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RECGRIDATION REQUESTED BY:

SUBURBAN BANK OF ROLLING MEADOWS 3250 KIRCHOFF ROAD ROLLING MEADOWS, IL 60008

WHEN RECORDED MAIL TO:

SUBURBAN BANK OF ROLLING MEADOWS 3250 KIRCHOFF ROAD ROLLING MEADOWS, IL 60008 . DEPT-01 RECHAPING

\$33.100

. T\$4444 [Phab] (51] 11/17/92 11:47:00

· \$9554: 0--02-860691

COOK COUNTY NUCCEDER

92860691

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MORTGAGE

THIS MORTGAGE IS DATED NOVEMBER 7, 1992, between James A. Hoffman and Virginia A. Hoffman, his wife, whose address is 84° Colony Lake Drive, Schaumburg, IL 60194 (referred to below as "Grantor"); and SUBURBAN BANK OF ROLLING MEADOWS, whose address is 3250 KIRCHOFF ROAD, ROLLING MEADOWS, IL 60008 (referred to below as "Lander").

GRANT OF MORTGAGE. For valuable consistantion, Grantor mortgages, warrants, and conveys to Lender all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements rights of way, and appurtenances; all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, located in Cook County, State of Introduction (the "Real Property"):

42.48

LEGAL DESCRIPTION

92960691

PARCEL I:

THE EASTERLY 52.06 FEET, AS MEASURED ALONG AND PERPENDICULAR TO THE NORTHERLY LINE, OF LOT 65 IN COLONY LAKE CLUB, UNIT NUMBER 2, BEING A SUBDIVISION OF PART OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF SECTION 16, TOWNSHIP 41 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN THE VILLAGE OF SCHAUMBURG, IN COOK COUNTY, ILLINOIS.

ALSO

PARCEL II:

EASEMENTS APPURTENANT TO AND FOR THE BENEFIT OF PARCEL I, AS SET FORTH IN THE DECLARATION OF EASEMENTS MADE BY LA SALLE NATIONAL BANK, A NATIONAL BANKING ASSOCIATION, AS TRUSTEE UNDER TRUST AGREEMENT DATED NOVEMBER 12, 1976 AND KNOWN AS TRUST NUMBER 51691 DATED JANUARY 5, 1977 AND RECORDED MARCH 23, 1977 AS DOCUMENT NUMBER 23,860,589 AND AS AMENDED BY DOCUMENT NUMBER 24,060,823 RECORDED AUGUST 16, 1977 AND AS CREATED BY INSTRUMENT DATED MAY 19, 1978 AND RECORDED JUNE 23, 1978 AS DOCUMENT NUMBER 24,503,852 OVER AND UPON PRIVATE STREET SHOWN ON PLATS OF COLONY LAKE CLUB UNIT NUMBER 1, RECORDED DECEMBER 30, 1976 AS DOCUMENT NUMBER 23,763,577 AND COLONY LAKE CLUB UNIT NUMBER 2 RECORDED JUNE 6, 1977 AS DOCUMENT 23,954,950 FOR INGRESS AND EGRESS, IN COOK COUNTY, ILLINOIS.

Related Documents. The words "Related Documents" mean and include without limitation all promissory notes, credit agreements, loan agreements, guaranties, security agreements, mortgages, deeds of trust, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS

Grantor presently assigns to Lender all of Grantor's right, title, and ribe sail in and to all leases of the Property and all Rents from the Property. In Continue Office See Attached Legal Description

Property tax identification number is 07-16-106-058. The Real Property or its address is commonly known as 848 Colony Lake Drive, Schaumburg, it. 60194. The Real

DEFINITIONS. The following words shall have the following meanings with used in this Mortgade. Terms not otherwise defined in this Mortgage shall addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

the United States of America. have the meanings attributed to such terms in the Uniform Commercial Code. At references to dollar amounts shall mean amounts in tardul money of

Existing indebteaness. The words "Existing indebteaness" mean the indebteaness decion of this

