subject and be subordinate, in whole or in part (but not with respect to priority of claim) to insurance proceeds or any award in eminent domain, to any one or more leases affecting any part of the Premises, upon the execution by Mortgagor and recording or registration thereof, at any time hereafter in the office wherein this Mortgage was registered or filed for record, of a unilateral declaration to that effect.

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In the event of the enforcement by Mortgagor of any right or privilege hereunder, the Mortgagor shall remain under each lease of the Premises, shall at the option of the Mortgagor, remain under such lease or may elect to terminate such lease and shall recognize such successor in interest as landlord under such lease with the right to collect the rents and other amounts therefrom due to the Mortgagor. But said successor in interest shall not be bound by any payment of rent or additional rent from any person or entity in the event of a claim for acceleration of any lease made without the consent of Mortgagor or such successor in interest. If a successor in interest fails to do so, Mortgagor shall execute and deliver an instrument or instruments confirming such attorney.

Mortgagor shall have the option to declare the Mortgage in default whenever there is a material breach of any lease of the Premises, whether or not such default is cured by Mortgagor pursuant to the foregoing provision, provided that the Mortgagor agrees that the total of Underany Assignment of Rents or Leases executed pursuant to this Paragraph B, in either event, shall not exceed the amount of indebtedness to which the whole of the Indebtedness secured hereby shall at once, at the option of the Mortgagor, become due and payable without notice to the Mortgagor.

**9 MORTGAGOR AND LIEN NOT RELEASED.** From time of Note until principal and interest upon the Note will not give any notice to or obtaining the consent of Mortgagor, its beneficiary or Mortgagor's assignee, or any other party holding title to the Premises, to make any payment, whatsoever, on Mortgagor's part and notwithstanding Mortgagor's failure to make any payment, whatsoever, on the Premises, to any party, or secondarily liable on any of the Indebtedness, (1) acceptance of renewals, extensions, or modifications of the Note, (2) acceptance of the Note, (3) Mortgagor's entry at the Premises, (4) take or release other or additional security for the Indebtedness, (5) consent to any payment upon the Premises, (6) cancellation of condominiums as to the Premises (in whole or in part), (7) consent to the granting of any easement, right-of-way, utility extension, or subdivision agreement, (8) agree in writing with Mortgagor to modify the rate of interest or period of amortization of the Note or change the time of payment or the amount of the installments payable thereunder, and (9) waive or fail to exercise any right, power, remedy, granted by law or herein or any other instrument given at any time to evidence or secure the payment of the Indebtedness.

Any actions taken by Mortgagor pursuant to the terms of this Paragraph 9 shall not in any way affect the obligations of Mortgagor or Mortgagor's successors or assigns to pay any sum at any time specified by the Mortgage and the otherwise of the original agreement and conditions herein contained, (b) the guaranty of any individual or legal entity for payment of the Indebtedness and (c) the term or priority of the lien hereof against the Premises.

Mortgagor shall pay to Mortgagor a reasonable sum to charge him for the maintenance, expenses and attorney's fees, including in-house staff as may be incurred by Mortgagor for any action described in this Paragraph 9 taken at the request of Mortgagor or its beneficiary or beneficiaries.

**10 MORTGAGEE'S PERFORMANCE OF DEFAULTED ACTS.** In case of default hereon, Mortgagor may, but need not, make any payment or perform any act herein required of Mortgagor in any form and manner Mortgagor deems expedient, and shall not be liable for partial payments or principal or interest on prior encumbrances of any kind or nature, or changes in the premises, or for any taxes, or an assessment or other prior lien or title or claim thereof, or redemption from any tax sale or forfeiture affecting such Premises, or for any other taxes, or charges at any time, or any default or any landlord in any lease of the Premises. Attorneys paid for any of the purposes herein, shall be entitled to an expense equal to one-half of connection therewith, including attorneys' fees, and any other monies advanced by Mortgagor in regard to defending the Premises. The expense shall be so much additional indebtedness secured hereby and shall become immediately due and payable when notes due, or with a default thereof, at the rate of interest set forth in the Note applicable to a period when a default exists thereunder, (a) that of Mortgagor shall never be considered as a waiver of any right accruing to it on account of any default on the part of Mortgagor.

