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Identification No. 780631  
CHICAGO TITLE AND TRUST COMPANY, Trustee

*Arthur L. Goldsmyer*  
Assistant Trust Officer - Secretary

**THIS DOCUMENT PREPARED BY AND  
AFTER RECORDING MAIL TO:**

**9461171**

Drake D. Mertes  
Dowd, Dowd & Mertes, Ltd.  
701 Lee Street, Suite 790  
Des Plaines, Illinois 60016



COOK COUNTY  
**TRUST DEED**

DEPT-01 RECORDING \$71.50  
T#0011 TRAN 2940 07/13/94 14:12:00  
#5940 + F.V. \*-94-61171  
COOK COUNTY RECORDER

THIS INSTRUMENT ("Trust Deed") is made as of the 20th day of June, 1994, by and between RONALD SABEL, a bachelor, of 5139 East River Road, Chicago, Illinois 60656, (herein referred to as "Mortgagor"), and CHICAGO TITLE AND TRUST COMPANY, an Illinois Corporation, doing business in Chicago, Illinois, (herein referred to as "Trustee").

**WITNESSETH**

THAT, WHEREAS, Mortgagor is justly indebted to the legal holders of a note, said legal holders being herein described as "Holders of the Note", in the principal sum of One Hundred Twenty Thousand and no/100 Dollars (\$120,000.00), evidenced by a certain Note of Mortgagor of even date herewith (hereinafter referred to as the "Note"), made payable to the order of Bearer, in and by which Note Mortgagor promises to pay the said principal sum and interest at the rate and in installments as provided in the Note, with a final payment of the balance, if not sooner paid, to be due on the 20th day of May, 1997, and all of said principal and interest are made payable at such place as the Holders of the Note may from time to time in writing appoint, and in the absence of such appointment, at the office of Leonard Caporale, in Arlington Heights, Illinois.

NOW, THEREFORE, Mortgagor, to secure the payment of said principal sum of money and said interest in accordance with the terms, provisions and limitations of this Trust Deed, and of the Note secured hereby, and any other sums advanced by Holders of the Note to protect the security of this Trust Deed or discharge the obligations of Mortgagor hereunder, and the performance of the covenants and agreements herein contained and contained in the Note and in any other documents evidencing or securing the loan evidenced by the Note (all of the foregoing being hereinafter referred to as the "Loan Documents"), by Mortgagor to be performed, and also in consideration of the sum of One Dollar (\$1.00) in hand paid, the receipt whereof is hereby acknowledged, does by these presents CONVEY and WARRANT unto the Trustee, its successors and assigns, the following-described real estate (hereinafter referred to as the "Land") and all of its estate, right, title and interest therein, situate, lying and being in the County of Cook and State of Illinois, to-wit:

THE LAND MORTGAGED HEREBY IS DESCRIBED ON EXHIBIT A  
ATTACHED HERETO AND MADE A PART HEREOF

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which Land, with the property hereinafter described, is referred to herein collectively as the "Premises" or as the "Mortgaged Premises."

TOGETHER with all common elements, easements, rights of way, strips and gores of land, vaults, streets, alleys, water rights, mineral rights, and rights used in connection with the Land or to provide a means of access to the Land, and all tenements, hereditaments and appurtenances thereof and thereto pertaining or belonging, and all underground and overhead passageways and licenses in connection therewith;

TOGETHER with all leasehold estates, right, title and interest of Mortgagor in any and all leases, subleases, management agreements, arrangements, concessions, or agreements, written or oral, relating to the use and occupancy of the Land and improvements or any portion thereof located thereon now or hereafter existing or entered into;

TOGETHER with all rents, issues and profits thereof for so long and during all such times as Mortgagor may be entitled thereto (which are pledged primarily and on a parity with said real estate and not secondarily);

TOGETHER with any and all buildings and improvements now or hereafter erected on the Land, including, but not limited to, the fixtures, attachments, appliances, equipment, machinery, and other articles attached to said buildings and improvements and all tangible personal property owned by Mortgagor now or any time hereafter located on or at the Land or used in connection therewith, including, but not limited to, all goods, machinery, tools, equipment including fire sprinklers and alarm systems, air conditioning, heating, boilers, refrigerating, electronic monitoring, water, lighting, power, sanitation, waste removal, entertainment, recreational, window or structural cleaning rigs, maintenance and all other equipment of every kind, lobby and all other indoor or outdoor furniture (including tables, chairs, planters, desks, sofas, shelves, lockers and cabinets), furnishings, appliances, inventory, rugs, carpets and other floor coverings, draperies, drapery rods and brackets, awnings, venetian blinds, partitions, chandeliers and other lighting fixtures, and all other fixtures, apparatus, equipment, furniture, furnishings, all construction, architectural and engineering contracts, subcontracts and other agreements now or hereafter entered into by Mortgagor and pertaining to the construction of or remodeling to improvements on the Land, plans and specifications and other tests or studies now or hereafter prepared in contemplation of constructing or remodeling improvements on the Land, it being understood that the enumeration of any specific articles of property shall in no wise result in or be held to exclude any items of property not specifically mentioned:

TOGETHER with all the estate, interest, right, title other claim or demand, including claims or demands with respect to the proceeds of insurance in effect with respect thereto, which Mortgagor now has or may hereinafter acquire in the Premises, and any and all awards made for the taking by eminent domain, or by any proceedings or purchase in lieu thereof, of the whole or any part of the Premises, including, without any limitation any awards resulting from the change of grade of streets and awards for severance damages.

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All of the land, estate and property hereinabove described, real, personal and mixed, whether affixed or annexed or not (except where otherwise hereinabove specified) and all rights hereby conveyed and mortgaged are intended so to be as a unit and are hereby understood, agreed and declared to form a part and parcel of the real estate and to be appropriated to the use of the real estate, and shall for the purposes of this Trust Deed be deemed to be real estate and conveyed hereby.

Mortgagor covenants that it is lawfully seized of the Premises, that the same are unencumbered except for title exceptions approved by the original Holders of the Note and that it has good right, full Power and lawful authority to convey and mortgage the same, and that it will warrant and forever defend the Premises and the quiet and peaceful possession of the same against the lawful claims of all persons whomsoever.

TO HAVE AND TO HOLD the Premises unto Trustee for the benefit of the Holders of the Note, its successors and assigns forever, for, the purposes and uses herein set forth.