Grantor. The word "Grantor" means James A. Hoffman and Virginia A. Hoffman. The Grantor is the morigagor under this Morigage.

connection with the indebtedness. Guarantor. The word "Guarantor" means and includes without limitation, each and all of the Gravantors, surelies, and accommodation parties in

structures, mobile homes affixed on the Real Property, facilities, additions and otner construction on "i.e Psal Property. improvements. The word "Improvements' means and includes vithout limitation all existing and future improvements, hithure, cuitdings,

เมเคเอรเ ou ancu ซนเงกนเล ซล btoxigeg เม เมเล เพงน์นิซิซิติ Lender to discharge obligations of Grantor or expenses incurred by Lender to enforce obligations of Grantor inder this Mondage, together with Indeptedness. The word "indebtedness" means all principal and interest payable under the hote and amounts expended or advanced by

Londer. The word "Lender" meens SUBURBAN BANK OF ROLLING MEADOWS, its successors and assigns. The Lander is the montgagee under

epagnoM eidt

inferest provisions relating to the Personal Property and Rents. Mortgage. The word "Mortgage" means this Mortgage between Grantor and Lender, and includes without limitation all assignments and security

substitutions for the provisiony note or agreement. The interest rate on the Note is 8.950%. The Note is payable in 60 monthly payments of \$15,000.00 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and Note, The word "Note" means the promissory note or credit agreement dated November 7, 1992, in the original principal amount of

premiums) from any sale or other disposition of the Property. and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and returnes of by Granior, and now or hereafter attached or affixed to the Real Property, together with all eccessions, parts, and additions to, all replacements of, Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned

Property. The word "Property" means collectively the Rea! Property and the Personal Property.

\$310.99. The maturity date of this Mortgage is November 12, 1997.

Related Documents. The words "Related Documents" mean and include without limitation all promissory notes, credit agreements, loan Freperty. The words "Real Property" me an the property, interests and rights described above in the "Grant of Mortgage" section.

peroarier existing, executed in connection with the indebtedness. ediceaments' dreneuties' socritità ediceaments' montdedes' queas of mat' end ell oftrei instrucionts' ediceaments end gocrinizatis' applica now or

Vriegony. Rents. The word "Rents" means all present and future rants, revenues, income, issues, royaties, and other benefits denyed from the

THIS MORTGAGE, INCLUDING THEM

MORTGAGE AND THE RELATED DOCUMENTS. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS: GIVEN TO SECURE (1) PAYMENT OF THE INDERTEDNESS AND (3) PERFORMANCE OF ALL OBLIGATIONS OF GRANTOR UNDER THIS

as they become due, and shall strictly perform all of Granioi's obligations under this Mongage. PAYMENT AND PERFORMANCE. Except as otherwise provided in this Mordgage. Grantor shall pay to Lender all amounts secured by this Mortgage

POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor agrees that Grantor's possession and use of the Property shall be governed by the

.yttegor9 ent mont strieA Possession and Use. Until in default, Grantor may remain in possession and control of and operate and manage the Property and collect the

Duty to Maintaln. Grantor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance

necessary to preserve its value.