**11 MORTGAGEE'S RELIANCE ON TAX BILLS, ETC.** Mortgagor is made responsible for payment of any and all taxes and assessments, may do so according to any computer or billing system, (a) statement or estimate prepared from the appropriate public office or title company without inquiry into the accuracy of such bill, statement or estimate, or (b) the validity of any claim, or amount thereof, tax, or claim thereof, or (b) for the purchase, discharge, compromise settlement of any other prior lien, may do so without inquiry as to the validity or amount of any claim for lien which may be asserted.

**12 ACCELERATION OF INDEBTEDNESS IN CASE OF DEFAULT.** If (a) default be made in the due and prompt payment of principal or interest on the Note, or any other payment due in accordance with the terms thereof, or if the Mortgagor or any beneficiary thereof or any guarantor of the Note shall file (i) a petition for liquidation, reorganization or adjustment of debt under the 11th of the United States Code (11 U.S.C. §§ 101 et seq.) or any similar law state or federal, whether now or hereafter existing, or (ii) any answer admitting insolvency or inability to pay debts, or (iii) fail to obtain a vacation or stay of involuntary proceedings within ten (10) days, or (iv) as hereinafter provided, or (v) any order for relief of the Mortgagor or any beneficiary thereof or any guarantor of the Note shall be entered in any case under Title 11 of the United States Code, or a trustee or a receiver shall be appointed for the Mortgagor or for any beneficiary thereof or for any co-owner of the title to land or the major part of the property of Mortgagor or any beneficiary thereof or of any guarantor of the Note in any voluntary or involuntary proceeding, or (vi) a court of competent jurisdiction of all or the major part of the property of the Mortgagor or of any beneficiary thereof or of any co-owner of the Note in any voluntary or involuntary proceeding for the reorganization, dissolution, liquidation, adjustment of debt or winding up of the Mortgagor or of any beneficiary thereof or of any guarantor of the Note and such trustee or receiver shall not be discharged or such jurisdiction not be relinquished or vacated or stayed on appeal or otherwise stayed within ten (10) days, or (d) the Mortgagor or any beneficiary thereof or any guarantor of the Note, as required hereby, shall make an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due, or shall consent to the appointment of a receiver or trustee or liquidator of all or any major part of its property, or (e) default shall be made in the due observance or performance of any other covenant, agreement or condition hereinafter or hereinafter contained and required to be kept or performed or observed by the Mortgagor or its beneficiary, (f) default shall be made in the due observance or performance of any covenant, agreement or condition required to be kept or observed by Mortgagor or its beneficiary or beneficiaries in the Note or any guarantor thereof or in any other instrument given at any time to secure the payment of the Note, then and in any such event, the whole of the Indebtedness shall at once, at the option of the Mortgagor, become immediately due and payable without notice to Mortgagor. If while any insurance proceeds or condemnation awards are held by or for the Mortgagor to reimburse Mortgagor or any lessee for the cost of repair, rebuilding or restoration of building(s) or other improvement(s) on the Premises, as set forth herein, the Mortgagor shall be or become entitled to accelerate the maturity of the Indebtedness, then and in such event, the Mortgagor shall be entitled to apply all such insurance proceeds and condemnation awards then held by or for it in reduction of the Indebtedness, and any excess held by it over the amount of the Indebtedness shall be paid to Mortgagor or any party entitled thereto, without interest, as the same appear on the records of the Mortgagor.

