

JUNIOR MORTGAGE ASSIGNMENT OF RENTS AND SECURITY AGREEMENT AND SECURITY AGREEMENT INDIVIDUAL OR CORPORATE

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THIS MORTGAGE, ASSIGNMENT OF RENTS AND SECURITY AGREEMENT (hereinafter referred to as this "Mortgage") is made as of MAY 6 1994 from EDGARD GOMEZ AND MARIA E. GOMEZ ("Mortgagor"), with a mailing address at 3546 WEST 72ND PLACE, CHICAGO, ILLINOIS 60629 and Bank of Chicago ("Mortgagee"), with a mailing address at 6353 WEST 55TH STREET, Chicago, Illinois 606 38

WHEREAS, Mortgagor is justly and truly indebted to Mortgagee in the principal sum of SIXTY ONE THOUSAND AND 00/100 (\$ 61,000.00 ) Dollars evidenced by a certain Promissory Note of even date herewith executed by Mortgagor payable to the order of Mortgagee whereby Mortgagor promises to pay said principal sum as follows:

in 59 equal successive monthly installments of principal in the amount of \$ 1,100.00 each commencing with the installment due on JUNE 6 1994 and continuing on the same day of each successive month thereafter with a final installment of the entire unpaid principal balance and accrued interest due on MAY 6 1999

ON DEMAND

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Interest shall accrue from date hereof on the unpaid principal balance outstanding from time to time at the fixed rate of 9.00 % per annum.

Interest shall accrue from date hereof on the unpaid principal balance outstanding from time to time at the variable rate of % per annum above the Mortgagee's prime rate which interest rate shall change on the date or dates the said prime rate changes.

Interest shall be paid in successive monthly installments.

The interest rate due under the Note on default or after maturity ("Default Rate") shall be a simple interest rate of % per annum. All payments due under the Note shall be paid by Mortgagor to Mortgagee at the office of the Mortgagee at its address set forth above.

To secure payment by Mortgagor of the Note when the same becomes due and payable (whether by lapse of time, acceleration or otherwise, including all renewals, extensions, modifications and refinancings thereof) and the payment of all other indebtedness, obligations and liabilities which this Mortgage secures pursuant to any of its terms, Mortgagor does hereby GRANT, MORTGAGE, CONVEY AND ASSIGN to Mortgagee, its successors and assigns the following described real estate situated in the County of State of Illinois, to wit:

LOT 182 IN WILLIAM H. BRITIGAN'S MARQUETTE PARK HIGHLANDS, BEING A SUBDIVISION OF THAT PART OF THE WEST 1/2 OF THE NORTHEAST 1/4 (EXCEPT THE WEST 50 FEET THEREOF) OF SECTION 26, TOWNSHIP 38 NORTH RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN LYING NORTH OF A LINE DRAWN 8 FEET SOUTH OF AND PARALLEL TO THE NORTH LINE OF SOUTH 3/16 OF SAID WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 26 AFORESAID IN COOK COUNTY, ILLINOIS.

Street Address: 3546 WEST 72ND PLACE, CHICAGO, ILLINOIS 60629 P.I.N. 19-26-208-018-0000

DEPT-01 RECORDING \$29.50 T49999 TRAN 3863 05/20/94 10:19:00 \$9518 + DW \*-94-454526 COOK COUNTY RECORDER

This Instrument prepared by: DIANE M. NOE, BANK OF CHICAGO, 6353 WEST 55TH STREET, CHICAGO, ILLINOIS

