

**UNOFFICIAL COPY**  
**MULTIFAMILY MORTGAGE ASSIGNMENT OF RENTS  
AND SECURITY AGREEMENT**  
(Security for Construction Loan)

94565698

03-71674-04

THIS MORTGAGE (herein "Instrument") is made this 13TH day of JUNE, 1994, between the  
Mortgagor/Grantor, JOHN F. LALLY, M/T JULIE LALLY AND  
MARTIN T. LALLY, M/T RITA LALLY AND MICHAEL E. LALLY, M/T MARY JO LALLY

whose address is  
4511 NORTH ROSE, SCHILLER PARK, ILLINOIS 601 (herein "Borrower"),  
and the Mortgagee, LASALLE CRAGIN BANK, FSB, organized and existing under the laws of the United States of America, whose  
address is 5200 West Fullerton, Chicago, Illinois 60639 (herein "Lender").

WHEREAS, Borrower is indebted to Lender in the principal sum of  
THREE HUNDRED SEVENTY THOUSAND AND 00/100  
Dollars, which indebtedness is evidenced by Borrower's note dated JUNE 13, 1994 (herein "Note"),  
providing for monthly installments of interest, with the balance of the indebtedness, if not sooner paid, due and payable on  
JUNE 1, 1995;

TO SECURE TO LENDER (a) the repayment of the indebtedness evidenced by the Note, with interest thereon, and all renewals,  
extensions and modifications thereof, (b) the repayment of any future advances, with interest thereon, made by Lender to Borrower  
pursuant to paragraph 31 hereof (herein "Future Advances"), the property described on the attached rider located in  
CHICAGO, State of ILLINOIS

TOGETHER with all buildings, improvements, and tenements now or hereafter erected on the property, and all heretofore or  
hereafter vacated alleys and streets abutting the property, and all easements, rights appurtenances, rents, royalties, mineral, oil and gas  
rights and profits, water, water rights, and water stock appurtenant to the property, and all fixtures, machinery, equipment, engines,  
boilers, incinerators, building materials, appliances and goods of every nature whatsoever now or hereafter located in, or on, or used, or  
intended to be used in connection with the property, including, but not limited to, those for the purposes of supplying or distributing  
heating, cooling, electricity, gas, water, air and light, and all elevators, and related machinery and equipment, fire prevention and  
extinguishing apparatus, security and access control apparatus, plumbing, bath tubs, water heaters, water closets, sinks, ranges, stoves,  
refrigerators, dishwashers, disposals, washers, dryers, awnings, storm windows, storm doors, screens, blinds, shades, curtains and  
curtain rods, mirrors, cabinets, paneling, rugs, attached floor covering, furniture, pictures, antennas, trees and plants, and \_\_\_\_\_;  
all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the real property covered by this  
Instrument; and all of the foregoing, together with said property (or the leasehold estate in the event this Instrument is on a leasehold) are  
herein referred to as the "Property".

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant, convey  
and assign the Property (and, if this Instrument is on a leasehold, that the ground lease is in full force and effect without modification  
except as noted above and without default on the part of either lessor or lessee thereunder), that the Property is unencumbered, and that  
Borrower will warrant and defend generally the title to the Property against all claims and demands, subject to any easements and  
restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Lender's interest in the Property.

Uniform Covenants. Borrower and Lender covenant and agree as follows:

1. **Payment of Principal and Interest.** Borrower shall promptly pay when due the principal of and interest on the indebtedness  
as provided in the Note, any prepayment and late charges provided in the Note and all other sums secured by this Instrument.