**13 FORECLOSURE; EXPENSE OF LITIGATION.** When the Indebtedness or any part thereof shall become due, whether by acceleration or otherwise, Mortgagor shall have the right to foreclose the lien hereof for such Indebtedness or part thereof. In any civil action to foreclose the lien hereof, there shall be allowed and included as additional Indebtedness in the order or judgment for foreclosure and sale all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagor including, without limitation, expenditures for attorneys' fees, including those of in-house counsel, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimated as to items to be expended after entry of said order or judgment) of procuring all such abstracts of title, the services and examinations, life insurance policies, Torrens' Certificates and similar data and assurances with respect to the title as Mortgagor may deem reasonably necessary either to prosecute such civil action or to evidence to bidders at any sale which may be had pursuant to such order or judgment the true condition of the title to, or the value of, the Premises. All expenditures and expenses of the nature in this paragraph mentioned and such expenses and fees and expenses as may be incurred in the protection of the Premises and the maintenance of the title of the Mortgagor, including the fees of any attorneys employed by Mortgagor in any litigation or proceeding affecting this Mortgage, the Note or the Premises, including probate, appellate and bankruptcy proceedings, or in preparations for the commencement or defense of any action or proceeding or threatened action or proceeding, shall be immediately due and payable by Mortgagor, with interest thereon at the rate set forth in the Note, if payable for a period when a default exists thereunder, and shall be secured by this Mortgage.

At all times, the Mortgagor shall appear in and defend any suit, action or proceeding that might in any way, in the sole judgment of Mortgagor, affect the value of the Premises, the priority of this Mortgage or the rights and powers of Mortgagor hereunder or under any document given at any time to secure the Indebtedness. Mortgagor shall, at all times, indemnify, hold harmless and reimburse Mortgagor on demand for any and all loss, damage, expense or cost, including cost of evidence of title and attorney's fees, arising out of prosecution in connection with any such suit, action or proceeding, and the sum of such expenditures shall be secured by this Mortgage, and shall bear interest after demand at the rate specified in the Note applicable to a period when an uncured default exists thereunder, and such interest shall bear date thereby, and shall be due and payable on demand.

**14 APPLICATION OF PROCEEDS OF FORECLOSURE SALE.** The proceeds of any foreclosure sale of the Premises shall be distributed and applied in the following order of priority: first, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in the preceding Paragraph hereof; second, all other items which may, under the terms hereof, constitute secured Indebtedness additional to that evidenced by the Note, with interest thereon as herein provided; third, all principal and interest remaining unpaid on the Note, and fourth, any excess to any party entitled thereto as their rights may appear.

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**15 APPOINTMENT OF RECEIVER BY MORTGAGOR IN POSSESSION** At any time during the continuance of any action to foreclose the Mortgage, the court in which such action was commenced may appoint a receiver of the Premises, either before or after foreclosure sale, with or without bond, without regard to the validity of the Mortgagor's title at the time of application for a writ to enter and without regard to the then value of the Premises, or whether the amount of the debt or other claim against the Mortgagor is less than the value of the Premises. In the event of a foreclosure sale, the receiver appointed by the court in the Mortgagor's action for a writ to enter and for a receiver may still have power to collect the rents, issues and profits of the Premises during the period between the date of sale and the date of a separate and debentuary judgment, for the full statutory period of ten months, for which it will be under obligation to pay over to the party further in interest any sum which Mortgagor may owe him at the intervention of such receiver. A Mortgagor's personal estate, wages, benefits and all such rents, issues and profits, and another power, whose beneficiary is the creditor, shall be kept for the plaintiff's use during the period and upon the demand of the plaintiff during the whole of said period. The Court may take for the use of the creditor in the receiver's hands payment in advance of the amount of the principal and interest due on the Mortgagor's indebtedness to the plaintiff, the whole of which amount, so paid, shall be deducted from the principal and interest due on the Mortgagor's indebtedness to the plaintiff.