TOGETHER WITH (1) all buildings, improvements, fixtures, appurtenances, easements and hereinafter thereto belonging, and together with all equipment and machinery now or hereafter thereon used to supply heat, gas, air conditioning, electrical, sprinkler systems, plumbing, water, light, power, refrigeration and ventilation; elevators, escalators, communication and electronic monitoring equipment, tanks, pumps and together with any other fixtures, equipment, machinery or other personal property now or hereafter placed on the above described property which shall be employed in connection with the operation, use, occupancy or enjoyment thereof; (2) all right, title and interest of Mortgagor, including any after-acquired title or reversion, in and to the rights-of-way, roads, streets, avenues and alleys adjoining the Mortgaged Premises; (3) all rents, issues, proceeds and profits accruing and to accrue from the Mortgaged Premises and all right, title and interest of Mortgagor in and to any and all leases approved by Mortgagee now or hereafter on or affecting the Mortgaged Premises, whether written or oral, and all other leases and agreements for the use thereof (collectively "Leases"), together with all security therefor and all monies payable thereunder, subject, however, to the conditional permission of Mortgagee given to Mortgagor to collect the rentals to be paid pursuant thereto, provided Mortgagor shall not be in default hereunder; and (4) all proceeds heretofore or hereafter payable to Mortgagor by reason of loss or damage by fire and such other hazards, casualties and contingencies insured pursuant to the insurance policies hereinafter described and awards and other compensation heretofore or hereafter payable to Mortgagor for any taking by condemnation or eminent domain proceedings of all or any part of the Mortgaged Premises or any agreement or appurtenance thereof, including severance and consequential damage. (said real estate and all of the above collectively referred to herein as the "Mortgaged Premises").

TO HAVE AND TO HOLD the Mortgaged Premises unto Mortgagee, its successors and assigns forever (Mortgagor hereby RELINQUISHING AND WAIVING all rights under and by virtue of the homestead exemption laws of the State of Illinois and all rights of homestead created by the Federal Bankruptcy Code) provided, however, that if and when Mortgagor shall pay the principal and accrued interest on the Note and all other indebtedness hereby secured shall be paid in full and shall perform all of the terms, covenants and agreements contained herein, then this Mortgage shall become null and void and shall be released upon the written request and expense of Mortgagor.

Mortgagor covenants that Mortgagor is lawfully seized of the real estate hereby conveyed and has the right to mortgage, grant and convey the Mortgaged Premises; that the Mortgaged Premises are unencumbered and that Mortgagor will warrant and defend generally the title to the Mortgaged Premises against all claims and demands, subject to any declarations, easements and restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Mortgagor's interest in the Mortgaged Premises.

MORTGAGOR HEREBY FURTHER COVENANTS AND AGREES AS FOLLOWS:

1. Mortgagor hereby agrees: (a) to pay when due all indebtedness secured by this Mortgage, all interest thereon and all other indebtedness, obligations and liabilities which this Mortgage secures; (b) not to commit or permit to exist any waste of the Mortgaged Premises and to keep the Mortgaged Premises in good condition and repair; (c) to keep the Mortgaged Premises free of any mortgage, trust deed, mechanic's lien, or other lien or encumbrance; (d) not to suffer or permit unlawful use or any nuisance to exist upon the Mortgaged Premises; (e) not to remove or demolish any part of the improvements of a structural nature which would adversely affect the value of the Mortgaged Premises; (f) not to abandon the Mortgaged Premises; (g) to pay when due any indebtedness or liability which may be secured by a mortgage, lien, other encumbrance or charge on all or any part of the Mortgaged Premises equal or senior in priority to this Mortgage; (h) to complete within a reasonable time any buildings or improvements now or at any time in the process of erection upon the Mortgaged Premises; (i) immediately after destruction or damage to all or any part of the Mortgaged Premises to commence and promptly complete the rebuilding or restoration of buildings, improvements and all other property now or hereafter on the Mortgaged Premises unless Mortgagee elects to apply the proceeds of insurance to the indebtedness secured by this Mortgage as hereinafter provided; (j) to comply with all laws, regulations, rulings, ordinances, orders and all other requirements imposed by any governmental or other competent authority and with all restrictions, covenants and conditions relating to the Mortgaged Premises or to the use of thereof; (k) not to make or permit, without first obtaining the written consent of the Mortgagee, the use of the Mortgaged Premises for any purpose other than that for which it was used on the date of this Mortgage or the removal, demolition or sale of any building, improvement, fixture, machinery or equipment now or hereafter upon the Mortgaged Premises; (l) to keep and maintain such books and records as required by Mortgagee and to permit Mortgagee reasonable access to and the rights of inspection of such books and records; and (m) to furnish to the Mortgagee such information and data with respect to the financial condition, business affairs and operations of Mortgagor and the Mortgaged Premises as may be reasonably requested no more often than annually, unless otherwise agreed to (all such information and data to be prepared in accordance with generally accepted accounting principles consistently applied); (n) that no construction shall be commenced upon the Mortgaged Premises unless the plans and specifications for such construction have been submitted to and approved in writing by Mortgagee to the end that such construction shall not, in the reasonable judgment of the Mortgagee entail prejudice of the loan evidenced by the Note and this Mortgage; and (o) that if the Mortgaged Premises are now or hereafter located in an area which has been identified by the Secretary of Housing and Urban Development as a flood hazard area and in which flood insurance has been made available under the National Flood Insurance Act of 1968, as may be amended from time to time (the "Act"), the Mortgagor will keep the Mortgaged Premises covered for the term of the Note by flood insurance up to the maximum limit of coverage available under the Act.