2. **Funds for Taxes, Insurance and Other Charges.** Subject to applicable law or to a written waiver by Lender, Borrower  
shall pay to Lender on the day monthly installments of interest are payable under the Note (or on another day designated in writing by  
Lender), until the Note is paid in full, a sum (herein "Funds") equal to one-twelfth of (a) the yearly water and sewer rates and taxes and  
assessments which may be levied on the Property, (b) the yearly ground rents, if any, (c) the yearly premium installments for fire and  
other hazard insurance, rent loss insurance and such other insurance covering the Property as Lender may require pursuant to paragraph  
5 hereof, (d) the yearly premium installments for mortgage insurance, if any, and (e) if this Instrument is on a leasehold, the yearly fixed  
rents, if any, under the ground lease, all as reasonably estimated initially and from time to time by Lender on the basis of assessments  
and bills and reasonable estimates thereof. Any waiver by Lender of a requirement that Borrower pay such Funds may be revoked by  
Lender, in Lender's sole discretion, at any time upon notice in writing to Borrower. Lender may require Borrower to pay to Lender, in  
advance, such other Funds for other taxes, charges, premiums, assessments and impositions in connection with Borrower or the Property  
which Lender shall reasonably deem necessary to protect Lender's interests (herein "Other Impositions"). Unless otherwise provided by  
applicable law, Lender may require Funds for Other Impositions to be paid by Borrower in a lump sum or in periodic installments, at  
Lender's option.

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The Funds shall be held in an institution (the depository of accounts of which are insured or guaranteed by a Federal or state agency (including Lender's Lender's institution)) Lender shall apply the Funds to pay said rates, rents, taxes, assessments, insurance premiums and Other Impositions so long as Borrower is not in breach of any covenant or agreement of Borrower in this instrument. Lender shall make no charge for so holding and applying the Funds, analyzing said account or for verifying and compiling said assessments and bills, unless Lender pays Borrower interest, earnings or profits on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing at the time of execution of this instrument that interest on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires interest, earnings or profits to be paid, Lender shall not be required to pay Borrower any interest, earnings or profits on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds in Lender's normal format 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 instrument.

If the amount of the Funds held by Lender at the time of the annual accounting thereof shall exceed the amount deemed necessary by Lender to provide for the payment of water and sewer rates, taxes, assessments, insurance premiums, rents and Other Impositions, as they fall due, such excess shall be credited to Borrower on the next monthly installment or installment of Funds due. If at any time the amount of the Funds held by Lender shall be less than the amount deemed necessary by Lender to pay water and sewer rates, taxes, assessments, insurance premium, rents and Other Impositions, as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency within thirty days after notice from Lender to Borrower requesting payment thereof.

Upon Borrower's breach of any covenant or agreement of Borrower in this instrument, Lender may apply in any amount and in any order as Lender shall determine in Lender's sole discretion any Funds held by Lender at the time of application (i) to pay rates, rents, taxes, assessments, insurance premiums and Other Impositions which are now or will hereafter become due, or (ii) as a credit against sums secured by this instrument. Upon payment in full of all sums secured by this instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

3. Application of Payments. Unless applicable law provides otherwise, all of the regular monthly payments or all other payments received by the Borrower under the Note or this Mortgage shall be applied by the Lender in the following order of priority: (i) to any costs or expenses, including reasonable attorney's fees, incurred by the Lender pursuant to the terms of the Note and this Mortgage; (ii) to any and all amounts of interest payable to the Lender on any advances made by the Lender or on any other indebtedness due to the Lender pursuant to the Note and this Mortgage; (iii) to any and all future advances made by the Lender or any other indebtedness due to the Lender pursuant to the Note and this Mortgage; (iv) to late charges due to the Lender under the Note; (v) to any and all amounts of interest due to the Lender under the Note; and (vi) to any and all amounts of principal due under the Note.

4. Charges, Taxes. Borrower shall pay all water and sewer rates, rents, taxes, assessments, premiums, and Other Impositions attributable to the Property at Lender's option, in the manner provided under paragraph 2 hereof, or, if not paid in such manner, by Borrower making payment, when due, directly to the payee thereof, or in such other manner as Lender may designate in writing. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph 4, and in the event Borrower shall make payment directly, Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has, or may have, priority over or equal with, the lien of this instrument, and Borrower shall pay, when due, the claims of all persons supplying labor or materials to or in connection with the Property. Without Lender's prior written permission, Borrower shall not allow any lien inferior to this instrument to be perfected against the Property.

5. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured by carriers at all times satisfactory to Lender against loss by fire, hazard, included within the term "extended coverage", rent loss and such other hazards, casualties, liabilities and contingencies as Lender (and, if this instrument is on a leasehold, the ground lease) shall require and in such amounts and for such periods as Lender shall require. All premiums on insurance policies shall be paid, at Lender's option, in the manner provided under paragraph 2 hereof, or by Borrower making payment, when due, directly to the carrier, or in such other manner as Lender may designate in writing.