obligation to indemnify, shall survive the payment of the Indebtt dn. ss and the satisfaction and reconveyance of the tien of this Mortgage and shall Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Mortgage, including the expenses which Lender may directly or indirectly sust in a suffer resulting from a breach of this section of the Morigage or as a consequence of any use, generation, manufacture, storage, disposal, 12% as or threatened release occurring prior to Granfor's ownership or inferest in the under any such laws, and (b) agrees to indemnify and high harmless Lender against any and all claims, losses, liabilities, damages, penalities, and releases and waives any future claims against Lender to indemnify or contribution in the event Grantor becomes liable for cleanup or other costs and wantanines contained herein are based on Unantor's due dilicence in investigating the Property for hazardous waste. Grantor neteby (a) only and shall not be construed to create any imponsibility or the part of Lender to Grantor or to any other person. The representations delemine compliance of the Property with the Mortgage. Any inspections of tests made by Lender shall be for Lender's purposes hazardous waste or substance on, chider, or about the Property to make such those tawn, requisitors, and ordinances described above. Cranici and local tawn, requirement and test as Lander may deem appropriate to the property and inspections and tests as Lander may deem appropriate to the property and inspections and tests as Lander may deem appropriate to the property of the prop hazardous waste or substance on, under, or about the Property and (ii) any such ectivity shall be conducted in compliance with all applicable lenant, contractor, agent or cities authorized uses of the Property shall use, generale, manufacture, store, treat, dispose of, or release any any person relating to such natiens; and (c) Except as previously disclosed to and acknowledged by Lender in writing. (ii) neither Grantor nor any hazardous waste of autistance by any prior owners or occupants of the Property or (ii) any actual or threatened ingebon or claims of any kind by acknowledged by Lander in writing, (i) any use, generation, marufacture, storage, treatment, disposal, release, or threatened release of any under, or about the Property; (b) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and use, generation in intecture, storage, treatment, disposal, release or threatened release of any hazardous waste or substance by any person on. and asbestos. Stantot represents and warrants to Lender that: (a) During the period of Grantot's ownership of the Property, there has been no "hazardous wage" and "hazardous substance" shall also include, without limitation, petroleum and petroleum by-products or any faction thereof Section 6901, at seq., or other applicable state or Federal laws, rules, or regulations adopted pursuant to any of the foregoing. The terms ("SARA"), the Hazardous Materials Transportation Act. 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act. 49 U.S.C. emended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-493 Mortgage, shall have the same meanings as set forth in the Comprehensive Environmental Response. Compensation, and Liability Act of 1980, as Azzardous Subatances. "hazardous waste," "hazardous substances." "clasocasi," and "throntened releases," and "throntened releases." The term of the same substances."

Nulsance, Weste. Grantor shall not cause, conduct or permit any "usance not commit, permit, or suffer any stripping of or waste on or to the Property. Without israting the generality of its foregoing, Grantor will not remove, or grant to any other party that not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise

Remark of Improvements. Grantor shall not demolish or remova any improvements the Real Property without the prior written consent of nght to remove, any timber, minerals (including oil and gas), soil, gravel or, our tiroducts without the prior written consent of Lender.

such Improvements with Improvements of at least equal value. Lender. As a condition to the removal of any improvements, Lender may require charity to make an angeneris satisfactory to Lender to replace

Lender's interests and to inspect the Property for purposes of Grantor's compliance with the ferus and conditions of this Mordage. Lender's Right to Enter. Lender and its agents and representatives may enter upon in Real Property at all reasonable times to attend to

Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property 225 not propertized. Lender may require ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals so long as Grantor has notified Lender in effect, or all governmental authorness applicable to the use or occupancy of the Property. Granist may contest in good faith any such law, Compilance with Governmental Requiremental. Grentor shall promptly with all laws, or innances, and regulations, now or horeafter in

set forth above in this section, which from the character and use of the Property are reasonably necessary to protec, and preserve the Property. Duty to Protect. Grantor agrees neither to abandon not leave unattended the Property. Grantor shall do all Lithar Acts, in addition to those acts

exercised by Lender II such exercise is prohibited by lederal law or by illinois law. more than hearly-live percent (25%) of the voting stock or partnership interests, as the case may be, of Granton. However, this option shall not be other method of conveyance of Real Property interest. If any Grantor is a corporation or partnership, transfer also includes any change in ownership of lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any whether by outlight sale, doed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, transfer means the conveyance of Real Property or any right, the 31 inherest therein; whether legal or equitable; whether voluntary; sale or transfer, without the Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or DUE ON SALE - CONSENT BY LENDER. Lender may, at its option, doctare inymediately due and payable all sums seculed by this Morigage upon the

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are a part of this Mortgage.