IT IS FURTHER UNDERSTOOD AND AGREED THAT;

1. Maintenance Repair and Restoration of Improvements Payment of Prior Liens, etc.: Mortgagor shall (a) promptly repair, restore or rebuild any buildings or improvements now or hereafter on the Premises which may become damaged or be destroyed; (b) keep the Premises in good condition and repair, without waste, and free from mechanics' liens or claims for lien not expressly subordinated to the lien hereof; provided, however, that Mortgagor shall have the right to contest in good faith and with reasonable diligence the validity of any such lien or claim upon furnishing to the title insurance company approved by the Holders of the Note such security or indemnity as it may require to induce said title insurance company to issue its title insurance commitment or its mortgage title insurance policy insuring against all such claims or liens, in form satisfactory to the Holders of the Note; (c) pay when due any indebtedness which may be secured by a lien or charge on the Premises and comply with all requirements of all Loan Documents evidencing or securing such indebtedness, and upon request exhibit satisfactory evidence of the discharge of such prior lien to the Holders of the Note; (d) complete within a reasonable time any building or buildings now or at any time in process of erection upon the Premises; (e) comply with all requirements of law, municipal ordinances, or restrictions of record with respect to the Premises and the use thereof; (f) make no material alterations in the Premises except as required by law or municipal ordinance; (g) suffer or permit no change in the general nature of the occupancy of the Premises without the Holders of the Note's written consent; (h) initiate or acquiesce in no zoning reclassification without the Holders of the Note's written consent; (i) pay each item of indebtedness secured by this Trust Deed when due according to the terms hereof or of the Note; and (j) comply with all condominium declarations, by-laws and rules and regulations.

2. Representations and Covenants: Mortgagor hereby represents; and covenants to Trustee for the benefit of the Holders of the Note that:

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2.1 Validity of Loan Instruments: (a) the execution, delivery and performance by Mortgagor of the Note, this Trust Deed and all additional Loan Documents, and the borrowing evidenced by the Note (1) are within the powers of Mortgagor; (2) have been duly authorized by all requisite actions, (3) have received all necessary governmental approval; and (4) do not violate any provision of any law, any order of any court or agency of government or any indenture, agreement or other instrument to which Mortgagor is a party, or by which it or any portion of the Mortgaged Premises is bound, or be in conflict with, result in breach of, or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement, or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever, upon any of its property or assets, except as contemplated by the provisions of this Trust Deed and any additional Loan Documents; and (b) the Note, this Trust Deed and all additional Loan Documents, when executed and delivered by Mortgagor, will constitute the legal, valid and binding obligations of Mortgagor, and other obligors named therein, if any, in accordance with their respective terms; subject, however, to such exculpation provisions as may be hereinafter specifically set forth.

2.2 Other Information: All other information, reports, papers, balance sheets, statements of profit and loss, and data given to the Holders of the Note, its agents, employees, representatives or counsel in respect of Mortgagor or others obligated under the terms of the Note, this Trust Deed and all other Loan Documents are accurate and correct in all material respects and complete insofar as completeness may be necessary to give the Holders of the Note a true and accurate knowledge of the subject matter.

2.3 Litigation: There is not now pending against or affecting Mortgagor or others obligated under the terms of the Note, this Trust Deed and all other Loan Documents, nor, to the knowledge of Mortgagor or others obligated under the terms of the Note, this Trust Deed and all other Loan Documents, is there threatened, any action, suit or proceeding at law or in equity or by or before any administrative agency which if adversely determined would materially impair or affect the financial condition or operation of Mortgagor or the Mortgaged Premises.

3. Payment of Taxes/Escrow: Mortgagor shall pay before any penalty attaches all general taxes, and shall pay special taxes, special assessments, water charges, sewer service charges, and other charges against the Premises when due, and shall, upon written request, furnish to the Trustee or the Holders of the Note duplicate receipts therefor. To prevent default hereunder, Mortgagor shall pay in full under protest, in the manner provided by statute, any tax or assessment which Mortgagor may desire to contest. Except as otherwise required by Prior Mortgagee pursuant to the Prior Loan (as said terms are hereinafter defined), Mortgagor shall pay to the Holders of the Note, or shall pay into an account designated by the Holders of the Note from time to time for the benefit of the Holders of the Note at the times provided in the Note for payment of installments of principal and interest, and in addition thereto, installments of taxes and assessments to be levied upon the Premises, and installments of the premiums that will become due and payable to review the insurance provided hereinafter in Paragraph 4; said installments to be substantially equal and to be in such amount in the Holders of the Note's discretion as will assure to said Holders of the Note that no less than thirty (30) days before the time when such taxes and insurance premium respectively become due, Mortgagor will have paid

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to or for the benefit of the Holders of the Note a sufficient amount to pay such taxes and insurance premiums in full. Prior to any Event of Default (as hereinafter defined), interest, if any, shall accrue for the benefit of Mortgagor. Said amounts shall be held by the Holders of the Note as additional security for the indebtedness secured hereby. Said amount shall be applied to the payment of said taxes, assessments and insurance premiums when the same become due and payable. Nothing herein contained shall in any manner limit the obligation of Mortgagor to pay taxes and to maintain insurance as herein provided. In the event of any default by Mortgagor, Trustee or the Holders of the Note may, at its option but without any obligation on its part so to do, apply said amount to said taxes, assessments and insurance premiums, and/or toward the payment of any amounts payable by Mortgagor to the Trustee for the benefit of the Holders of the Note under the Trust Deed and/or toward the payment of the indebtedness secured hereby or any portion thereof, whether or not then due or payable.

4. **Insurance:** Mortgagor shall keep the Premises, including all buildings and improvements now or hereafter situated on the Land, insured against loss or damage by fire and extended coverage, malicious mischief and vandalism and such other hazards in such amounts as may reasonably be required by the Holders of the Note, but in any case for the full insurable value thereof. Mortgagor shall also provide and keep in effect plate glass and comprehensive public liability insurance with such limits for personal injury and death and property damage in such amounts as are reasonable, and will also keep in effect rent loss insurance and/or business interruption insurance, employer's liability and worker's compensation insurance, in such amounts as are reasonable. All policies of insurance to be furnished hereunder shall be in forms, companies and amounts satisfactory to the Holders of the Note with standard mortgagee loss payable clauses attached to all policies in favor of and in form satisfactory to the Holders of the Note, including a provision requiring that the coverage evidenced thereby shall not be terminated or materially modified without thirty (30) days prior written notice to Trustee. Mortgagor shall deliver the original of all policies, including additional and renewal policies, to the Holders of the Note and, in the case of insurance about to expire, shall deliver renewal policies not less than thirty (30) days prior to their respective dates of expiration. If any renewal policy is not delivered to the Holders of the Note thirty (30) days before the expiration of any existing policy or policies, with evidence of premium paid, Trustee or the Holders of the Note, may, but is not obligated, to obtain the required insurance on behalf of Mortgagor (or insurance in favor of Trustee or the Holders of the Note alone) and pay the premiums thereon. Any monies so advanced shall be so much additional indebtedness secured hereby and shall become immediately due and payable with interest thereon at the Default Rate as defined in Paragraph 38 hereof.

So long as any sum remains due hereunder or under the Note secured hereby, Mortgagor covenants and agrees that it shall not place, or cause to be placed or issued, any separate casualty, fire, rent loss, liability, or war damage insurance from the insurance required to be maintained under the terms hereof, unless in each instance the Trustee herein is included therein as the payee under a standard mortgagee's loss payable clause. Mortgagor covenants to advise the Holders of the Note whenever any such separate insurance coverage is placed, issued or renewed, and agrees to deposit the original of all such policies with the Holders of the Note.