All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of and in form acceptable to Lender. Lender shall have the right to hold the policies, and Borrower shall promptly furnish the right to hold the policies, and Borrower shall promptly furnish to Lender a duplicate of all policies, renewal policies, renewal policies and receipts of instrument is on a leasehold. Borrower shall furnish Lender a duplicate of all policies, renewal policies, renewal policies and receipts of paid premiums if, by virtue of the ground lease, the originals thereof may not be applied by Borrower to Lender. In the event of loss, Borrower shall give immediate written notice to the insurance carrier, and to Lender. Borrower hereby authorizes and empowers Lender as attorney-in-fact for Borrower make proof of loss, to adjust and compromise any claim under insurance policy, to appear in and prosecute any action arising from such insurance policies, to collect and receive insurance proceeds, and to deduct therefrom Lender's expenses incurred in the collection of such proceeds, provided however, and nothing contained in this paragraph 5 shall require Lender to incur any expense or take any action hereunder. Borrower further authorizes Lender, at Lender's option, (a) to hold the balance of such proceeds to be used to reimburse Borrower for the cost of reconstruction or repair of the Property, or (b) to apply the balance of such proceeds to the payment of the sums secured by this instrument, whether or not then due, in the order of application set forth in paragraph 3 hereof (subject, however, to the rights of the lessor under the ground lease if this instrument is on a leasehold).

If the insurance proceeds are held by Lender to reimburse Borrower for the cost of restoration and repair of the Property, the property shall be restored to the equivalent of its original condition or such other conditions as Lender may approve in writing. Lender may, at Lender's option, condition disbursement of said proceeds on Lender's approval of such plans and specifications of an architect or architect-engineer, contractor's cost estimates, architect's certificate, percentage completion of construction, application of payments, and satisfaction of liens as materialmen and such other evidence of costs, percentage completion of construction, architect's certificate, waivers of liens, sworn statements of mechanics and Lender may reasonably require. If the insurance proceeds are applied to the payment of the sums secured by this instrument, any such application of proceeds to principal shall not extend or postpone the due dates of the monthly installments referred to in paragraphs 1 and 2 hereof or change the amounts of such installments. If the Property is sold pursuant to paragraph 27 hereof or if Lender acquires title to the Property, Lender shall have all of the right, title and interest of Borrower in and to any insurance policies and unearned premiums thereon and in and to the proceeds resulting from any damages to the Property prior to such sale or acquisition.

6. **Preservation and Maintenance of Property; Leaseholds.** Borrower (a) shall not commit waste or permit impairment or deterioration of the Property, (b) shall not abandon the Property, (c) shall restore or repair promptly and in a good and workmanlike manner all or any part of the Property to the equivalent of its original condition, or such other condition as Lender may approve in writing, in the event of any damage, injury or loss thereto, whether or not insurance proceeds are available to cover in whole or in part the costs of such restoration or repair, (d) shall keep the Property, including improvements, fixtures, equipment, machinery and appliances thereon in good repair and shall replace fixtures, equipment, machinery and appliances on the Property when necessary to keep such items in good repair, (e) shall comply with all laws, ordinances, regulations and requirements of any governmental body applicable to the Property, (f) shall provide for professional management of the Property by a residential rental property manager satisfactory to Lender pursuant to a contract approved by Lender in writing, unless such requirement shall be waived by Lender in writing, (g) shall generally operate and maintain the Property in a manner to ensure maximum rentals, and (h) shall give notice in writing to Lender of and, unless otherwise directed in writing by Lender, appear in and defend any action or proceeding purporting to affect the Property, the security of this instrument or the rights or powers of Lender. Neither Borrower nor any tenant or other person shall remove, demolish or alter any improvement now existing or hereafter erected on the Property or any fixture, equipment, machinery or appliance in or on the Property except when incident to the replacement of fixtures, equipment, machinery and appliances with items of like kind.