dqaigalaq griwoliof arlt ni babiyong asiwlarito sa Igaoxa Lender under this Mortgage, except for the lien of taxes and assessments not due, except for the Existing Indebtedness referred to below, and rendered or material furnished to the Property free of all fiens having priority over or equal to the interest of and sewer service charges levied against or on account of the Property, and shall pay when due all chains for work done on or for services Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges

name Lender as an additional obligious areas or other charges that could accuse as an additional obligious areas are so in against the Property. Grantor shall determ it itself in a Lender and shall share the lieu. In discharge the lieu, plue and costs, and affective and share the lieu. In the property could accuse as a teault of a foreclosure or sale nucler the lieu. In requested by Lender, deposit with Lander cash or a sufficient corporate surery bond or other security satisfactory to Lender in an amount sufficient (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Crantor has notice of the filing, secure the discharge of the lien, or if pay, so long as Lender's interest in the Property is not jeopardicad. If a lien arises or is filed as a result of nonpayment, Grantor shall within tillnen Right To Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obliquion to

(Continued)

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials. Grantor will upon request of Lender turnish to Lender advance assurances satisfactory to Londer that Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Mortgage.

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all (improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgage) clause in favor of Lender. Policies shall be written by such insurance companies and in such form as may be reasonably acceptable to Lender. Grantor shall deliver to Lender certificates of coverage from each insurer containing a stipulation that coverage will not be carcelled or diminished without a minimum of ten (10) days prior written notice to Lender and not containing any disclaimer of the insurer's liability for failure to give such notice. Should the Real Property at any time become located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood insurance. If the extent such insurance is required and is or becomes available, for the term of the loan and for the full unpaid principal balance of the loan, or the maximum limit of coverage that is available, whichever is less.

Application of Process. Granter shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Granter tails to do so within fifted. (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at its election, apply the proceeds to the reduction of the Indohtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Granter shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, play or reimburse Granter from the proceeds for the reasonable cost of repair or restoration if Granter is not in did tail thereunder. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Mortgage, then to prepay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. If Lender holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Granter.

Unexpired insurance at Sale. Any unexpired insurar co shall inure to the benefit of, and pass to, the purchaser of the Property covered by this Mortgage at any trustee's sale or other sale held under the provisions of this Mortgage, or at any foreclosure sale of such Property.

Compliance with Existing Indebtedness. During the period in which any Existing Indebtedness described below is in effect, compliance with the insurance provisions contained in the insurance provisions under this Mortgage, to the extent compliance with the term; of this Mortgage would constitute a duplication of insurance requirement. If any proceeds from the insurance become payable on loss, the provisions in this Mortgage for division of proceeds shall apply only to that portion of the proceeds not payable to the holder of the Existing Indebtedness.

EXPENDITURES BY LENDER. If Grantor fails to comply with any provision of this Mortgage, including any obligation to maintain Existing Indebtedness in good standing as required below, or if any action or proceeding is commerced that would materially affect Lender's interests in the Property, Lender on Grantor's behalf may, but shall not be required to, take any action that Lender seems appropriate. Any amount that Lender expends in so doing will bear interest at the rate charged under the Note from the date incurred or paid by Lender's option, will (a) be payable on demand. (b) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (i) the term of any applicable insurance policy or (ii) the remaining term of the Note, or (c) be treated as a balloon payment which will be due and payable at the Note's maturity. This 'Notigiage also will secure payment of these amounts. The rights provided for in this paragraph shall be in addition to any other rights or any remedies of which Lender may be entitled on account of the default.

Any such action by Lender shall not be construed as curing the default so as to bar Lender from any employed that it otherwise would have had.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property and a part of this Mortgage.

Title. Granter warrants that: (a) Granter holds good and marketable title of record to the Properly in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in the Existing Indebtedness section below or in any title insurance policy, title report, or final title opinion issued in favor of, and accented by Lender in connection with this Mongage, and (b) Granter has the full right, power, and authority to execute and deliver this Mongage to Lender.

Defense of Titte. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the late to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Lender under this Mortgage, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Granter warrants that the Property and Granter's use of the Property complies with all existing applicable taws, ordinances, and regulations of governmental authorities.