**16. RIGHTS CUMULATIVE** Each right power of the body conferred upon the M&M project by this M&M project agreement or other documents or letters of sealing the bodies and/or award of a specific right under this M&M project agreement or otherwise expressed or implied, given now or hereinafter may be allowed to be exercised at any time, to the extent, to the extent and in the manner and otherwise as may be determined by the body or bodies, in accordance with the body's or bodies' judgment respecting the body or bodies' rights and obligations under this M&M project agreement, notwithstanding any other right power or remedy, and the body or bodies, in accordance with the M&M project agreement, shall have the right to exercise such right power or remedy, notwithstanding any other right power or remedy.

**17 MORTGAGEE'S RIGHT OF INSPECTION.** Mortgagor, its representatives and agents, at any time prior to or after the date of maturity of the Note, shall have the right to inspect the Premises at all reasonable times and to make as many copies of the documents referred to in Paragraph 16 as may be required by them for their use.

**19. RELEASE UPON PAYMENT AND DISCHARGE OF MORTGAGOR'S OBLIGATIONS.** Mortgagor shall remain in possession of the property until Mortgagor has paid all amounts due under the mortgage and the title to the property has been released to Mortgagor or to another party named in the mortgage as the owner of the property. Mortgagor shall pay all taxes, assessments, and other charges against the property and shall keep the property in good condition. Mortgagor shall not make any improvements to the property without the written consent of the Lender, and upon payment of a reasonable fee. Mortgagor shall not lease the property without the written consent of the Lender, and upon payment of a reasonable fee. Mortgagor shall not assign the property without the written consent of the Lender, and upon payment of a reasonable fee.

**20. GIVING OF NOTICE.** Any notice or other communication to be given to the other party shall be in writing and the third party may be served by delivery to the Mortgagor and to the Mortgagee at their addresses set forth on the first page hereof, and such other address as may be given by the Mortgagor to the Mortgagee, by United States Mail, postage prepaid as a parcel post service of notice, shall constitute service of notice hereunder.

**21. WAIVER OF DEFENSE** The parties hereto acknowledge that the enforcement of the terms of any arbitration hereunder shall be subject to any defense which would not be valid and available in the court of competent jurisdiction to an action at law upon the same.

**22 WAIVER OF STATUTORY RIGHTS** M.C.L. § 250.14(1) states that a waiver of statutory rights does not apply to an individual who is:

**23.2.6 Mortgagee's right to inspect any property registered by Purchaser** If the Mortgagee is not satisfied with the way in which the property is being managed, he may require the Purchaser to prepare the statement of income and expenditure for the property. If the statement of income and expenditure is not prepared by an independent Certified Public Accountant, the Purchaser must pay all expenses of the preparation of the statement of income and expenditure, and the Purchaser shall pay to the Mortgagee all amounts paid by him in respect of such statement.

**24. FILING AND RECORDING CHARGES AND TAXES.** Mortgagor will pay all filing, registration, recording and search and information fees, and all expenses incident to the recording and enforcement of the Mortgage and other proceedings, including all attorney's fees, costs, and disbursements, and all expenses of the Corporation, its agents, employees and contractors, in connection with the recordation, delivery, filing, or enforcement of the Mortgage and other documents required by law to be recorded, filed, or delivered, or otherwise to be taken.

**25 BUSINESS PURPOSE, USURY EXEMPTION** M-17 may accept, negotiate, and hold, and may be advanced by its beneficial owner, at the proceeds of any loan or advance, M-17 may now be used for the purpose specified in Paragraph 24.24.27 Chapter 17 of the 1993 Revised Statutes, and the right to use the obligation secured hereby, and to have it enforced, in whole or in part, with the prior view and operation of said Revised Statutes.

**26. MISCELLANEOUS Binding Nature.** This Mortgage and its provisions hereof shall extend to and be binding upon the original Mortgagor named on Page 1 hereof and to all successors, assigns, heirs, devisees, legatees, donees, Owners of title, lessees, persons claiming under or through Mortgagor and the wife of Mortgagor, whomsoever, for the benefit of persons, including partners, and accountably liable for the payment of the debt, in every part thereof, whether or not such persons shall have succeeded the holder of the Mortgage and shall also include any beneficiary of Mortgagor or his heirs.

