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THIS INSTRUMENT PREPARED BY:

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COOK COUNTY RECORDER

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JUNIOR
MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on September 23, 1992. The mortgagor is TERRENCE S. FRIEDMAN, a single person owner ("Borrower"). This Security Instrument is given to CFF, INC., d/b/a COMMERCIAL FACTORS OF CHICAGO which is organized and existing under the laws of California, and whose address is 6300 North River Road, Rosemont, Illinois. Borrower owes Lender the principal sum of THREE HUNDRED FIFTY THOUSAND AND 00/100 Dollars (U.S. \$ 350,000.00). This debt is evidenced by Borrower's Security Agreement dated January 14, 1991. This Security Instrument provides for monthly payments, with the full debt, if not paid earlier, due and payable on January 14, 1993. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property located in Cook County, Illinois:

Lot Seven (7) in Block One (1) in Northbrook Park, a Subdivision of the North Half of Lots One (1) and Two (2) and the North East Quarter of Lot Three (3) in School Trustees' Subdivision of Section Sixteen (16), Township Forty Two (42) North, Range Twelve (12), East of the Third Principal Meridian, according to the plat recorded April 25, 1946, as Document 13777492, in Cook County, Illinois.

PIN No.: 04-16-215-006

*Borrower is COMMUNICALL, INC., an Illinois corporation. This instrument is executed by Owner as additional security for that certain Security Agreement dated January 14, 1991 and all amendments thereto executed by Borrower in favor of Lender in the principal amount of \$350,000.00.

**Subject to automatic six (6) month renewal options as set forth in Security Agreement unless sooner terminated.

which has the address of 2096 Woodlawn Road, Northbrook
[Street] [City]
Illinois 60062 ("Property Address");
[Zip Code]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

OWNER Covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

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UNIFORM COVENANTS, Conditions and General covenants and agree as follows:

1. ~~Payment of Principal and Interest, Prepayment and Late Charges.~~ Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

2. ~~Funds for Taxes and Insurance.~~ Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") equal to one-twelfth of: (a) yearly taxes and assessments which may attain priority over this Security Instrument; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard insurance premiums, and (d) yearly mortgage insurance premiums, if any. These items are called "escrow items." Lender may estimate the Funds due on the basis of current data and reasonable estimates of future escrow items.

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay the escrow items. Lender may not charge for holding and applying the Funds, analyzing the account or verifying the escrow items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing that interest shall be paid on the Funds. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Security Instrument.

If the amount of the Funds held by Lender, together with the future monthly payments of Funds payable prior to the due dates of the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly payments of Funds. If the amount of the Funds held by Lender is not sufficient to pay the escrow items when due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as required by Lender.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 19 the Property is sold or acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Security Instrument.

3. ~~Application of Payments.~~ Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied, first, to late charges due under the Note; second, to prepayment charges due under the Note; third, to amounts payable under paragraph 2; fourth, to interest due; and last, to principal due.

4. ~~Charges; Liens.~~ Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

5. ~~Hazard Insurance.~~ Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 19 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

6. ~~Preservation and Maintenance of Property; Leaseholds.~~ Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

7. ~~Protection of Lender's Rights in the Property; Mortgage Insurance.~~ If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

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~~If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.~~

8. **Inspection.** Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give ~~Borrower~~ ^{Owner} notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

9. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to ~~Borrower~~ ^{Owner}. In the event of a partial taking of the Property, unless ~~Borrower~~ ^{Owner} and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to ~~Borrower~~ ^{Owner}.

If the Property is abandoned by ~~Borrower~~ ^{Owner}, or if, after notice by Lender to ~~Borrower~~ ^{Owner} that the condemnor offers to make an award or settle a claim for damages, ~~Borrower~~ ^{Owner} fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

~~Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.~~

10. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

11. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and ~~Borrower~~ ^{Owner}, subject to the provisions of paragraph 17. ~~Borrower's~~ ^{Owner's} covenants and agreements shall be joint and several. Any ~~Borrower~~ ^{Owner} who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that ~~Borrower's~~ ^{Owner's} interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that ~~Borrower's~~ ^{Owner's} consent.