EXISTING INDEBTEDNESS. The following provisions concerning existing indebtedness (the "Existing Indebtedness") are a part of this Mortgage.

Existing Lien. The lien of this Mortgage securing the Indebtedness may be secondary and inferior to the lien securing payment of an existing obligation with an account number of 710780 to Universal American Mortgage Company. The existing obligation has a current principal balance of approximately \$66,000.00 and is in the original principal amount of \$68,000.00. Grantor expressly covenants and agrees to pay, or see to the payment of the Existing Indebtedness and to prevent any default on such indebtedness, any default under the instruments evidencing such indebtedness, or any default under any security documents for such indebtedness.

Default. If the payment of any installment of principal or any interest on the Existing Indebtedness is not made within the time required by the note evidencing such indebtedness, or should a default occur under the instrument securing such indebtedness and not be cured during any applicable grace period therein, then, at the option of Lender, the Indebtedness secured by this Mortgage shall become immediately due and payable, and this Mortgage shall be in default.

No Modification. Grantor shall not enter into any agreement with the holder of any mortgage, deed of trust, or other security agreement which has priority over this Mortgage by which that agreement is modified, amended, extended, or renewed without the prior written consent of Lender. Grantor shall neither request nor accept any rurule advances under any such security agreement without the prior written consent of Lender.

CONDEMNATION. The following provisions relating to condemnation of the Property are a part of this Mongage.

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the Indebtedness

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or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Lender in connection with the condemnation.

Proceedings. It any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments as may be requested by it from time to time to permit such participation.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Mortgage:

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Mortgage and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Mortgage, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Mortgage.

Taxes. The following shall constitute taxes to which this section applies: (a) a specific tax upon this type of Mortgage or upon all or any part of the Indebtedness secured by this Mortgage; (b) a specific tax on Grantor which Grantor is authorized or required to deduct from payments on the Indebtedness secured by this type of Mortgage; (c) a tax on this type of Mortgage chargeable against the Lender or the holder of the Note; and (d) a specific tax on 21 or any portion of the Indebtedness or on payments of principal and interest made by Grantor.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Mortgage, this event shall have the same effect as an Event of Default (as defined below), and Lender may exprcise any or all of its available remedies for an Event of Default as provided below unless Grantor eithor. (a) pays the tax before it becomes delinquent, or (b) contests the tax as provided above in the Taxes and Liens section and deposits with Lenuer cash or a sufficient corporate surety bond or other security satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Mortgage as a security agreement are a part of this Mortgage.

Security Agreement. This instrument shall constitute a security agreement to the extent any of the Property constitutes fixtures or other personal property, and Lender shall have all of the Poble as accured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shall execute financing statements and take whatever other action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Mortgage in the real property records. Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Mortgage as a financing statement. Grantor shall reminutes Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall assemble the Personal Property of a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender.

Addresses. The mailing addresses of Grantor (debtor) and Linder (secured party), from which information concerning the security interest granted by this Mortgage may be obtained (each as required by the Uniform Commercial Code), are as stated on the first page of this Mortgage.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Mortogon

Further Assurances. At any time, and from time to time, upon request of Lander, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Londer's designee, and when riggsted by Lender, cause to be filed, recorded, reflied, or rerecorded, as the case may be, at such times and in such offices and places as Lender, may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve. (a) the obligations of Grantor under the Note, this Mortgage, and the Related Loci ments, and. (b) the liens and security interests created by this Mortgage on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or agreed to the contrary by Lender in writing. Grantor shall reimburse Lender for all costs and expenses incurred in convection with the matters referred to in this paragraph.

Attorney-In-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. If Grantor pays all the Indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Mortgage, Lender shall execute and deliver to Grantor a suitable satisfaction of this Mortgage and suitable statements of teriniculton of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Grantor will pay, if permitted by applicable law, any reasonable termination fee as determined by Lender from time to time.