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In the event of a foreclosure of this Trust Deed, or in case of any transfer of title to the Mortgaged Premises in extinguishment of the debt secured hereby, all right, title and interest of Mortgagor to any insurance policy covering the Mortgaged Premises shall pass to Trustee for the benefit of the Holders of the Note or transferee of the Mortgaged Premises.

5. Adjustment of Losses with Insurer and Application of Proceeds of Insurance:

A. In case of loss, insurance proceeds may, at the option of the Holders of the Note, either be applied in reduction of the indebtedness secured hereby, whether due or not, or be held by the Holders of the Note and used to reimburse Mortgagor for the cost of the rebuilding or restoration of the buildings or improvements on the premises; provided, however, that if (i) no Event of Default has occurred and is continuing hereunder; and (ii) Mortgagor is obligated to restore or replace the damaged or destroyed buildings or improvements under the terms of any mortgage or lease or leases which are or may be prior to the lien of this Trust Deed, and (iii) such damage or destruction does not result in cancellation or termination of such mortgage or lease, and (iv) the insurers do not deny liability as to the insureds, such proceeds, after deducting therefrom any expenses incurred in the collection thereof, shall, subject to the provision of subparagraph B hereof, be used to reimburse Mortgagor for insurance proceeds in reduction of the indebtedness secured hereby, all expenses and fees of collection shall first be deducted and paid to the Trustee or the Holders of the Note.

B. In case of loss after foreclosure proceedings have been instituted, the proceeds of any such insurance policy or policies if not applied as aforesaid in rebuilding or restoring the building or improvements, shall be applied in payment or reduction of the indebtedness secured hereby or in payment or reduction of the amount due in accordance with any decree of foreclosure that may be entered in any such proceedings, and the balance, if any, shall be paid to the owner of the equity of redemption if he shall then be entitled to the same, or as the court may direct. In case of the foreclosure of this Trust Deed the court in its decree may provide that the mortgagee clause attached to each of said insurance policies may be canceled and that the decree creditor may cause a new loss clause to be attached to each of said policies making the loss thereunder payable to said decree creditor; and any such foreclosure decree may further provide that in case of one or more redemptions under said decree, pursuant to the statute in such case made and provided, then and in every such case, each successive redepton may cause the preceding loss clause attached to each insurance policy to be canceled and a new loss clause to be attached thereto, making the loss thereunder payable to such redepton. In the event of foreclosure sale, the Trustee or the Holders of the Note is hereby authorized, without the consent of Mortgagor, to assign any and all insurance policies to the purchaser at the sale, or to take such other steps as it may deem advisable, to cause the interest of such purchaser to be protected by any of the said insurance policies.

C. Nothing contained in this Trust Deed shall create any responsibility or obligation on the Trustee or the Holders of the Note to collect any amount owing on any insurance policy to rebuild, repair or replace any damaged or destroyed portion of the Premises, including any improvements, or to perform any act hereunder.

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6. [INTENTIONALLY OMITTED]

7. No Merger: It being the desire and intention of the parties hereto that this Trust Deed and the lien hereof do not merge in fee simple title to the Premises, it is hereby understood and agreed that should Trustee or the Holders of the Note acquire an additional or other interest in or to the premises or the ownership thereof, then, unless a contrary intent is manifested by the Trustee or the Holders of the Note, as evidenced by an express statement to that effect in an appropriate document duly recorded, this Trust Deed and the lien hereof shall not merge in the fee simple title, toward the end that this Trust Deed may be foreclosed as if owned by a stranger to the fee simple title.

8. Prepayment Privilege: At such time as Mortgagor is not in default either under the terms of the Note, the terms of this Trust Deed or the terms of the other Loan Documents, Mortgagor shall have the privilege of making prepayments on the principal of the Note (in addition to the required payments) in accordance with the terms and conditions set forth in the Note.

9. Assignment of Rents and Leases.

A. To further secure the indebtedness secured hereby, Mortgagor does hereby sell, assign and transfer unto Trustee for the benefit of the Holders of the Note, all the rents, issues and profits now due with respect to the Premises and does hereby sell, assign and transfer unto Trustee for the benefit of the Holders of the Note, all Mortgagor's right, title and interest as lessor under or by virtue of any lease, whether written or verbal, or any letting of, or of any agreement for the use or occupancy of the Premises or any part thereof, which may have been heretofore or may hereafter made or agreed to or which may be made or agreed to by Mortgagor or its agents or beneficiaries under the powers herein granted, it being the intention hereby to establish an absolute transfer and assignment of all such leases and agreements, and all the avails thereunder, unto Trustee for the benefit of the Holders of the Note and Mortgagor does hereby appoint irrevocably Trustee for the benefit of the Holders of the Note its true and lawful attorney in its name and stead (with or without taking possession of the Premises as provided in Paragraph 15 hereof) in the Event of Default and Mortgagor shall abandon the Premises to rent, lease or let all or any portion of the Premises to any party or parties at such rental and upon such terms as Trustee or the Holders of the Note shall, in its discretion, determine, and in any event to collect all of said avails, rents, issues and profits arising from or accruing at any time hereafter, and all now due or that may hereafter exist on the Premises, with the same rights and powers and subject to the same immunities, exoneration of liability and rights or recourse and indemnity as Trustee would have upon taking possession pursuant to the provisions of Paragraph 15 hereof.

B. Mortgagor represents and agrees that no rent has been or will be paid by any person in possession of any portion of the Premises for more than one installment in advance and that except in the ordinary course of business prior to an Event of Default the payment of none of the rents to accrue for any portion of the Premises has been or will be, without Trustee's or the Holders of the Note's consent, waived, released, reduced, discounted, or

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otherwise discharged or compromised by Mortgagor. Mortgagor waives any rights of set off against any person in possession of any portion of the Premises. Mortgagor agrees that it will not assign any lease or any rents or profits of the Premises, except to Trustee or the Holders of the Note or with the prior written consent of Trustee or the Holders of the Note.

C. Nothing herein contained shall be construed as constituting Trustee or the holders of the Note as a mortgagee in possession in the absence of the taking of actual possession of the Premises by it pursuant to Paragraph 15 hereof. In the exercise of the powers herein granted Trustee or the Holders of the Note, no liability shall be asserted or enforced against Trustee or the Holders of the Note, all such liability being expressly waived and released by Mortgagor.

D. Mortgagor further agrees to assign and transfer to Trustee for the benefit of the Holders of the Note all future leases upon all or any part of the Premises and to execute and deliver, at the request of Trustee or the Holders of the Note, all such further assurances and assignments in the Premises as Trustee or the Holders of the Note shall from time to time require.