12. **Loan Charges.** If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

13. **Legislation Affecting Lender's Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Security Instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 19. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 17.

14. **Notices.** Any notice to ~~Borrower~~ ^{Owner} provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address ~~Borrower~~ ^{Owner} designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to ~~Borrower~~ ^{Owner}. Any notice provided for in this Security Instrument shall be deemed to have been given to ~~Borrower~~ ^{Owner} or Lender when given as provided in this paragraph.

15. **Governing Law; Severability.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Security Instrument Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Security Instrument Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Security Instrument Note are declared to be severable. ^{Owner}

16. **Borrower's Copy.** ~~Borrower shall be given one conformed copy of the Note and of this Security Instrument.~~

17. **Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in ~~Borrower~~ ^{Owner} is sold or transferred and ~~Borrower~~ ^{Owner} is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument. ^{and Owner}

If Lender exercises this option, Lender shall give ~~Borrower~~ ^{Owner} notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on ~~Borrower~~ ^{Owner} or ^{Owner}.

18. **Borrower's Right to Reinstate.** If ~~Borrower~~ ^{Owner} meets certain conditions, ~~Borrower~~ ^{Owner} shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that ~~Borrower~~ ^{Owner}: (a) pays Lender all sums which then would be due under this Security Instrument and the ~~Note~~ ^{Security Agreement} had no acceleration occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by ~~Borrower~~ ^{Owner}, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraphs 13 or 17.

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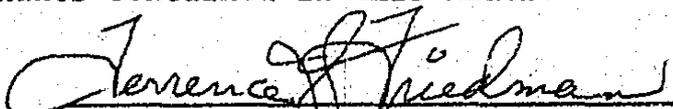
This Rider is made this 23rd day of September, 1992 and is incorporated into and shall be deemed to amend and supplement the Junior Mortgage (the "Security Instrument") of the same date given by the undersigned TERRENCE S. FRIEDMAN (the "Owner") as additional security to secure that certain obligation of COMMUNICALL, INC., an Illinois corporation, in favor of CFF, INC., d/b/a COMMERCIAL FACTORS OF CHICAGO (the "Lender").

1. Pre-existing Debt. For and in consideration of Lender granting to COMMUNICALL, INC., an Illinois corporation, additional credit facilities pursuant to that certain Security Agreement entered into by and between COMMUNICALL, INC. and Lender on or about January 14, 1991, including all amendments thereto, the undersigned as Owner of the property described in the Junior Mortgage grants to the Lender a continuing security interest in and to said property as additional security to secure the obligations and undertakings of COMMUNICALL, INC. as set forth in that certain Security Agreement executed by and between COMMUNICALL, INC. and Lender.

2. Business Purpose. Owner acknowledges, warrants, and represents that the indebtedness secured by this Security Instrument is a business loan within the purview and the intent of the Illinois Interest Act (Ill. Rev. Stat. Chapter 17, Paragraph 6404) notwithstanding the fact that the property secured hereby is the personal residence of Owner. The security interest created hereby is made by Owner freely and voluntarily as an accommodation to COMMUNICALL, INC., an Illinois corporation, to facilitate additional credit being made available to COMMUNICALL INC. by Lender.

3. Prior Encumbrances. Owner represents and warrants that he shall pay all prior encumbrances together with any and all interest accrued thereon with respect to the property secured hereby at the time or times when same shall become due and payable. The indebtedness due under any prior encumbrance or encumbrances shall not at any time exceed the sum of ONE HUNDRED FORTY THOUSAND AND 00/100 DOLLARS (\$140,000.00).

By signing below, the undersigned states that he has read the above and foregoing Rider to the Junior Mortgage and accepts and agrees to the terms and covenants contained in this Rider.


TERRENCE S. FRIEDMAN

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