DEFAULT. Each of the following, at the option of Lender, shall constitute an event of default ("Event of Default") under this Mortgage:

Default on Indebtedness. Failure of Grantor to make any payment when due on the Indebtedness.

Default on Other Payments. Failure of Grantor within the time required by this Mortgage to make any payment for taxes or insurance, or any other payment necessary to prevent filling of or to effect discharge of any lien.

Compilance Default. Failure to comply with any other term, obligation, covenant or condition contained in this Mortgage, the Note or in any of the Related Documents.

Breaches. Any warranty, representation or statement made or furnished to Lender by or on behalf of Grantor under this Mortgage, the Note or the Related Documents is, or at the time made or furnished was, false in any material respect.

Insolvency. The insolvency of Grantor, appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, the commencement of any proceeding under any bankruptcy or insolvency taws by or against Grantor, or the dissolution or termination of Grantor's existence as a going business (if Grantor is a business). Except to the extent prohibited by federal law or Illinois law, the death of Grantor (if Grantor is an individual) also shall constitute an Event of Default under this Mortgage.

Foreclosure, Forfeiture, etc. Commencement of foreclosure or forbiture proceedings, whether by judicial proceeding, self-heip, repossession or any other method, by any creditor of Grantor or by any governmental agency against any of the Property. However, this subsection shall not apply in the event of a good faith dispute by Grantor as to the validity or mesonableness of the claim which is the basis of the foreclosure or forefeiture proceeding, provided that Grantor gives Lender written notice of such claim and furnishes reserves or a surety bond for the claim satisfactory to Londer.

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Breach of Other Agreement. Any breach by Grantor under the terms of any other agreement between Grantor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Grantor to Lender, whether existing now or later.

Existing Indebtedness. A default shall occur under any Existing Indebtedness or under any instrument on the Property securing any Existing Indebtedness, or commencement of any suit or other action to foreclose any existing lien on the Property.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or such Guarantor dies or becomes incompetent.

Inscurity. Lender reasonably deems itself insecure.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of any Event of Default and at any time thereafter, Lender, at its option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

Accelerate Indebtedness. Lender shall have the right at its option without notice to Grantor to declare the entire Indebtedness immediately due and payable, including any prepayment penalty which Grantor would be required to pay.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Communicial Code.

Collect Rants. Lencer shall have the right, without notice to Gramor, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably, lest phates. Lender as Grantor's atternet—in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the summand collect the proceeds. Payments by tenants or other users to Lender in response to Lender's domaind shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Mortgages in Possession. Lender shall have the right to be placed as mortgages in possession or to have a receiver appointed to take possession of all or any part of the Property, with the power to project and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The mortgages in possession or receiver may sen a vithout bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disquality a person from serving as a receiver.

Judicial Foreclosure. Lender may obtain a judicial decreate recicising Grantor's interest in all or any part of the Property.

Deficiency Judgment. If permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the indebtedness due to Lender application of all amounts received from the exercise of the rights provided in this section.

Other Remedies. Lender shall have all other rights and remedies provided in this Mortgage or the Note or available at law or in equity.

Sale of the Property. To the extent permitted by applicable law, Grantor hereby waives any and all right to have the property marshalled. In exercising its rights and remedies, Lender shall be free to self all or any open of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

Notice of Sale. Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition.

Walver; Election of Remedies. A waiver by any party of a breach of a provision of this mor, and shall not constitute a waiver of or prejudice the party's rights otherwise to demand strict compliance with that provision or any other provision. Section by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or take action to perform an obligation of Grantor under this Mortgage after failure of Grantor to perform shall not affect Lender's right to declare a default and exercise its le nedles under this Mortgage.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Mor gage. Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees, at trial and on any appeal. Whether or not any court action is involved, all reasonable expenses incurred by Lender that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest from the date or exponditure until repaid at the Note rate. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable low, Lender's attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including attorneys' fees for bankruptcy proceedings pricing efforts to modify or vacate any automatic stay or injunction), appeals and any anticipated post-judgment collection services, the cost of scorr ling records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, and title insurance, to the extent perinted by applicable law. Granter also will pay any court costs, in addition to all other sums provided by law.