E. Although it is the intention of the parties that the assignment contained in this Paragraph 9 shall be a present assignment, it is expressly understood and agreed, anything herein contained to the contrary notwithstanding, that so long as there is no Event of Default hereunder, Mortgagor shall have the privilege of collecting and retaining the rents accruing under the leases assigned hereby.

F. Mortgagor expressly covenants and agrees that if Mortgagor as lessor under any lease for all or any part of the Mortgaged Premises, shall fail to perform and fulfill any term, covenant, condition or provision in said lease or leases, or any of them on its part to be performed or fulfilled, at the times and in the manner in said lease or leases provided, or if Mortgagor shall suffer or permit to occur any breach or default under the provisions of any assignment of any lease or leases given as additional security for the payment of the indebtedness secured hereby, such breach or default shall constitute a default hereunder and entitle Trustee or the Holders of the Note to all rights available to it in such event.

G. At the option of the Holders of the Note, this Trust Deed shall become subject and subordinate, in whole or in part (but not with respect to priority of entitlement to insurance proceeds or any award in eminent domain), to any one or more leases affecting any part of the Premises.

10. Additional Rights of Trustee and the Holders of the Note: Mortgagor hereby covenants and agrees that:

10.1 If the payment of the indebtedness secured hereby or any part thereof be extended or varied or if any part of the security be released, all persons now or any time hereafter liable therefor, or interested in the Premises, shall be held to assent to such extension, variation or release, and their liability and the lien and all provisions hereof shall continue in full

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force, the right of recourse against all such persons being expressly reserved by Trustee and the Holders of the Note, notwithstanding such extension, variation or release.

10.2 In the event the ownership of the Mortgaged Premises, or any part thereof, becomes vested in a person or entity other than Mortgagor (without hereby implying Trustee's or the Holders of the Note's consent to any assignment, transfer or conveyance of the Mortgaged Premises) Trustee or the Holders of the Note may, without notice to Mortgagor, deal with such successor or successors in interest with reference to this Trust Deed and to said debt in the same manner as with Mortgagor without in any way vitiating or discharging Mortgagor's liability hereunder or upon the debt. No sale of the Mortgaged Premises, no forbearance on the part of Trustee or the Holders of the Note and no extension of time for payment of the debt hereby secured given by Trustee or the Holders of the Note shall operate to release, modify, change or affect the original liability, if any, of Mortgagor, either in whole or in part.

10.3 Trustee or the Holders of the Note, at its sole option and without notice, (a) may release any part of the Mortgaged Premises, or any person liable for the debt, without in any way affecting the lien hereof upon any part of the Mortgaged Premises not expressly released; (b) may agree with any party obligated on the debt, or having any interest in the Mortgaged Premises, to extend the time for payment of any part or all of the debt; (c) may accept a renewal note or notes therefor; (d) may take or release other or additional security for the indebtedness; (e) may consent to any plat, map or plan of the Premises; (f) may consent to the granting of any easement; (g) may join in any extension or subordination agreement; (h) may agree in writing with Mortgagor to modify the rate of interest or period of amortization of the Note or change the time of payment or the amount of the monthly installments payable thereunder; or (i) may waive or fail to exercise any right, power or remedy granted by law or herein or in any other instrument given at any time to evidence or secure the payment of the indebtedness. Any such agreement shall not in any way release or impair the lien hereof, but shall, as applicable, extend the lien hereof as against the title of all parties having any interest in the Mortgaged Premises which interest is subject to this Trust Deed.

10.4 This Trust Deed is intended only as security for the obligations herein set forth. Notwithstanding anything to the contrary contained in this Trust Deed, Trustee or the Holders of the Note shall have no obligation or liability under or with respect to, or arising out of this Trust Deed and shall not be required or obligated in any manner to perform or fulfill any of the obligations of Mortgagor hereunder.

10.5 Upon the occurrence of an Event of Default hereunder, Trustee or the Holders of the Note may, but need not, make any payment or perform any act herein required of Mortgagor in any form and manner deemed expedient. By way of illustration and not in limitation of the foregoing, Trustee or the Holders of the Note may (but need not) do all or any of the following: make payments of principal or interest or other amounts on any lien, encumbrance or charge on any part of the Premises; complete construction; make repairs; collect rents; prosecute collection of any sums due with respect to the Premises; purchase, discharge, compromise or settle any tax lien or any other lien, encumbrance, suit, proceeding, title or claim thereof; contest any tax or assessment; and redeem from any tax sale or forfeiture affecting the

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Premises. All monies paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' fees, trustee's fees and any other monies advanced by Trustee or the Holders of the Note to protect the Mortgaged Premises and the lien hereof, shall be so much additional indebtedness secured hereby and shall become immediately due and payable without notice and with interest thereon at Default Rate as defined in Paragraph 38 hereof. In making any payment or securing any performance relating to any obligation of Mortgagor hereunder, Trustee or the Holders of the Note shall (as long as it acts in good faith) be the sole judge of the legality, validity and amount of any lien or encumbrance and of all other matters necessary to be determined in satisfaction thereof. No such action of Trustee or the Holders of the Note and no inaction of Trustee or the Holders of the Note hereunder, shall ever be considered as a waiver of any right accruing to it on account of any default on the part of Mortgagor. All sums paid by Trustee or the Holders of the Note for the purposes herein authorized, or authorized by any Loan Document shall be considered additional advances made under the Note and pursuant to this Trust Deed and shall be secured by the Trust Deed.

11. Reliance on Tax Bills. Trustee or the Holders of the Note in making any payment hereby authorized; (a) relating to taxes and assessments, may do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof; or (b) for the purchase, discharge, compromise or settlement of any other prior lien may do so without inquiry as to the validity or amount of any claim for lien which may be asserted.

12. Acceleration of Indebtedness in Case of Default: Any one of the following events shall be deemed an "Event of Default" hereunder: (a) if default be made in the due and punctual payment of the Note, or any installment due in accordance therewith payment of any other sum required to be paid by Mortgagor or the maker of the Note set forth in the Note or pursuant to the terms of this Trust Deed or any other Loan Document executed in connection with this Trust Deed or the indebtedness secured hereby, and any such default continues for ten (10) days after written notice of such default given by Trustee or the Holders of the Note to Mortgagor; or (b) if any Event of Default occurs or if any other default be made in the performance of any of the non-monetary covenants or conditions contained in the Note, this Trust Deed or in any other Loan Document, and such default continues for ten (10) days after written notice of such default given by Trustee or the Holders of the Note to Mortgagor; or (c) if Mortgagor or a guarantor of the obligation secured hereby (the foregoing parties are herein referred to collectively as the "Obligors" and individually as an "Obligor") shall file a petition in voluntary bankruptcy or under Title 11 of the United States Code or any other similar law, statute or regulation, state or federal, whether now or hereafter existing, or an answer admitting insolvency or inability to pay its debts, or fail to obtain a vacation or stay of involuntary proceedings within sixty (60) days as hereinafter provided; or (d) if any Obligor shall be adjudicated a bankrupt, or a trustee or receiver shall be appointed for such Obligor for all of its (their) property or the major part thereof in any involuntary proceeding, or any court shall have taken jurisdiction of the property of any Obligor or the major part thereof in any involuntary proceedings for the reorganization, dissolution, liquidation or winding up of such Obligor, and such trustee or receiver shall not be discharged or such jurisdiction relinquished or vacated or stayed on appeal or otherwise stayed