1994 MAY 6 2 3358 CC 8558 CC LAND TITLE GROUP, INC.

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Mortgagee hereby indemnifies and saves Mortgagee harmless of and from any claim, loss, liability and damage including reasonable attorneys' fees incurred by Mortgagee by reason of any actual or alleged violation of any applicable statute, ordinance, rule or regulation for the protection of the environment which occurs upon the Mortgaged Premises or any adjoining parcels. Mortgagee further agrees that the indemnity shall continue to remain in full force and effect beyond the term of the included mortgage instrument and Mortgagee shall be bound by the terms of the included mortgage instrument...

14. Mortgagee expressly represents, covenants to Mortgagee the following: (a) no hazardous substances hazardous waste, industrial waste, pollution control waste or toxic substances, within the meaning of any applicable Federal or state statute or regulation or any local ordinance (collectively, "Hazardous Substances") are present on or have been stored or otherwise located on, about or adjoining the Mortgaged Premises and that, within the definition of such statutes, ordinances or regulations, no part of the Mortgaged Premises or the adjoining property, including the ground-water located thereon, is presently contaminated by any Hazardous Substances; (b) until the Note and all other indebtedness secured by this Mortgage are paid in full, all Hazardous Substances, which may be used by any person for any purposes upon the Mortgaged Premises or adjoining property, shall be used or stored thereon only in a safe, approved manner, in accordance with all industrial standards and all statutes, ordinances, regulations and requirements of any governmental authority; (c) the Mortgaged Premises and the adjoining property shall be used or stored thereon only in a safe, approved manner, in accordance with all applicable Federal, state or local ordinance, statute, rule or regulation dealing with the presence of any Hazardous Substance or environmental discharges...

13. Mortgagee shall not and will not apply for or avail himself or herself of any appraisal, valuation, stay, extension or exemption law, or any so-called "moral-law" now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but does hereby waive the benefit of such laws. Mortgagee expressly waives any and all rights of redemption or other rights of all persons claiming or having an interest (direct or indirect) in the Mortgaged Premises subsequent to the date hereof, it being the intent of Mortgagee herein that any and all such rights of redemption or other rights of all persons claiming or having an interest in the Mortgaged Premises shall be deemed to be hereby waived to the full extent permitted by applicable law.

12. This Mortgage shall constitute a security agreement between Mortgagee and Mortgagee with respect to that portion of the Mortgaged Premises constituting property or interests in property, whether real or personal, including any and all sums deposited by Mortgagee and held by Mortgagee which are subject to the priority and perfection provisions of the Illinois Uniform Commercial Code. Therefore, to secure payment of the Note and all other indebtedness and obligations of Mortgagee hereunder, Mortgagee hereby grants to Mortgagee a security interest in the Mortgaged Premises and in all such assets and agrees that, upon an Event of Default, Mortgagee shall have all of the rights and remedies of a secured party under the Illinois Uniform Commercial Code.