If this instrument is on a leasehold, Borrower (i) shall comply with the provisions of the ground lease, (ii) shall give immediate written notice to Lender of any default by lessor under the ground lease or of any notice received by Borrower from such lessor of any default under the ground lease by Borrower, (iii) shall exercise any option to renew or extend the ground lease and give written confirmation thereof to Lender within thirty days after such option becomes exercisable, (iv) shall give immediate written notice to Lender of the commencement of any remedial proceedings under the ground lease by any party thereto and, if required by Lender, shall permit Lender as Borrower's attorney-in-fact to control and act for Borrower in any such remedial proceedings, and (v) shall within thirty days after request by Lender obtain from the lessor under the ground lease and deliver to Lender the Lessor's estoppel certificate required thereunder, if any. Borrower hereby expressly transfers and assigns to Lender the benefit of all covenants contained in the ground lease, whether or not such covenants run with the land but Lender shall have no liability with respect to such covenants nor any other covenants contained in the ground lease.

Borrower shall not surrender the leasehold estate and interests herein conveyed nor terminate or cancel the ground lease creating said estate and interests, and Borrower shall not, without the express written consent of Lender, alter or amend said ground lease. Borrower covenants and agrees that there shall not be a merger of the ground lease, or of the leasehold estate created thereby, with the fee estate covered by the ground lease by reason of said leasehold estate or said fee estate, or any part of either, coming into common ownership, unless Lender shall consent in writing to such merger; if Borrower shall acquire such fee estate, then this instrument shall simultaneously end without further action be spread so as to become a lien on such fee estate.

7. **Use of Property.** Unless required by applicable law or unless Lender has otherwise agreed in writing, Borrower shall not allow changes in the use for which all or any part of the Property was intended at the time this instrument was executed. Borrower shall not initiate or acquiesce in a change in the zoning classification of the Property without Lender's prior written consent.

8. **Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this instrument, or if any action or proceeding is commenced which affects the Property or title thereto or the interest of Lender therein, including, but not limited to, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Lender at Lender's option may make such appearances, disburse such sums and take such action as Lender deems necessary, in its sole discretion, to protect Lender's interest, including, but not limited to, (i) disbursement of attorney's fees, (ii) entry upon the Property to make repairs, (iii) procurement of satisfactory insurance as provided in paragraph 5 hereof, and (iv) if this instrument is on a leasehold, exercise of any option to renew or extend the ground lease on behalf of Borrower and the curing of any default of Borrower in the terms and conditions of the ground lease.

Any amounts disbursed by Lender pursuant to this paragraph 8, with interest thereon, shall become additional indebtedness of Borrower secured by this instrument. Unless Borrower and Lender agree to other terms of payment, such amounts shall be immediately due and payable and shall bear interest from the date of disbursement at the rate stated in the Note unless collection from Borrower of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate which may be collected from Borrower under applicable law. Borrower hereby covenants and agrees that Lender shall be subrogated to the lien of any mortgage or other lien discharged, in whole or in part, by the indebtedness secured hereby. Nothing contained in this paragraph 8 shall require Lender to incur any expense or take any action hereunder.

9. **Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property.

10. **Books and Records.** Borrower shall keep and maintain at all times at Borrower's address stated below, or such other place as Lender may approve in writing, complete and accurate books of accounts and records adequate to reflect correctly the results of the operation of the Property and copies of all written contracts, leases and other instruments which affect the Property, and shall include, but shall not be limited to, financial statements of the Borrower, operating and expense statements relating to the Mortgaged Premises, and up in date rental records for the Mortgaged Premises, if applicable. Such financial and operating statements shall contain correct entries in accordance with generally accepted accounting principles of all dealings and transactions relative to the Mortgaged Premises therein, and shall be certified at the expense of the Borrower in such a manner as shall be acceptable to the Lender. Such books, records, contracts, leases and other instruments shall be subject to examination and inspection at any reasonable time by Lender. Upon Lender's request, Borrower shall furnish to Lender, within one hundred and twenty days after the end of each fiscal year of Borrower, a balance sheet, a statement of income and expenses of the Property and a statement of changes in financial position, each in reasonable detail and certified by Borrower and, if Lender shall require, by an independent certified public accountant. Borrower shall furnish, together with the foregoing financial statements and at any other time upon Lender's request, a rent schedule for the Property, certified by Borrower, showing the name of each tenant, and for each tenant the space occupied, the lease expiration date, the rent payable and the rent paid. If the statements furnished shall not be prepared in accordance with generally acceptable accounting principles consistently applied, or if the Borrower fails to furnish same to the Lender when due, the Lender may audit or cause to be audited, the books of the Borrower and/or the Mortgaged Premises, at the Borrower's expense, and the costs of such audit shall be an additional advance and indebtedness of the Borrower payable upon demand of the Lender, and shall bear interest at the rate provided in the Note until paid.