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within sixty (60) days; or (e) if any Obligor shall make an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due, or shall consent to the appointment of a receiver or trustee or liquidator of all of its property or the major part thereof; or (f) if any representation or warranty made by Mortgagor or others in, under or pursuant to the Note, this Trust Deed or any other Loan Document shall prove to have been false or misleading in any material aspect as of the date on which such representation or warranty was made; or (g) if the holder of a mortgage or of any other lien on the Mortgaged Premises (without hereby implying Trustee's or the Holders of the Note's consent to any such mortgage or other lien) institutes foreclosure proceedings or other proceedings for the enforcement of its remedies thereunder and the same remain undischarged or unbounded to Trustee's or the Holders of the Note's satisfaction for a period of thirty (30) days; or (h) if there is a violation of Paragraph 40 of this Trust Deed; or (i) there is a violation of or default under any environmental undertaking, indemnity or other agreement executed by one or more Obligors in connection with the loan evidenced by the Note; or (j) if default shall be made in the due observance or performance of any other of the non-monetary covenants, agreements or conditions contained in this Trust Deed, and required to be kept or performed or observed by Mortgagor, other than the defaults described in the preceding clauses (a) through (i) of this Paragraph 12, and the same shall continue for fifteen (15) days after written notice given by Trustee or the Holders of the Note to Mortgagor, then and in every such case the whole of said principal sum hereby secured shall, at once, at the option of Trustee or the Holders of the Note become immediately due and payable, together with accrued interest thereon, without notice to Mortgagor.

If while any insurance proceeds or condemnation awards are held by or for Trustee or the Holders of the Note to reimburse Mortgagor or any lessee for the costs of repair, rebuilding or restoration of building(s) or other improvements on the Land, as set forth in Paragraphs 5 and 18 hereof, Trustee or the Holders of the Note shall be or become entitled to accelerate the maturity of the indebtedness, then and in such event, Trustee or the Holders of the Note shall be entitled to apply all such insurance proceeds and condemnation awards then held by or for it in reduction of the indebtedness and any excess held by it over the amount of the indebtedness shall be paid to Mortgagor or any party entitled thereto, without interest, as the same appear on the records of Trustee or the Holders of the Note.

### 13. Foreclosure; Expense of Litigation:

A. If an Event of Default has occurred hereunder, Trustee or the Holders of the Note shall have the right to foreclose the lien hereof for such indebtedness or part thereof, and in the event of the default in the payment of any installment due under the Note secured hereby, the owner of the Note may accelerate the payment of same and may institute proceedings to foreclose this Trust Deed for the entire amount then unpaid with respect to the Note. In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale all expenditures and expenses which may be paid or incurred by or on behalf of Trustee for attorney's fees, appraiser's fees, trustee's fees, outlays for documentary and expert evidence, stenographer's charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title

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searches and examinations, title insurance policies, Torrens certificates, and similar data and assurances with respect to title as Trustee or the Holders of the Note may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the Premises. All expenditures and expenses of the nature in this paragraph mentioned, and such expenses and fees as may be incurred in the protection of said Premises and the maintenance of the lien of this Trust Deed, including the fees of any attorney employed by Trustee in any litigation or proceeding affecting this Trust Deed, the Note or the Premises, including probate and bankruptcy proceedings, or in preparations for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by Mortgagor with interest thereon at the Default Rate as set forth in Paragraph 38 hereof and shall be secured by this Trust Deed.

B. This Trust Deed may be foreclosed once against all, or successively against any portion or portions of the Premises, as Trustee or the Holders of the Note may elect. This Trust Deed and the right of foreclosures hereunder shall not be impaired or exhausted by one or any foreclosure or by one or any sale, and may be foreclosed successively and in parts, until all of the Premises have been foreclosed against and sold.

C. Trustee or the Holders of the Note may employ counsel for advice or other legal service at their discretion in connection with any dispute as to the obligations of Mortgagor hereunder, or as to the title of Trustee to the Mortgaged Premises pursuant to this Trust Deed, or in any litigation to which Trustee or the Holders of the Note may be a party or which may affect title to the Mortgaged Premises or the validity of the indebtedness hereby secured, and any reasonable attorneys' fees so incurred shall be added to and be a part of the debt hereby secured. Any costs and expenses reasonably incurred in connection with any other dispute or litigation affecting said debt or Trustee's title to the Mortgaged Premises, including reasonably estimated amounts to conclude the transaction, shall be added to and be a part of the indebtedness hereby secured. All such amounts shall be payable by Mortgagor to Trustee for the benefit of the Holders of the Note without formal demand, and if not paid shall be included as a part of the mortgage debt and shall include interest at the Default Rate as set forth in Paragraph 38 hereof from the dates of their respective expenditures.

D. The proceeds of any foreclosure sale of the Premises shall be distributed and applied in the following order of priority: First, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in the preceding paragraph hereof; second, on account of all other items which under the terms hereof constitute secured indebtedness additional to that evidenced by the Note, with interest thereon as herein provided; third, on account of all principal and interest remaining unpaid on the Note in the order of priority therein described; and fourth, any overplus to Mortgagor, its successors or assigns, as their rights may appear.

E. After an Event of Default, Trustee and the Holders of the Note shall have the right and option to commence a civil action to foreclose the lien of this Trust Deed and to obtain an order or judgment of foreclosure and sale subject to the rights of any tenant or tenants of the

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Premises. The failure to join any tenant or tenants of the Premises as party defendants in any such civil action or the failure of any such order or judgment to foreclose their rights shall not be asserted by Mortgagor as a defense in any civil action instituted to collect the indebtedness secured hereby, or any party thereof, or any deficiency remaining unpaid after foreclosure and sale of the Premises, any statute or rule of law at any time existing to the contrary notwithstanding.

14. Appointment of Receiver. Upon, or at any time after the filing of a complaint to foreclose this Trust Deed, the court in which such complaint is filed may appoint a receiver of the Premises. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of Mortgagor at the time of application for such receiver and without regard to the then value of the Premises or whether the same shall be then occupied as a homestead or not and Trustee hereunder or any holder of the Note may be appointed as such receiver. Such receiver shall have power to collect the rents, issues and profits of the premises during the pendency of such foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, whether there be redemption or not, as well as during any further times when Mortgagor, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Premises during the whole of said period. The court from time to time may authorize the receiver to apply the net income in his hands after deducting reasonable compensation for the receiver and his counsel as allowed by the court, in payment (in whole or in part) of any or all of any obligation secured hereby, including without limitation the following, in such order of application as Trustee or the Holders of the Note may elect: (i) amounts due upon the Note, (ii) amounts due upon any decree entered in any suit foreclosing this Trust Deed, (iii) costs and expenses of foreclosure and litigation upon the Premises; (iv) insurance premiums, repairs, taxes, special assessments, water charges and interest, penalties and costs, in connection with the Premises; (v) any other lien or charge upon the Premises that may be or become superior to the lien of this Trust Deed, or of any decree foreclosing the same; provided that such application is made prior to foreclosure sale, and (vi) the deficiency in case of a sale and a deficiency.