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**26.1 Release of Previous Holder.** The word "Mortgagor," when used herein shall include the successors and assigns of the original Mortgagee named on Page 1 hereof, and the holder or holders, from time to time, of the Note, Note when ever the Note is sold. Each prior holder shall be automatically freed and released, on and after the date of such sale, of all liability with respect to the performance of each covenant and obligation of Mortgagor hereunder thereafter to be performed, provided that any monies in which the Mortgagor has an interest, which monies are then held by the seller of the Note, are turned over to the purchaser of the Note.

**26.2 Severability and Applicable Law.** In the event one or more of the provisions contained in the Mortgage or in the Note or in any other document given at any time to secure the payment of the Note shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of the Mortgagee, not affect any other provision of this Mortgage, the Note or other document and this Mortgage, the Note or other document shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therin. The validity and interpretation of this Mortgage and the Note it secures are to be construed in accordance with and governed by the laws of the State in which the Premises are situated.

**26.3 Governmental Compliance.** Mortgagor shall not by act or omission permit any lands or improvements not subject to the lien of the Mortgage to include the Premises or any part thereof in fulfillment of any governmental requirement, and Mortgagor hereby assigns to Mortgagee any and all rights to give consent for any or all portion of the Premises to be so used. Similarly no lands or improvements comprising the Premises shall be included with any lands or improvements not subject to the lien of this Mortgage in fulfillment of any governmental requirement. Mortgagor shall not by act or omission impair the integrity of the Premises as a single zoning lot separate and apart from all other premises. Any act or omission by Mortgagor which would result in a violation of any of the provisions of this paragraph shall be void.

**26.4 Estoppel Certificate.** Mortgagor, within fifteen (15) days after mailing of a written request by the Mortgagee, agrees to furnish from time to time a signed statement setting forth the amount of the Indebtedness and whether or not any default, offset or defense then is alleged to exist against the Indebtedness and, if so, specifying the nature thereof.

**26.5 Non-Joinder of Tenant.** After an event of default, Mortgagor shall have the right and option, to commence a civil action to foreclose the lien of this Mortgage and to obtain an order or judgment of foreclosure and sale subject to the rights of any tenant or tenants of the Premises. The failure to join any tenant or tenants of the Premises as party defendant or defendants in any such civil action or the failure of any such order or judgment to foreclose their rights shall not be asserted by the Mortgagor as a defense in any civil action instituted to collect the Indebtedness secured hereby, or any part thereof or any deficiency remaining unpaid after foreclosure and sale of the Premises, any statute or rule of law at any time existing to the contrary notwithstanding.

**26.6 Evasion of Prepayment Premium.** If maturity of the Indebtedness is accelerated by the Mortgagor because of an event of default, as herein provided, and a tender of payments made by or on behalf of the Mortgagor in an amount less than to satisfy the Indebtedness at any time prior to judicial confirmation of foreclosure sale, such tender shall constitute an evasion of the prepayment premium provided for in the Note, if any, and shall be treated as a prepayment thereunder. Any such tender must therefore include the prepayment premium, if any, required under the Note; or if at that time there is no prepayment privilege provided for in the Note, then such payment will include a prepayment premium of two per cent (2%) of the then unpaid principal balance of the Note.

**27 SECURITY AGREEMENT AND FINANCING STATEMENT.** Mortgagor and Mortgagee agree: (i) that this Mortgage shall constitute a Security Agreement within the meaning of the Uniform Commercial Code (the "Code") of the State in which the Premises are located with respect to all sums on deposit with the Mortgagee pursuant to Paragraph 6 and 18 hereof ("Deposits") and will respect to any property included in the definition herein of the word "Premises," which property may not be deposited to form a part of the real estate described in EXHIBIT "A" or may not constitute a "fixture" (within the meaning of Section 9-313 of the Code); and all replacements of such property, substitutions for such property, additions to such property, books and records relating to the Premises and operation thereof and the proceeds thereof (aid property, replacements, substitutions, additions and the proceeds thereof being sometimes herein collectively referred to as the "Collateral"); and (ii) that a security interest in aid to the Collateral and the Deposits is hereby granted to the Mortgagee; and (iii) that the Deposits and all of Mortgagor's right, title and interest therein are hereby assigned to the Mortgagee, all to secure payment of the Indebtedness and to obtain performance by the Mortgagor of the covenants and provisions hereof.