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16. Leases of the Property. As used in this paragraph 16, the word "lease" shall mean "sublease"...

15. Uniform Commercial Code Security Agreement. This instrument is intended to be a security agreement pursuant to the Uniform Commercial Code for any of the items specified above...

14. Stoppage Certificate. Borrower shall, within ten days of a written request from Lender furnish Lender with a written statement, duly acknowledged, setting forth the sums secured by this instrument and any right of set-off, counterclaim or other defense...

13. Forbearance By Lender Not a Waiver. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any right or remedy...

12. Borrower and Lien Not Released. From time to time, Lender may, at Lender's option, without giving notice to or obtaining the consent of Borrower, Borrower's successors or assigns or of any junior lienholder or guarantor, without liability on Lender's part...

11. Condemnation. Borrower shall promptly notify Lender of any action or proceeding relating to any condemnation or other taking, whether direct or indirect, of the Property, or part thereof, and Borrower shall appear in and prosecute any such action...

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Upon Lender's request, Borrower shall assign to Lender, by written instrument satisfactory to Lender, all leases now existing or hereafter made of all or any part of the Property and all security deposits made by tenants in connection with such leases of the Property. Upon assignment by Borrower to Lender of any leases of the Property, Lender shall have all of the rights and powers possessed by Borrower prior to such assignment and Lender shall have the right to modify, extend or terminate such existing leases and to execute new leases, in Lender's sole discretion.

17. **Remedies Cumulative.** Each remedy provided in this Instrument is distinct and cumulative to all other rights or remedies under this Instrument or afforded by law or equity, and may be exercised concurrently, independently, or successively, in any order whatsoever.

18. **Acceleration in Case of Borrower's Insolvency.** If Borrower shall voluntarily file a petition under the Federal Bankruptcy Act, as such Act may from time to time be amended, or under any similar or successor Federal statute relating to bankruptcy, insolvency, arrangements or reorganizations, or under any state bankruptcy or insolvency act, or file an answer in an involuntary proceeding admitting insolvency or inability to pay debts, or if Borrower shall fail to obtain a vacation or stay of involuntary proceedings brought for the reorganization, dissolution or liquidation of Borrower, or if Borrower shall be adjudged a bankrupt, or if a trustee or receiver shall be appointed for Borrower or Borrower's property, or if the Property shall become subject to the jurisdiction of a Federal bankruptcy court or similar state court, or if Borrower shall make an assignment for the benefit of Borrower's creditors, or if there is an attachment, execution or other judicial seizure of any portion of Instrument to be immediately due and payable without prior notice to Borrower, and Lender may invoke any remedies permitted by paragraph 27 of this Instrument. Any attorney's fees and other expenses incurred by Lender in connection with Borrower's bankruptcy or any of the other aforesaid events shall be additional indebtedness of Borrower secured by this Instrument pursuant to paragraph 8 hereof.

19. **Transfers of the Property or Beneficial Interest in Borrower; Assumption.** On sale or transfer of (i) all or any part of the Property, or any interest therein, or (ii) beneficial interests in Borrower (if Borrower is not a natural person or persons but is a corporation, partnership, trust or other legal entity), Lender may, at Lender's option, declare all of the sums secured by this Instrument to be immediately due and payable, and Lender may invoke any remedies permitted by paragraph 27 of this Instrument.

20. **Notice.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Instrument or in the Note shall be given by mailing such notice by certified mail addressed to Borrower at Borrower's address stated below or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by certified mail, return receipt requested, to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Instrument or in the Note shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

21. **Successors and Assigns Bound; Joint and Several Liability; Agents; Captions.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 19 hereof. All covenants and agreements of Borrower shall be joint and several. In exercising any rights hereunder or taking any actions provided for herein, Lender may act through its employees, agents or independent contractors as authorized by Lender. The captions and headings of the paragraphs of this Instrument are for convenience only and are not to be used to interpret or define the provisions hereof.