NOTICES TO GRANTOR AND OTHER PARTIES. Any notice under this Mortgage, including without limitation any notice of default and any notice of sale to Grantor, shall be in writing and shall be effective when actually delivered or, if mailed, shall be deemed effective when deposited in the United States mail first class, registered mail, postage prepaid, directed to the addresses shown near the beginning of this Mortgage. Any party may change its address for notices under this Mortgage by giving termal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. All copies of notices of foreclosure from the holder of any lien which has priority over this Mortgage shall be sent to Lender's address, as shown near the beginning of this Mortgage. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Mortgage:

Amendments. This Mortgage, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set torth in this Mortgage. No alteration of or amendment to this Mortgage shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Applicable Law. This Mortgage has been delivered to Lender and accepted by Lender in the State of Illinois. This Mortgage shall be governed by and construed in accordance with the laws of the State of Illinois.

Caption Headings. Caption headings in this Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of this Mortgage.

Mergor. There shall be no merger of the interest or estate created by this Mortgage with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Multiple Parties. All obligations of Grantor under this Mortgage shall be joint and several, and all references to Grantor shall mean each and every Grantor. This means that each of the persons signing below is responsible for all obligations in this Mortgage.

Page 6

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(Continued)

Severability. If a court of competent jurisdiction finds any provision of this Mortgage to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances. If feasible, any such offending provision shall be deemed to be modified to be within the firnite of enforceability or validity; however, if the offending provision cannot be so modified, if shall be stricken and all other provisions of this Mortgage in all other respects shall remain valid and enforceable.

Successors and Assigns. Subject to the limitations stated in this Mortgage on transfer of Grantor's interest, this Mortgage shall be binding upon and inure to the benefit of the parties, their successors and assigns. If cwinership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Mortgage and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Mortgage or liability under the Indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Mortgage.

Walver of Homestead Exemption. Grantor hereby releases and walves all rights and benefits of the homestead exemption laws of the State of Illinois as to all Indebtedness secured by this Mortgage.

Waiver of Right of Redemption. NOTWITHSTANDING ANY OF THE PROVISIONS TO THE CONTRARY CONTAINED IN THIS MORTGAGE, GRANTOR HEREBY WAIVES, TO THE EXTENT PERMITTED UNDER ILL. REV. STAT., CH. 110 SECTION 15-1601(b) OR ANY SIMILAR LAW EXISTING AFTER THE DATE OF THIS MORTGAGE, ANY AND ALL RIGHTS OF REDEMPTION ON BEHALF OF GRANTOR AND ON BEHALF OF ANY OTHER PERSONS PERMITTED TO REDEEM THE PROPERTY.

Walvers and Consent? Lender shall not be deemed to have waived any rights under this Mortgage (or under the Related Documents) unless such waiver is in whiting, and signed by Lender. No detay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by any party of a provision of this Mortgage shall not constitute a waiver of or prejudice the party's right otherwise to demand struction or only other provision. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or any of Grantor's obligations as to any future transactions. Whenever consent by Lender is required in this Mortgage, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such convent is required.

EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE, AND EACH GRANTOR AGREES TO ITS

This Mortgage prepared by:

Suburban Bank of Rolling Meadows
3250 Kirchoff Road
Rolling Meadows, IL 60008

INDIVIDUAL ACKNOWLEDGMENT

STATE OF

IS8

COUNTY OF

On this day before me, the undersigned Notary Public, personally appeared James A. Hoffman and Virginia A. Hoffman, to me known to be the individuals described in and wno executed the Mortgage, and acknowledged that they signed the Mortgage as their fee and voluntary act and deed, for the use and put poses therein mentioned.

Given under my hand and efficial seni this

By

Rosiding at

My commission expires

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"OFFICIAL SEAL"
SUSAN L. GODWIN
Notary Public. State of Illinois
My Commission Expires 11/1/94