11. If Mortgagee shall transfer, convey, alienate, pledge, hypothecate or mortgage the Mortgaged Premises or any part thereof, or any beneficiary of Mortgagee shall transfer, convey, alienate, pledge or hypothecate his beneficial interest or shall alter in any way the Trust Agreement under which Mortgagee holds title, or Mortgagee, at its option, may accelerate the maturity of the Note and declare it to be due and payable forthwith.

10. This Mortgage is given to and shall secure not only existing indebtedness, but also future advances, whether such advances are obligatory or to be made at the option of the Mortgagee, or otherwise, as are made within the years herefrom to the same extent as if future advances were made on the date of the execution of this Mortgage, although there may be no advance made at the time of execution of this Mortgage, and although there may be no indebtedness outstanding at the time any advance is made. The lien of this Mortgage shall be valid as to all such indebtedness and future advances from the time this Mortgage is filed for record in the office of the Recorder of Deeds or the Registrar of Titles of the county where the Mortgaged Premises described herein are located. The total amount of indebtedness that may be so secured may increase or decrease from time to time, but the total unpaid balance so secured at any one time shall not exceed \$ 91,000.00.

9. Prior to execution of this Mortgage, Mortgagee shall obtain and deliver to Mortgagee a commitment for an ALTA Loan Policy in the full amount of the Note issued by a title company acceptable to Mortgagee. All objections acceptable to Mortgagee shall be approved by and acceptable to Mortgagee. This Mortgage shall secure, in addition to all other indebtedness and obligations herein recited, any loss, liability, penalty, damage or judgment including reasonable attorneys' fees, incurred by Mortgagee by reason of any actual or alleged violation of any applicable statute, ordinance, rule or regulation for the protection of the environment which occurs upon the Mortgaged Premises or any adjoining parcels or by reason of impairment of any governmental lien for the recovery of environmental cleanup costs expended by reason of such violation ("Environmental Costs").

8. To further secure payment of the Note, all other indebtedness secured hereby and performance of all of the terms, covenants, conditions and agreements contained herein, Mortgagee hereby assigns, transfers to Mortgagee all of its right, title and interest in and to all Leases and rentals, issues, proceeds and profits now due and which may hereafter become due pursuant to the same rights and powers as Mortgagee would have, if no Event of Default under this Mortgage has occurred. Mortgagee shall have the right to collect all of the rents arising from Leases or renewals thereof. Upon an occurrence of an Event of Default, Mortgagee, at any time or times thereafter, without notice to Mortgagee may notify and all of the tenants of the Leases that the Leases have been assigned to Mortgagee and Mortgagee may direct said tenants thereafter to make all rentals and payments due from tenants under the Leases directly to Mortgagee and shall have the right to enforce the terms of the Leases and obtain payment of or collect the rents, by legal process or otherwise in the name of the Mortgagee. Mortgagee will at all times deliver to the Mortgagee duplicate originals or certified copies of all Leases, agreements and documents relating to the Mortgaged Premises and shall permit access by the Mortgagee to its books and records, insurance policies and other papers for examination and making copies and extracts thereof. The Mortgagee, its agents and designees shall have the right to inspect the Mortgaged Premises at all reasonable times and access thereto shall be permitted for that purpose.

7. In the event that the Mortgagee's interest is taken by condemnation, Mortgagee is hereby empowered to collect and receive any awards resulting therefrom ("Awards"), which shall, at the election of Mortgagee, be applied to the payment of the Note or any other indebtedness secured hereby, or on account of the rebuilding or restoring the part of the Mortgaged Premises not so taken or damaged. If Mortgagee elects to permit the use of Awards for rebuilding or restoration of the Mortgaged Premises, the Mortgaged Premises shall be so rebuilt or restored in accordance with plans and specifications therefor submitted to and approved by Mortgagee (which approval shall not be unreasonably withheld or delayed) and applicable laws, so as to be as similar, as is reasonably possible, to the condition in which the Awards existed prior to or to a condemnation. In the event the Awards are insufficient to pay for all costs of rebuilding or restoration, Mortgagee shall deposit with Mortgagee an amount equal to such excess costs prior to any disbursement.

