



92636756

UNOFFICIAL COPY

Mortgage

THIS MORTGAGE is made on May 27 19 92

Larry J. Scales
1042 Florence Street, Lemont, Illinois 60439
NBD Bank Woodridge
7501 Lemont Road, Woodridge, Illinois 60517

The Mortgagor MORTGAGES, CONVEYS AND WARRANTS to the Mortgagee real property and all the buildings, structures and improvements on it described as:

Land located in the City of Lemont Cook State of Illinois:

Lot 22 in Essick Terrace addition to Lemont, a subdivision of the West 695 feet of the South 1/2 of the North 1/2 of the East 1/2 of the Southwest 1/4 of section 29, township 37 North, range 11, East of the third principal meridian, in Cook County, Illinois

DEPT-91 RECORDINGS \$27.50
TRAN 3687 08/27/92 12:24:00
#1315 # *-92-634756
COOK COUNTY RECORDER

1042 Florence Street
22-29-311-008-0000

The Premises shall also include all of the Mortgagor's right, title and interest in and to the following:

- (1) All easements, rights-of-way, licenses, privileges and benefittedments.
(2) Land lying in the bed of any road, or the like, opened, proposed or vacated, or any strip or gore, adjoining the Premises.
(3) All machinery, apparatus, equipment, fittings, fixtures, and articles of personal property of every kind and nature whatsoever located now or in the future in or upon the Premises and used or useable in connection with any present or future operation of the Premises...

The Premises are unencumbered except as follows: None

Permitted Encumbrance: If the Premises are encumbered by Permitted Encumbrances, the Mortgagor shall perform all obligations and make all payments as required by the Permitted Encumbrances.

This Mortgage secures the indebtedness or obligation evidenced by:

- (i) The note(s) dated in the principal amount(s) of executed and delivered by to the Mortgagee with interest at the per annum rate of percent on the principal balance remaining from time to time unpaid. Interest after default or maturity of the note, whether by acceleration or otherwise, on the principal balance of the note remaining from time to time unpaid shall be at the per annum rate of percent and
(ii) the guaranty of the debt of Paramount Plastics, Inc. dated May 27, 1992 executed and delivered by Mortgagor to the Mortgagee; and
(iii)

LIMITATION ON AMOUNT SECURED BY MORTGAGE. Notwithstanding anything to the contrary contained in this Mortgage, the amount secured by this Mortgage shall not exceed the principal sum of \$ 228,000.00 at any one time outstanding.

FUTURE ADVANCES AND CROSS-LIEN: The Debt shall also include all other present and future, direct and indirect obligations and liabilities of the Mortgagor, or any one or more of them, with or without other, to the Mortgagee.

This Mortgage shall also secure the performance of the promises and agreements contained in this Mortgage.

The Mortgagor promises and agrees as follows:

1. PAYMENT OF DEBT; PERFORMANCE OF OBLIGATIONS. The Mortgagor shall promptly pay when due, whether by acceleration or otherwise, the Debt for which the Mortgagor is liable, and shall promptly perform all obligations to which the Mortgagor has agreed under the terms of this Mortgage and any loan documents evidencing the Debt.

2. TAXES. The Mortgagor shall pay, when due, and before any interest, collection fees or penalties shall accrue, all taxes, assessments, fines, impositions, and other charges which may become a lien prior to this Mortgage.

the Mortgagor. Upon the request of the Mortgagee, the Mortgagor shall immediately furnish to the Mortgagee all notices of amounts due and receipts evidencing payment. The Mortgagor shall promptly notify the Mortgagee of any lien on all or any part of the Premises and shall promptly discharge any unpermitted lien or encumbrance.

CHANGE IN TAXES. In the event of the passage of any law or regulation, state, federal or municipal, subsequent to the date of this Mortgage in any manner changing or modifying the laws now in force governing the taxation of mortgages or debts secured by mortgages, or the manner of collecting such taxes, the entire principal secured by this Mortgage and all interest accrued shall become due and payable immediately at the option of the Mortgagee.

INSURANCE. Until the Debt is fully paid, the Mortgagor shall keep the Premises and the present and future buildings and other improvements on the Premises constantly insured for the benefit of the Mortgagee against fire and such other hazards and risks customarily covered by the standard form of extended coverage endorsement available in the State of Illinois, including risks of vandalism and malicious mischief, and shall further provide flood insurance (if the Premises are situated in an area designated as a flood risk area by the Director of the Federal Emergency Management Agency or as otherwise required by the Flood Disaster Protection Act of 1973 and regulations issued under it).