In the event of a default under this Mortgage, the Mortgagee, pursuant to the appropriate provisions of the Code, shall have an option to proceed with respect to both the real property and Collateral in accordance with its rights, powers and remedies with respect to the real property, in which event the default provisions of the Code shall not apply. The parties agree that, if the Mortgagor shall elect to proceed with respect to the Collateral separately from the real property, five (5) days notice of the sale of the Collateral shall be reasonable notice. The reasonable expenses of retaking, holding, preparing for sale, selling and the like incurred by the Mortgagee shall include, but not be limited to, reasonable attorneys' fees and legal expenses incurred by Mortgagee including in house staff. The Mortgagors agree that, without the written consent of the Mortgagee, the Mortgagor will not remove or permit to be removed from the Premises any of the Collateral except that so long as the Mortgagor is not in default hereunder, Mortgagor shall be permitted to sell or otherwise dispose of the Collateral when obsolete, worn out, inadequate, unserviceable or unnecessary for use in the operation of the Premises, but only upon replacing the same or substituting for the same other Collateral at least equal in value and utility to the initial value and utility of that disposed of and in such a manner that said replacement or substituted Collateral shall be subject to the security interest created hereby and that the security interest of the Mortgagee shall be perfected and first in priority, it being expressly understood and agreed that all replacements, substitutions and additions to the Collateral shall be and become immediately subject to the security interest of the Mortgagee and covered hereby. The Mortgagor shall, from time to time, on request of the Mortgagee, deliver to the Mortgagee at the cost of the Mortgagor, (a) such further financing statements and security documents and assurances as Mortgagee may require, to the end that the liens and security interests created hereby shall be and remain perfected and protected in accordance with the requirements of any present or future law, and (b) an inventory of the Collateral in reasonable detail. The Mortgagor covenants and represents that all Collateral now is, and that all replacements thereof, substitutions therefor or additions thereto, unless the Mortgagee otherwise consents, will be free and clear of liens, encumbrances, title retention devices and security interests of others.

The Mortgagor and Mortgagee agree to the extent permitted by law that: (i) all of the goods described within the definition of the word "Premises" herein are or are to become fixtures on the land described in EXHIBIT "A"; (ii) this instrument, upon recording or registration in the real estate records of the proper office, shall constitute a "fixture filing" within the meaning of Sections 9-313 and 9-402 of the Code; and (iii) Mortgagor is a record owner of the land described in EXHIBIT "A".

If the Collateral is sold in connection with a sale of the Premises, Mortgagor shall notify the Mortgagee prior to such sale and shall require as a condition of such sale that the purchaser specifically agree to assume Mortgagor's obligations as to the security interests herein granted and to execute whatever agreements and filings are deemed necessary by the Mortgagee to maintain Mortgagee's first perfected security interest in the Collateral, Deposits and the deposits described in Paragraph 4 above.

**28. LIEN FOR LOAN COMMISSIONS, SERVICE CHARGES AND THE LIKE.** So long as the original Mortgagee named on Page 1 hereof is the owner of the Note, and regardless of whether any proceeds of the loan evidenced by the Note have been disbursed, this Mortgage also secures the payment of all loan commissions, service charges, fees to its attorneys (including in house staff), liquidated damages, expenses and advances due and/or incurred by the Mortgagee in connection with the loan transaction intended to be secured hereby, all in accordance with the application of, and plan commitment issued to and accepted by, one or more of Mortgagor or Mortgagee's beneficiaries in connection with said loan, if applicable.