15. Trustee's or the Holders of the Note's Right of Possession in Case of Default:

A. In any case in which Trustee or the Holders of the Note has a right to institute foreclosure proceedings, whether before or after the whole principal sum secured hereby is declared to be immediately due as aforesaid, or whether before or after the institution of legal proceedings to foreclose the lien hereof or before or after sale thereunder, forthwith, upon demand of Trustee or the Holders of the Note, Mortgagor shall surrender to Trustee or the Holders of the Note and Trustee or the Holders of the Note shall be entitled to take actual possession of the Premises or any part thereof personally, or by its agents or attorneys, as for condition broken, and Trustee or the Holders of the Note in its discretion may, with or without force and with or without process of law, enter upon and take and maintain possession of all or any part of the Premises, together with all documents, books, records, papers and accounts of Mortgagor or then owner of the Premises relating thereto, and may exclude Mortgagor, its

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agents or servants, wholly therefrom and may as attorney-in-fact or agent of Mortgagor, or in its own name as Trustee or the Holders of the Note and under the powers herein granted, hold, operate, manage and control the Premises and conduct the business, if any thereof, either personally or by its agents, contractors or nominees and with full power to use such measures, legal or equitable, as in its discretion or in the discretion of its successors or assigns may be deemed proper or necessary to enforce the payment or security of the avails, rents, issues and profits of the Premises, including actions for the recovery of rent, actions in forcible detainer and actions in distress for rent, hereby granting full power and authority to exercise each and every of the rights, privileges and powers herein granted at any and all times hereafter, without notice to Mortgagor, and with full power: (i) to cancel or terminate any lease or sublease for any cause or on any ground which would entitle Mortgagor to cancel the same; (ii) to elect to disaffirm any lease or sublease made subsequent to this Trust Deed or subordinated to the lien hereof; (iii) to make all necessary or proper repairs, decorating, renewals, replacements, alternations, additions, betterments and improvements to the Premises, including completion of construction in progress, as to which it may seem judicious; (iv) to insure and reinsure the same against all risks incidental to Trustee's or the Holders of the Note's possession, operation and management thereof; (v) to employ watchmen to protect the Mortgaged Premises; (vi) to continue any and all outstanding contracts for the erection and completion of improvements to the Premises; (vii) to make and enter into any contracts and obligations wherever necessary in its own name, and to pay and discharge all debts, obligations and liabilities incurred thereby, all at the expense of Mortgagor; (viii) to receive all avails, rents, issues, profits and proceeds therefrom and to perform such other acts in connection with the management and operation of the Mortgaged Premises as Trustee or the Holders of the Note in its discretion, may deem proper; and (ix) to extend or modify any then existing leases and to make new leases, which extensions, modifications and new leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond that maturity date of the indebtedness hereunder and beyond the date of the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such leases, and the options or other such provisions to be contained therein, shall be binding upon Mortgagor and all persons whose interest in the Premises are subject to the lien hereof and upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from sale, discharge of the Trust Deed indebtedness, satisfaction of any foreclosure decree or issuance of any certificate of sale or deed to any purchaser.

B. Trustee or the Holders of the Note shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability under any leases, and Mortgagor shall and does hereby agree to indemnify and hold Trustee and the Holders of the Note harmless of and from any and all liability, loss or damage which it may or might incur under said leases or under or by reason of the assignment thereof and of and from any and all claims and demands whatsoever which may be asserted against it by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in said leases. Should Trustee or the Holders of the Note incur any such liability, loss or damage, under said leases or under or by reason of the assignment thereof, or in the defense of any claims or demands, the amount hereof, including costs, expenses and reasonable attorney's fees, shall be secured hereby, and Mortgagor shall

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reimburse Trustee or the Holders of the Note therefor immediately upon demand.

16. Application of Income Received by Trustee or the Holders of the Note: Trustee or the Holders of the Note, in the exercise of the rights and powers hereinabove conferred upon it by Paragraph 9 and Paragraph 15 hereof, shall have full power to use and apply the avails, rents, issues and profits of the Premises to the payment of or on account of the following, in such order as Trustee or the Holders of the Note may determine: (a) to the payment of the operating expenses of the Premises including cost of management and leasing thereof (which shall include reasonable compensation to Trustee or the Holders of the Note and its agent or agents, or management be delegated to an agent or agents, and shall also include lease commissions and other compensation and expenses of seeking and procuring tenants and entering into leases), established claims for damages, if any, and premiums on insurance hereinabove authorized; (b) to the payment of taxes and special assessments now due or which may hereafter become due on the Premises; (c) to the payment of all repairs, decorating, renewals, replacements, alterations, additions, betterments, and improvements of the Premises, and of placing said property in such condition as will, in the judgment of Trustee or the Holders of the Note, make it readily rentable; and (d) to the payment of any indebtedness secured hereby or any deficiency which may result from any foreclosure sale.

17. Access by Trustee or the Holders of the Note: Upon request, Mortgagor will at all times deliver to Trustee or the Holders of the Note duplicate originals or certified copies of all leases, agreements and documents relating to the Premises and shall permit access by Trustee or the Holders of the Note to its books and records relating to the Premises, construction project reports, if any, tenant registers, insurance policies and other papers relating to the Premises for examination and making copies and extracts thereof. Trustee or the Holders of the Note, its agents and designees shall have the right to inspect the Premises at all reasonable times and access thereto, subject to the rights of tenants thereof, shall be permitted for that purpose.

18. Condemnation: To the extent of all amounts due and owing to Trustee or the Holders of the Note under or pursuant to the Loan Documents, Mortgagor hereby assigns, transfers and sets over unto Trustee or the Holders of the Note its entire interest in the proceeds (hereinafter referred to as the "Condemnation Proceeds") of any award or any claim for damages for any of the Mortgaged Premises taken or damaged under the power of eminent domain or by condemnation or any action in lieu of condemnation (hereinafter referred to as "Condemnation"). Mortgagor hereby empowers Trustee or the Holders of the Note, in Trustee's or the Holders of the Note's sole discretion, and at its election to settle, compromise and adjust any and all claims or rights arising under any Condemnation relating to the Premises or any portion thereof. Mortgagor shall so settle, compromise and adjust such claims or rights in the event Trustee or the Holders of the Note does not elect to do so as provided above. Nothing contained in this Trust Deed shall create any responsibility or obligation on Trustee or the Holders of the Note to collect any amount owing due to any Condemnation or to rebuild, repair or replace any portion of the Premises or any improvements thereon or to perform any act hereunder. Trustee or the Holders of the Note may elect to apply the Condemnation Proceeds upon or in reduction of the indebtedness secured hereby, whether due or not, or to require Mortgagor to restore or rebuild, in which event the Condemnation Proceeds shall be held by Trustee or the Holders of