\$27.50

UNOFFICIAL COPY

Notary Public

My Commission Expires:

Given under my hand and notarial seal, this _____ day of _____, 19____

(association), as Trustee, for the uses and purposes therein set forth. I did also then and there acknowledge that he, as custodian of the corporate seal of said (association), affixed the said corporate seal

acknowledged that they signed and delivered the said instrument as their own free and voluntary acts, and as the free and voluntary act of said (corporation) and such _____ and _____ personally known to me to be the same persons whose names are subscribed to the foregoing instrument as _____ (corporation) and _____ of _____ a Notary Public in and for said County, in the State aforesaid, do hereby certify that

State of Illinois

County of _____

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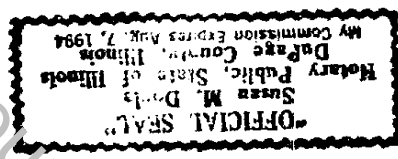
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9/11/94

Property of Cook County Clerk

and such other appropriate insurance as the Mortgagee may determine from time to time. All insurance policies and renewals... provide for payment to the Mortgagee in the event of loss, must require 30 days notice to the Mortgagee in the event of nonrenewal or cancellation, and must be delivered to the Mortgagee within thirty (30) days prior to their respective effective dates.

5. RESERVES FOR TAXES AND INSURANCE. Mortgagee shall, if requested by Mortgagee, pay to Mortgagee, at the time of and in addition to the monthly installments of principal and of interest due under the Debt a sum equal to one-twelfth (1/12) of (a) the amount estimated by Mortgagee to be sufficient to enable Mortgagee to pay at least thirty (30) days before they become due and payable, all taxes, assessments and other similar charges levied against the Premises, and (b) the amount of the annual premiums on any policies of insurance required to be carried by Mortgagee.

6. WASTE. The Mortgagee shall keep the Premises in good repair, shall not commit or permit waste on the Premises nor do any other act causing the Premises to become less valuable. Non-payment of taxes and cancellation of insurance shall each constitute waste.

7. ALTERATIONS, REMOVAL. No building, structure, improvement, fixture or personal property constituting any part of the Premises shall be removed, demolished or substantially altered without the prior written consent of the Mortgagee.

8. PAYMENT OF OTHER OBLIGATIONS. The Mortgagee shall also pay all other obligations which may become liens or charges against the Premises for any present or future repairs or improvements made on the Premises, or for any other goods, services, or utilities furnished to the Premises and shall not permit any lien or charge of any kind secure the repayment of borrowed funds.

9. ASSIGNMENT OF LEASES AND RENTS. Further, Mortgagee does hereby pledge and assign to Mortgagee, all leases, written or verbal, rents, issues and profits of the Premises, including without limitation, all rents, issues, profits, revenues, royalties, bonuses, rights and benefits due, payable or accruing, and all deposits of money as advance rent or for security under any and all present and future leases of the Premises, together with the right, but not the obligation, to collect, receive, demand, sue for and recover the same when due or payable.

10. ASSIGNMENT OF INTEREST AS TENANT OR PURCHASER. If the Mortgagee's interest in the Premises is that of a tenant or a purchaser, the Mortgagee also assigns, mortgages and warrants to the Mortgagee, as additional security for the Debt, all of the Mortgagee's right, title and interest in and to any leases, land contracts or other agreements by which the Mortgagee is leasing or purchasing any part of all of the Premises, including all obligations, renewals and extensions and all of the Mortgagee's right, title or interest in any purchase options contained in any lease or other agreement.

If the Mortgagee defaults in the payment of any installment of rent, principal, interest or in the payment or performance of any other obligation under the lease, land contract or other agreement, the Mortgagee shall have the right, but not the obligation, to pay the installment or installments and to pay or perform the other obligations on behalf of and at the expense of the Mortgagee.

may rely on the notice as a basis to take any action it deems necessary or reasonable to protect itself from the Mortgagee or questions or denies the existence or nature of the default.

11. SECURITY AGREEMENT. This Mortgage also constitutes a security agreement within the meaning of the Illinois Uniform Commercial Code ("UCC") and Mortgagee grants to Mortgagee a security interest in any Equipment and other personal property included within the definition of Premises. Accordingly, Mortgagee shall have all of the rights and remedies available to a secured party under the UCC. Upon the occurrence of an event of default under this Mortgage, the Mortgagee shall have in addition to the remedies provided by this Mortgage, the right to use any method of disposition or collateral authorized by the UCC with respect to any portion of the Premises subject to the UCC.

12. REIMBURSEMENT OF ADVANCES. If Mortgagee fails to perform any of its obligations under this Mortgage, or if any action or proceeding is commenced which materially affects Mortgagee's interest in the Premises (including but not limited to a lien priority dispute, eminent domain, code enforcement, insolvency, bankruptcy or probate proceedings), then Mortgagee at its sole option may make appearances, disburse sums and take any action it deems necessary to protect its interest (including but not limited to disbursement of reasonable attorneys' and paralegals' fees and entry upon the Premises to make repairs). Any amounts disbursed shall become additional Debt, shall be immediately due and payable upon notice from the Mortgagee to the Mortgagee, and shall bear interest at the highest rate permitted under any of the instruments evidencing any of the Debt.