**29. DUE ON SALE OR FURTHER ENCUMBRANCE CLAUSE.** In determining whether or not to make the loan secured hereby, Mortgagor examined the credit worthiness of Mortgagor and/or Mortgagor's beneficiary or guarantor(s) (if applicable) found the same to be acceptable and relied and continues to rely upon same as the means of repayment of the loan. Mortgagee also evaluated the background and experience of Mortgagor and/or its beneficiary or guarantor (if applicable) in owning and operating property such as the Premises, found the same to be acceptable and relied and continues to rely upon same as the means of maintaining the value of the Premises which is Mortgagee's security for the loan. It is recognized that Mortgagee is entitled to keep its loan portfolio at current interest rates by either making new loans at such rates or collecting assumption fees and/or increasing the interest rate on a loan the security for which is purchased by a party other than the original Mortgagor and/or its beneficiary (if applicable). Mortgagor and/or its beneficiary (if applicable) further recognize that any secondary or junior financing placed upon the Premises, or the beneficial interest of beneficiary in Mortgagor (a) may divert funds which would otherwise be used to pay the Note secured hereby; (b) could result in acceleration and foreclosure by any such junior encumbrancer which would force Mortgagee to take measures and incur expenses to protect its security; (c) would detract from the value of the Premises should Mortgagee come into possession thereof with the intention of selling same; and (d) impair Mortgagee's right to accept a deed in lieu of foreclosure, as a foreclosure by Mortgagee would be necessary to clear the title to the Premises.

In accordance with the foregoing and for the purposes of (i) protecting Mortgagee's security, both of repayment by the Indebtedness and of value of the Premises; (ii) giving Mortgagee the full benefit of its bargain and contract with Mortgagor and/or beneficiary (if applicable) and Mortgagor, (iii) allowing Mortgagee to raise the interest rate and/or collect assumption fees; and (iv) keeping the Premises and the beneficial interest (if applicable) free of subordinate financing liens, beneficiary (if appropriate) and Mortgagor agree that if this Paragraph be deemed a restraint on alienation, that it

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is a reasonable one and that any sale, conveyance, assignment, further encumbrance or other transfer of title to the Premises or any interest therein (whether voluntary or by operation of law) which the Mortgagee may now or hereafter have shall be an event of default hereunder. For the purposes of this sentence and without limiting the generality of the preceding sentence, the occurrence at any time of any of the following events shall be deemed to be an impermissible transfer of title to the Premises, and therefore an event of default hereunder:

- (a) any sale, conveyance, assignment or other transfer of, or the grant of a security interest in, any part of the title to the Premises or the beneficial interest or power of direction under the trust agreement to the Mortgagor if applicable;

(b) any sale, conveyance, assignment or other transfer of, or the grant of a security interest in, any share of any class of stock of the Mortgagor, if an corporation or the corporation which is the beneficiary of one of the beneficiaries under the trust agreement with the Mortgagor, or of any corporation directly or indirectly controlling such beneficiary corporation;

(c) any sale, conveyance, assignment or other transfer of, or the grant of a security interest in, any general partnership interest of the trust, partnership or general partnership herein called the "Partnership," if which is the Mortgagor or the beneficiary of one of the beneficiaries under the trust agreement with the Mortgagor;

(d) any sale, conveyance, assignment or other transfer of, or the grant of a security interest in, any share of stock of any corporation directly or indirectly controlling the Partnership.

Any consent by the Mortgagor to any waiver, amendment or modification of any right, condition or limitation contained in any of the documents referred to in paragraph 1 of this Schedule shall not constitute a consent to or waiver of any right, remedy or power of the Mortgagee notwithstanding any event of default for the Principal.

**30 HAZARDOUS MATERIALS** Not applicable. It is hereby agreed that neither the甲方 (Party A) nor the乙方 (Party B) represents, warrants or covenants that Moctha or its employees, contractors, subcontractors, agents, officers, directors, shareholders, partners, managers, or any other person who may be involved in the performance of the Project, will be engaged in the handling, storage, transportation, treatment, disposal, or release of any hazardous materials.