22. **Uniform Multifamily Instrument; Governing Law; Severability.** This form of multifamily 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 and related fixtures and personal property. This Instrument shall be governed by the law of the jurisdiction in which the Property is located. In the event that any provision of this Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Instrument and the Note such can be given effect without the conflicting provisions, and to this end the provisions of this Instrument and the Note are declared to be severable. In the event that any applicable law limiting the amount of interest or other charges permitted to be collected from Borrower is interpreted so that any charge provided for in this Instrument or in the Note, whether considered separately or together with other charges levied in connection with this Instrument and the Note, violates such law, and Borrower is entitled to the benefit of such law, such charge is hereby reduced to the extent necessary to eliminate such violation. The amounts, if any, previously paid to Lender in excess of the amount payable to Lender pursuant to such charges as reduced shall be applied by Lender to reduce the principal of the indebtedness evidenced by the Note. For the purpose of determining whether any applicable law limiting the amount of interest or other charges permitted to be collected from Borrower has been violated, all indebtedness which is secured by this Instrument or evidenced by the Note and which constitutes interest, as well as all other charges levied in connection with such indebtedness which constitute interest, shall be deemed to be allocated and spread over the stated term of the Note. Unless otherwise required by applicable law, such allocation and spreading shall be effected in such a manner that the rate of interest computed thereby is uniform throughout the stated term of the Note.

23. **Waiver of Statute of Limitations.** Borrower hereby waives the right to assert any statute of limitations as a bar to the enforcement of the lien of this Instrument or to any action brought to enforce the Note or any other obligation secured by this Instrument.

24. **Waiver of Marshalling.** Notwithstanding the existence of any other security interests in the Property held by Lender or by any other party, Lender shall have the right to determine the order in which any or all of the Property shall be subjected to the remedies provided herein, Lender shall have the right to determine the order in which any or all portions of the indebtedness secured hereby are satisfied from the proceeds realized upon the exercise of the remedies provided herein. Borrower, any party who consents to this instrument and any party who now or hereafter acquires a security interest in the Property and who has actual or constructive notice hereof hereby waives any and all right to require the marshalling of assets in connection with the exercise of any of the remedies permitted by applicable law or provided herein.

28. **Environmental Representations of Borrower.** Borrower covenants and represents that it shall maintain and keep the Mortgaged Premises free at all times of any environmental violation, waste, hazard or damage, including toxic chemicals, asbestos, or gasoline, and that the Borrower shall provide any proof or tests required by the Lender that the Mortgaged Property is free from any environmental waste, hazard, or damage. Further, the Borrower represents that the Mortgaged Property shall not violate any state or federal environmental statute, regulation or law. If at any time any soil test or any other environmental test of the Mortgaged Premises evidences environmental violations or dangers, the Borrower shall have a period of sixty (60) days to remedy and deliver an updated test to Lender evidencing that the environmental violations or dangers have been removed. If the Borrower fails to remediate the environmental dangers evidenced by the requisite soil or environmental test within sixty (60) days, or if any other environmental violation, waste, hazard, or damage occurs on the Mortgaged Premises, said environmental violation, waste, hazard or damage shall be considered an Event of Default under the terms of this Mortgage, and the Lender shall have the right, at its option, but shall have no obligation, to cure any environmental violation, waste, hazard, or damage on the Mortgaged Premises, and any and all amounts advanced by the Lender hereunder shall become an additional indebtedness of the Borrower under this Note, and interest shall accrue on said amounts advanced by the Lender at the interest rate as set forth in the Note. Any amounts advanced by the Lender under this paragraph, plus interest thereon, shall be immediately due and payable by the Borrower.

27. **Acceleration; Remedies.** Upon Borrower's breach of any covenant or agreement of Borrower in this instrument, including, but not limited to, the covenants to pay when due any sums secured by this instrument, Lender at Lender's option may declare all of the sums secured by this instrument to be immediately due and payable without further demand and may foreclose this instrument by judicial proceeding and may invoke any other remedies permitted by applicable law or provided herein. Lender shall be entitled to collect all costs and expenses incurred in pursuing such remedies, including, but not limited to, attorney's fees, costs of documentary evidence, abstracts and title reports.