13. DUE ON TRANSFER. Notwithstanding any other provisions of this Mortgage, no sale, lease, mortgage, trust deed, grant by Mortgagee of an encumbrance of any kind, conveyance, transfer of occupancy or possession, contract to sell, or transfer of the Premises, or any part thereof, or sale or transfer of ownership of any beneficial interest or power of direction in a land trust which holds title to the Premises, shall be made without the prior written consent of Mortgagee.

14. NO ADDITIONAL LIEN. Mortgagee covenants not to execute any mortgage, security agreement, assignment of leases and rentals or other agreement granting a lien against the interest of Mortgagee in the Premises without the prior written consent of Mortgagee, and then only when the document granting that lien expressly provides that it shall be subject to the lien of this Mortgage for the full amount secured by this Mortgage and shall also be subject and subordinate to any then existing or future leases affecting the Premises.

15. EMINENT DOMAIN. Notwithstanding any taking under the power of eminent domain, alteration of the grade of any road, alley, or the like, or other injury or damage to or decrease in value of the Premises by any public or quasi-public authority or corporation, the Mortgagee shall continue to pay the Debt in accordance with the terms of the underlying loan documents until any award or payment shall have been actually received by Mortgagee. By executing this Mortgage, the Mortgagee assigns the entire proceeds of any award or payment and any interest to the Mortgagee. The proceeds shall be applied first toward reimbursement of all costs and expenses of the Mortgagee, including reasonable attorneys' and paralegals' fees of the Mortgagee in collecting the proceeds and then toward payment of the Debt whether or not then due or payable, or the Mortgagee at its option may apply the proceeds, or any part to the alteration, restoration or rebuilding of the Premises.

16. HAZARDOUS WASTE. The Mortgagee represents and warrants to the Mortgagee that (a) the Mortgagee has not used Hazardous Materials (as defined below), on, from or affecting the Premises in any manner which violates any Governmental Regulation (as defined below) governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials and, to the best of the Mortgagee's knowledge, no prior owner of the Premises or any existing or prior tenant, or occupant has used Hazardous Materials on, from or affecting the Premises in any manner which violates any Governmental Regulation governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials; (b) the Mortgagee has never received any notice of any violations (and is not aware of any existing violations) of any Governmental Regulation governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials at the Premises and, to the best of the Mortgagee's knowledge, there have been no actions commenced or threatened by any party for non-compliance which affects the Premises; (c) Mortgagee shall keep or cause the Premises to be kept free of Hazardous Materials except to the extent that such Hazardous Materials are stored and or used in compliance with all applicable Governmental Regulations; and, without limiting the foregoing, Mortgagee shall not cause or permit the Premises to be used to generate, manufacture, refine, transport, treat, store, handle, dispose of, transfer, produce, or process Hazardous Materials, except in compliance with all applicable Governmental Regulations, nor shall Mortgagee cause or permit, as a result of any intentional or unintentional act or omission on the part of Mortgagee or any tenant, subtenant or occupant, a release, spill, leak or emission of Hazardous Materials onto the Premises or onto any other contiguous property; (d) the Mortgagee shall conduct and complete all investigations, including a comprehensive environmental audit, studies, sampling, and testing, and all remedial, removal and other actions necessary to clean up and remove all Hazardous Materials on, under, from or affecting the Premises as required by all applicable Governmental Regulations to the satisfaction of the Mortgagee, and in accordance with the orders and directives of all federal, state and local governmental authorities; and (e) the Mortgagee represents and warrants that there are no underground storage tanks on the Premises or as reasonably can be ascertainable on property adjacent to, or in close proximity to the Premises. If the Mortgagee fails to conduct an environmental audit required by governmental authorities or the Mortgagee, then the Mortgagee may at its option and at the expense of the Mortgagee, conduct such audit. Any such audit conducted by Mortgagee shall be conducted solely for the benefit of and to protect the interests of Mortgagee and shall not be relied upon by Mortgagee or any third party for any purpose whatsoever, including, but not limited to Mortgagee's or any third party's obligation, if any, to conduct an independent environmental investigation of its own. By conducting any such audit, Mortgagee does not assume any control over the environmental affairs or operations of Mortgagee nor assume any obligation or liability to Mortgagee or any third party.

Subject to the limitations set forth below, the Mortgagee shall defend, indemnify and hold harmless the Mortgagee, its employees, agents, officers and directors, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs or expenses, including, without limitation, attorneys' and paralegals' fees, investigation and laboratory fees, court costs and litigation expenses, known or unknown, contingent or otherwise, arising out of or in any way related to (a)

18. REMEDIES UPON BREACH. Upon the occurrence of any of the events...

19. REPRESENTATIONS. If the Mortgagee is a corporation, it represents that...

20. NOTICES. Notice from one party to another relating to this Mortgage shall...

21. EVENTS OF DEFAULT/ACCELERATION. Upon the occurrence of any of the following, the Mortgagee shall be entitled to exercise its remedies...

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