6. If requested by Mortgagee, Mortgagee agrees to pay to Mortgagee each month a sum specified by Mortgagee and estimated by Mortgagee to be equal to one-twelfth of the total amount of the general property taxes to be assessed against the Mortgaged Premises for the year in which the deposit is made and one-twelfth of the annual premiums for insurance required by this Mortgage. Mortgagee shall also increase the monthly deposit for payment of all special assessments, Mortgaged Premises taxes, taxes, assessments and insurance premiums which are assessed against the Mortgaged Premises and insurance premiums as charged. Mortgagee agrees that no lien shall be deemed to exist by reason of the making of the foregoing deposits, no interest shall be payable thereon and the deposits may be commingled with Mortgagee's funds. The Mortgagee is hereby authorized to pay all taxes, special assessments and insurance premiums as charged or billed without inquiry as to the accuracy or validity thereof. If deposits made hereunder for taxes, special assessments and insurance premiums shall not be sufficient to pay the amount due, the Mortgagee shall pay the deficiency to Mortgagee on demand.

5. In case of default hereunder, Mortgagee may, at its option, at any time make any payment or perform any act herein required by Mortgagee in any form and manner deemed expedient by Mortgagee, and Mortgagee may, at its option, make full or partial payments of principal or interest on prior encumbrances, if any, affecting the Mortgaged Premises or contest any tax or assessment. All monies paid or incurred by Mortgagee in connection therewith including costs and attorney's fees and any other monies advanced by Mortgagee to protect the Mortgaged Premises shall be so much additional indebtedness secured hereby and shall be immediately due and payable by Mortgagee together with interest at the Default Rate defined herein.

4. Mortgagee shall pay all general real estate taxes, special taxes, special assessments, water and sewer charges and all other taxes and charges on the Mortgaged Premises before any charge for nonpayment attaches or accrues and to furnish the Mortgagee, upon request, with the original or duplicate receipts therefor. If Mortgagee shall desire to contest any tax or special assessment, to avoid default under this Mortgage, Mortgagee shall pay such tax or assessment in full in the manner provided by law.

3. In the event of any loss or damage sustained by casualty for which insurance policies are in effect, the Mortgagee is authorized to adjust, compromise and collect all claims thereunder without the consent of the Mortgaged Premises and to execute and deliver on behalf of Mortgagee all necessary proceeds of loss, receipts, vouchers, releases and such other documents as shall be required by the insurers to be executed. At the election of Mortgagee, the proceeds of any insurance may be applied to the reduction of the indebtedness secured by this Mortgage, whether or not then due, or may be applied to the cost of building or restoring or improvements on the Mortgaged Premises, or may be applied to both purposes in such proportion as the Mortgagee shall determine. That part of the Mortgaged Premises so damaged or destroyed shall be repaired or rebuilt, in accordance with plans and specifications therefor submitted to and approved by Mortgagee (which approval shall not be unreasonably withheld or delayed) and all life, safety and environmental regulations, laws, ordinances (including zoning) rules and regulations of governmental authorities having jurisdiction thereover, so as to be as similar, as is reasonably possible, to the condition in which existed prior to such casualty.

2. Mortgagee shall keep the Mortgaged Premises continuously insured against loss or damage by fire, lightning, windstorm, malicious mischief, vandalism and extended coverage hazards, for full replacement value, and shall provide business interruption, boiler and machinery, flood and draught insurance if required by Mortgagee. All casualty policies shall contain a standard mortgage clause naming Mortgagee as first Mortgagee and a loss payable endorsement in favor of Mortgagee. Mortgagee shall also provide a Comprehensive General Liability Property Damage and Workman's Compensation Policy naming Mortgagee as an additional insured. All policies of insurance shall be written by insurers acceptable to Mortgagee and have such monetary limits as Mortgagee shall require.