26. **Assignment of Rents; Appointment of Receiver; Lender in Possession.** As part of the consideration for the indebtedness evidenced by the Note, Borrower hereby assigns and unconditionally and irrevocably transfers to Lender all the rents and revenues of the Property, including those now due, past due, or to become due by virtue of any lease or other agreement for the occupancy or use of all or any part of the Property, regardless of to whom the rents and revenues of the Property are payable. Borrower hereby authorizes Lender or Lender's agents to collect the aforesaid rents and revenues and hereby directs such tenant of the Property to pay such rents to Lender or Lender's agents, provided, however, that prior to written notice given by Lender to Borrower of the breach by Borrower of any covenants or agreement of Borrower, to apply the rents and revenues so collected to the sums secured by this instrument in the order provided in paragraph 3 hereof with the balance, so long as no such breach has occurred, to the account of Borrower, if being included by Borrower and Lender that this assignment of rents constitutes an absolute assignment and not an assignment for additional security only. Upon delivery of written notice by Lender to Borrower of the breach by Borrower of any covenant or agreement of Borrower in this instrument, and without the necessity of Lender entering upon and taking and maintaining full control of the Property in person, by agent or by a court-appointed receiver, Lender shall immediately be entitled to possession of all rents and revenues of the Property as specified in this paragraph 26 as the same become due and payable, including but not limited to rents then due and unpaid, and all such rents shall immediately upon delivery of such notice be held by Borrower as trustee for the benefit of Lender only, provided, however, that the written notice by Lender to Borrower of the breach by Borrower shall contain a statement that Lender exercises its rights to such rents. Borrower agrees that commencing upon delivery of such written notice of Borrower's breach by Lender to Borrower, each tenant of the Property shall make such rents payable and pay such rents to Lender or Lender's agents or Lender's written demand for such rents therefor, delivered to each tenant personally, but mail or by delivering such demand to each rental unit, without any liability on the part of said tenant to inquire further as to the existence of a default by Borrower.

Upon Borrower's breach of any covenant or agreement of Borrower in this instrument, Lender may in person, by agent or by a court-appointed receiver, take possession of the Property, enter upon and take and maintain full control of the Property in order to perform all acts necessary and appropriate for the operation and maintenance thereof including, but not limited to, the execution, cancellation or modification of leases, the collection of all rents and revenues of the Property, the making of repairs to the Property, and the costs of repairs to the Property, premiums on insurance policies, taxes, assessments, and other charges on the Property, and the costs of Property and collecting the rents, including, but not limited to, attorney's fees, receiver's fees, premiums on receiver's bonds, costs of covenant or agreement of Borrower in this instrument, shall be applied first to the costs, if any, of taking control of and managing the Property and collecting the rents, including, but not limited to, attorney's fees, receiver's fees, premiums on receiver's bonds, costs of Property and collecting the rents, including, but not limited to, attorney's fees, costs of documentary evidence, abstracts and title reports. If the rents of the Property are not sufficient to meet the costs of any, of taking control of and managing the Property and collecting the rents, any funds expended by Lender for such purposes shall become a debt of the Borrower to Lender secured by this instrument pursuant to paragraph 8 hereof. Unless Lender and Borrower agree in writing to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment hereof and shall bear interest from the date of disbursement at the rate stated in the Note unless payment of interest at such rate would be contrary to applicable law, in which event such amount shall bear interest at the highest rate which may be collected from Borrower under applicable law.

Any entering upon and taking and maintaining of control of the Property by Lender or the receiver and any application of rents as provided herein shall not cure or waive any default hereunder or invalidate any other right or remedy of Lender unless applicable law or provided herein. This assignment of rents of the Property shall terminate at such time as this instrument ceases to secure indebtedness owed by Lender.

25. **Construction Loan Provisions.** From time to time as Lender deems necessary to protect Lender's interests, Borrower shall, upon request of Lender, execute and deliver to Lender, in such form as Lender shall direct, assignments of any and all rights or claims which relate to the construction of the Property and which Borrower may have against any party supplying or who has supplied labor, materials or services in connection with construction of the Property.