Inhalts-

**31. REVOLVING CREDIT.** In the event that the box is checked to signify that this Note is a participation revolving credit note, the Mortgagee shall secure not only the existing indebtedness, but also such future advances as, whether by draw or otherwise, may be made at the option of the Mortgagor, or otherwise, as are made within twenty years from the date hereof, to the same extent as such future advances were made on the date of execution of the Mortgage, although there may be no advance made at the time of execution of this Mortgage; and although there may be no payable four days after any of the foregoing advances are made. The total amount of indebtedness then so secured and hereby may increase and decrease from time to time, but the total unpaid balance does not exceed at any one time the principal amount of the Note, plus interest thereon and any disbursements made for the payment of taxes, special assessments, or amounts due on the Premises, without interest on such debts otherwise.

**32 EXCULPATORY.** In the event the Mortgagor dies after the Mortgage is delivered and paid, the Mortgagee agrees, and by the Mortgagor he agrees personally but as Trustee aforesaid and by the exercise of his power and authority, to execute the instrument and the instrument so executed by the Mortgagor bears a warranty that it personates the power and authority to execute the instrument and this instrument is so executed and agreed that nothing contained herein or in the Note shall be construed as creating any liability on the Mortgagee personally to pay the Note or any interest thereon or of premium that may accrue thereon or any indebtedness, secured by the Mortgage, or to perform any duty and all obligations imposed hereon are limited, all in full, to the extent that, if any, being expressly waived by Mortgagor and by every person now or hereafter claiming any right or security hereinunder and that such said Mortgagor is personally concerned, the legal holder or holders of the Note and the owner or owners of any indebtedness secured thereby shall look solely to the Premises and Collateral hereby mortgaged, converted and assigned and to any other security given at any time to secure the payment thereof.

IN WITNESS WHEREOF, the Mortgagor has executed this instrument as of the day and year first above written.

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## PARTNERSHIP/JOINT VENTURE:

(name of partnership or joint venture)

a \_\_\_\_\_ partnership.  
(state) (limited/general)

a \_\_\_\_\_ joint venture

By \_\_\_\_\_

Its \_\_\_\_\_

## LAND TRUST:

as Trustee under Agreement dated \_\_\_\_\_, 19\_\_\_\_\_, and known as  
Trust No \_\_\_\_\_, and not personally.

By \_\_\_\_\_  
Its \_\_\_\_\_

## CORPORATION:

a \_\_\_\_\_ corporation  
(state)

By \_\_\_\_\_  
Its \_\_\_\_\_

## INDIVIDUALS:

George B. Martin  
George B. Martin

Laurie K. Martin  
Laurie K. Martin

ATTEST.

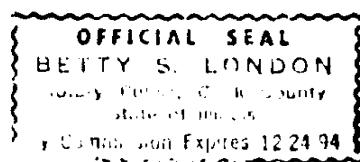
92-326526

By \_\_\_\_\_

STATE OF Illinois  
COUNTY OF Cook } ss

I, Betty S. London, a Notary Public in and for and residing in the said County, in the State aforesaid, do hereby certify that George B. Martin and Laurie K. Martin, personally known to me to be the same person(s) whose name(s) (is/are) subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that (s)he (they) signed, sealed and delivered the said instrument as (her/his/their) free and voluntary act, for the uses and purposes and in the capacity (if any) therein set forth.

GIVEN under my hand and notary seal this 5th day of January, 1992.



Betty S. London

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## EXHIBIT "A"

West 20 feet of LOT ELEVEN ----- (11)  
LOT TWELVE (except the West 30 feet thereof) ----- (12)

In Block Four (4), in Lake Shore Addition to Wilmette, being a  
Subdivision of the Southeasterly 160 acres of the North Section  
Wilmette Reservation.

05-35-109-013

242 GREENLEAF AVE WILMETTE

SEARCHED  
INDEXED  
SERIALIZED  
FILED