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the Note and used to reimburse Mortgagor for the cost of the rebuilding or restoring of buildings or improvements on the Premises, in accordance with plans and specifications to be submitted to and approved by Trustee or the Holders of the Note. Notwithstanding the foregoing, if Mortgagor is obligated to restore or replace the damaged or destroyed buildings or improvements under the terms of any lease or leases which are or may be prior to the lien of this Trust Deed and if such taking does not result in cancellation or termination of such lease, the Condemnation Proceeds shall first be used to reimburse Mortgagor for the cost of rebuilding or restoring of buildings or improvements on the Premises, provided no Event of Default then exists under this Trust Deed. In the event Mortgagor is required or authorized, by Trustee's or the Holders of the Note's election as aforesaid, to rebuild or restore, the Condemnation Proceeds shall be paid out in the same manner as is provided in Paragraph 5 hereof for the payment of insurance proceeds toward the cost of rebuilding or restoration. If the amount of the Condemnation Proceeds is insufficient to cover the cost of rebuilding or restoration, Mortgagor shall pay such cost in excess of the award, before being entitled to reimbursement out of the award. Any surplus which may remain out of said award after payment of such cost of rebuilding or restoration shall, at the option of Trustee or the Holders of the Note, be applied on account of the indebtedness secured hereby or be paid to any other party entitled thereto.

19. Release Upon Payment and Discharge of Mortgagor's Obligations: Trustee or the Holders of the Note shall release this Trust Deed and the lien thereof by proper instrument upon payment and discharge of all indebtedness and other obligations secured hereby and upon payment of a reasonable fee to Trustee or the Holders of the Note for preparation of any necessary instruments.

20. Notices: All notices hereunder shall be in writing and shall be deemed to have been sufficiently given or served for all purposes when presented personally, forwarded by expedited messenger with evidence of delivery, or sent by registered or certified mail to any party hereto at its address stated above or at such other address of which it shall have notified the party giving such notice in writing. Whenever in this Trust Deed the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person or persons entitled to receive such notice.

21. Waiver of Defense: No action for the enforcement of the lien of any provision hereof shall be subject to any defense which would not be good and available to the party interposing same in an action at law or equity upon the Note.

22. [INTENTIONALLY OMITTED]

23. Mortgagor's additional Covenants: Mortgagor further covenants and agrees with Trustee or the Holders of the Note, its successors and assigns as follows:

23.1 Mortgagor will fully comply with all of the terms, conditions and provisions of all leases on the Premises so that the same shall not become in default, and will do all that is necessary to preserve said leases in force. Except for taxes and assessments to be paid by Mortgagor pursuant to Paragraph 3 of this Trust Deed, Mortgagor will not create or suffer or

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permit to be created, subsequent to the date of this Trust Deed, any lien or encumbrance which may be or become superior to any lease affecting the Premises; and

23.2 No construction shall be commenced upon the Land or upon any adjoining land at any time owned or controlled by Mortgagor or by other business entities related to Mortgagor, unless (i) the plans and specifications for such construction shall have been submitted to and approved in writing by Trustee or the Holders of the Note to the end that such construction shall not, in the reasonable judgment of Trustee or the Holders of the Note, entail prejudice to the loan evidenced by the Note and secured by this Trust Deed, (ii) all such construction shall be pursuant to contracts requiring that the work be performed "lien free", and (iii) Mortgagor shall have satisfied Trustee or the Holders of the Note that funds are available to complete said construction.

23.3 In the event of the happening of any casualty, of any kind or nature, ordinary or extraordinary, foreseen or unforeseen (including any casualty for which insurance was not obtained or obtainable) resulting in damage to or destruction of the Mortgaged Premises or any part thereof, Mortgagor will give notice thereof to Trustee or the Holders of the Note, and will promptly, at Mortgagor's sole cost and expense (whether or not there are sufficient and available insurance proceeds), commence and diligently continue to restore, replace, repair or rebuild the Mortgaged Premises to be of a least equal value and substantially the same character and condition as prior to such casualty; provided, however, that if Trustee or the Holders of the Note has elected to apply insurance loss proceeds toward payment of the mortgage indebtedness as provided for in this Trust Deed, the provisions of this Paragraph 23.3 shall not apply.

23.4 Mortgagor will not commit or permit any waste on the Mortgaged Premises and will keep the buildings, fences and other improvements now or hereafter erected on the Mortgaged premises in sound condition and in good repair and free from mechanics liens or other liens or claims for liens not expressly subordinate to the lien hereof, and will neither do nor permit to be done anything to the Mortgaged Premises that may impair the value thereof; and Trustee or the Holders of the Note shall have the right of entry upon the Mortgaged Premises at all reasonable times for the purpose of inspecting the same.

23.5 No building or other property now or hereafter covered by the lien of this Trust Deed shall be removed, demolished or materially altered, without the prior written consent of Trustee or the Holders of the Note, except that Mortgagor shall have the right to remove and dispose of, free from the lien of this Trust Deed, such equipment as from time to time may become worn out or obsolete, provided that either (i) simultaneously with or prior to such removal any such equipment shall be replaced with other equipment of a value at least equal to that of the replaced equipment and free from any title retention or security agreement or other encumbrances, and by such removal and replacement Mortgagor shall be deemed to have subjected such equipment to the lien of this Trust Deed, or (ii) any net cash proceeds received from such disposition shall be paid over promptly to Trustee or the Holders of the Note to be applied to the last installments due on the indebtedness secured, without any charge for prepayment.

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23.6 Mortgagor will pay all utility charges incurred in connection with the Premises and all improvements thereon and maintain all utility services now or hereafter available for use at the Premises.

23.7 Mortgagor will at all times fully comply with and cause the Premises and the use and condition thereof to fully comply with all condominium declarations, by-laws, and rules and regulations and all federal, state, county, municipal, local and other governmental statutes, ordinances, requirements, regulations, rules, orders and decrees of any kind whatsoever that apply or relate thereto, and will observe and comply with all conditions and requirements necessary to preserve and extend any and all rights, licenses, permits, privileges, franchises and concessions (including, without limitation, those relating to land use and development, landmark preservation, construction, access, water rights, use, noise and pollution) which are applicable to Mortgagor or the Premises.

23.8 Mortgagor shall within fifteen (15) days after a written request by Trustee or the Holders of the Note furnish from time to time a signed statement setting forth the amount of the obligation secured hereby and whether or not any Event of Default, offset or defense then is alleged to exist against the same and, if so, specifying the nature thereof.