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The Lender shall have the right, at its discretion, to direct the Borrower to conduct environmental tests upon the Mortgaged Premises at the Borrower's expense and to provide the Lender with updated test reports detailing the results of the environmental tests. Upon receipt of a request for an environmental test from the Lender, the Borrower shall have a period of thirty (30) days to provide the Lender with the results of the requisite environmental test. Any failure of the Borrower to conduct any environmental test requested by the Lender, or to provide the Lender with test results, shall be considered an Event of Default under the terms of this Mortgage.

The Borrower agrees that, in addition to its representations provided in paragraph 28(a) above, it shall, at its own expense, comply with any operation or management plan proposed by any state or federal agency for the removal of asbestos from the Mortgaged Premises. The failure of the Borrower to comply with this paragraph 28(c) shall be considered an Event of Default under this Mortgage.

29. Release. Upon payment of all sums secured by this instrument, Lender shall release this instrument. Borrower shall pay Lender's reasonable costs incurred in releasing this instrument.

30. Waiver of Homestead and Redemption. Borrower hereby waives all right of homestead exemption in the Property. If Borrower is a corporation, Borrower hereby waives all right of redemption on behalf of Borrower and on behalf of all other persons acquiring any interest or title in the Property subsequent to the date of this instrument, except decree or judgment creditors of Borrower.

31. Future Advances. Upon request of Borrower, Lender at Lender's option so long as this instrument secures indebtedness held by Lender, may make Future Advances to Borrower. Such Future Advances, with interest thereon, shall be secured by this instrument when evidenced by promissory notes stating that said notes are secured hereby. At no time shall the principal amount of the indebtedness secured by this instrument, not including sums advanced in accordance herein to protect the security of this instrument, exceed the original amount of the Note (U.S. \$ 370,000.00) plus twenty percent of the original amount of the Note.

IN WITNESS WHEREOF, Borrower has executed this instrument or has caused the same to be executed by its representatives thereunto duly authorized.

X John F. Lally  
Borrower JOHN F. LALLY

X Mart T Lally  
Borrower MARTIN T. LALLY

X Michael E Lally  
Borrower MICHAEL E. LALLY

Borrower's Address

4511 NORTH ROSE

SCHILLER PARK, ILLINOIS 60176

Borrower

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94565693

18002018

COOK COUNTY, ILLINOIS  
FILED 6/28/20

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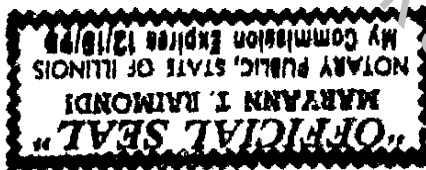
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REV. 10/19/84

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THIS INSTRUMENT WAS PREPARED BY LEONA M. KASINSKI OF  
LASALLE CRACIN BANK, FSN  
425 WEST DEVON AVENUE, PARK RIDGE, ILLINOIS 60068

Property of Cook County Clerk's Office



My Commission Expires: 12-18-95

*Maryann I. Raimondi*  
Notary Public

STATE OF ILLINOIS, County of Cook  
I, *Maryann I. Raimondi*  
a Notary Public in and for said county and state, do hereby certify that  
*John T. Kelly & Marie J. Kelly & Michael C. Kelly*  
personally known to me to be the same persons (whose names) *are*  
before me this day in person, and acknowledged that they signed and delivered the said instrument as *their*  
voluntary act, for the uses and purposes therein set forth.  
Given under my hand and official seal, this *16th* day of *June*, 19*91*.

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RIDER - LEGAL DESCRIPTION

9 4 2 0 5 6 9 3

03-71674-04

LOT 1 (EXCEPT THE EAST 1.00 FOOT OF THE NORTH 95.00 FEET THEREOF) AND THE WEST 3.50 FEET OF THE SOUTH 30.00 FEET OF LOT 2 IN OSCAR CHARLES ADDITION TO LANE PARK, A SUBDIVISION IN THE WEST 1/2 OF THE NORTHWEST 1/4 OF SECTION 20, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.  
ADDRESS COMMONLY KNOWN AS: 1543 WEST GRACE CHICAGO, ILLINOIS 60613

*PIN# 14-20-111-015*

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14-20-111-015

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