23.9 Mortgagor will, for the benefit of Trustee or the Holders of the Note, fully and promptly perform each obligation and satisfy each condition imposed on it under any contract relating to the Premises, or other agreement relating thereto, so that there will be no default thereunder and so that the persons (other than Mortgagor) obligated thereon shall be and remain at all times obligated to perform for the benefit of Trustee or the Holders of the Note; and Mortgagor will not permit to exist any condition, event or fact which could allow or serve as a basis or justification for any such persons to avoid such performance.

23.10 Mortgagor will pay all filing, registration, recording and search and information fees, and all expenses incident to the execution and acknowledgment of this Trust Deed and all other documents securing the indebtedness secured hereby and all federal, state, county and municipal taxes, other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution, delivery, filing, recording or registration of the indebtedness secured hereby, this Trust Deed and all other documents securing the indebtedness secured hereby and all assignments thereof.

23.11 Mortgagor covenants that the proceeds of the indebtedness secured hereby will not be used for the purchase or carrying of registered equity securities within the purview and operation of Regulation G issued by the Board of Governors of the Federal Reserve System.

23.12 Whenever provision is made herein for the approval, satisfaction or consent of Trustee or the Holders of the Note, or that any matter be to Trustee's or the Holders of the Note's satisfaction, unless specifically stated to the contrary, such approval or consent shall be at Trustee's or the Holders of the Note's reasonable discretion.

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24. Usury Laws Etc.:

24.1 Mortgagor represents and agrees that the proceeds of the Note will be used for the purpose specified in Paragraph 6404 of Chapter 17 of the Illinois Revised Statutes, and that the principal obligation secured hereby constitutes a business loan which comes within the purview of said paragraph.

24.2 If from any circumstances whatever fulfillment of any provision of this Trust Deed or the Note at the time performance of such provision shall be due shall involve transcending the limit of validity prescribed by applicable usury statute or any other law, then ipso facto the obligation to be fulfilled shall be reduced to the limit of such validity, and paid according to the provisions of the Note, so that in no event shall any exaction be possible under this Trust Deed or the Note that is in excess of the limit of such validity; but such obligation shall be fulfilled to the limit of such validity. In no event shall Mortgagor, its successors or assigns, be bound to pay for the use, forbearance or detention of the money loaned and secured hereby interest of more than the legal limit, and the right to demand any such excess shall be and hereby is waived. The provisions of this paragraph shall control every other provision of this Trust Deed and the Note.

25. Binding on Successors and Assigns; Gender: This Trust Deed and all provisions hereof shall extend to and be binding upon Mortgagor, its successors, vendees and assigns and all persons claiming under or through Mortgagor, and the word "Mortgagor" when used herein shall include all such persons and all persons liable for the payment of the indebtedness or any part thereof, whether or not such persons shall have executed the Note or this Trust Deed. The words "Trustee" or "Holders of the Note" when used herein shall include the successors, vendees and assigns of the party named herein, and the holder or holders, from time to time, of the Note. Wherever used, the singular number shall include the plural and the plural the singular, and the use of any gender shall be applicable to all genders.

26. Captions: The captions and headings of various paragraphs of this Trust Deed are for convenience only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

27. Severability: In the event any of the provisions contained in this Trust Deed or in any other Loan Documents shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of Trustee or the Holders of the Note, not affect any other provision of this Trust Deed, the obligations secured hereby or any other Loan Document and same shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein and therein. This Trust Deed has been executed and delivered at Des Plaines, Illinois and shall be construed in accordance therewith and governed by the laws of the State of Illinois.

28. No Liability on Trustee or the Holders of the Note: Notwithstanding anything contained herein, Trustee or the Holders of the Note shall not be obligated to perform or discharge, and does not hereby undertake to perform or discharge, any obligation, duty or

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liability of Mortgagor, whether hereunder, under any of the leases affecting the Premises, under any contract relating to the Premises or otherwise, and Mortgagor shall and does hereby agree to indemnify against and hold Trustee or the Holders of the Note harmless of and from: (i) any and all liability, loss or damage which Trustee or the Holders of the Note may incur under or with respect to any portion of the Premises or under or by reason of its exercise of rights hereunder; and (ii) any and all claims and demands whatsoever which may be asserted against it by reason of any alleged obligation or undertaking on its part to perform or discharge any of the terms, covenants or agreements contained in any of the contracts, documents or instruments affecting any portion of the Mortgaged Premises or effecting any rights of Mortgagor thereto. Trustee or the Holders of the Note shall not have responsibility for the control, care, management or repair of the Premises or be responsible or liable for any negligence in the management, operation, upkeep, repair or control of the Premises resulting in loss or injury or death to any tenant, licensee, employee, stranger or other person. No liability shall be enforced or asserted against Trustee or the Holders of the Note in its exercise of the powers herein granted to it, and Mortgagor expressly waives and releases any such liability. Should Trustee or the Holders of the Note incur any such liability, loss or damage under any of the leases affecting the Premises or under or by reason hereof, or in the defense of any claims or demands, Mortgagor agrees to reimburse Trustee or the Holders of the Note immediately upon demand for the full amount thereof, including costs, expenses and attorneys' fees.

29. Mortgagor not a Joint Venturer or Partner: Mortgagor and Trustee and the Holders of the Note acknowledge and agree that in no event shall Trustee or the Holders of the Note be deemed to be a partner or joint venturer with Mortgagor or any beneficiary of Mortgagor. Without limitation of the foregoing, Trustee or the Holders of the Note shall not be deemed to be such a partner or joint venturer on account of its becoming a trustee in possession or exercising any rights pursuant to this Trust Deed or pursuant to any other instrument or document evidencing or securing any of the indebtedness secured hereby, or otherwise.

30. [INTENTIONALLY OMITTED]

31. Defeasance Clause: If Mortgagor pays to Trustee or the Holders of the Note said principal sum and all other sums payable by Mortgagor to Trustee or the Holders of the Note as are hereby secured, in accordance with the provisions of the Note and in the manner and at the times therein set forth, without deduction, fraud, or delay, then and from thenceforth this Trust Deed, and the estate hereby granted, shall cease and become void, anything herein contained to the contrary notwithstanding.

32. Flood Insurance: 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 (the Act), 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.

33. Trustee's and the Holders of the Note's Right to Exercise Remedies: The rights and remedies of Trustee and the Holders of the Note as provided in the Note, in this Trust Deed,

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in any other Loan Document or available under applicable law, shall be cumulative and concurrent and may be pursued separately, successively or together against Mortgagor or against other obligors, if any, or against the Mortgaged Premises, or against any one or more of them, at the sole discretion of Trustee or the Holders of the Note and may be exercised as often as occasion therefor shall arise. The failure to exercise any such right or remedy shall in event be construed as a waiver or release thereof. No delay or omission of Trustee or the Holders of the Note to exercise any right or power accruing upon any default shall impair any such right or power, or shall be construed to be a waiver of any such default or any acquiescence therein; and every power and remedy given by this Trust Deed to Trustee or the Holders of the Note may be exercised from time to time as often as may be deemed expedient by Trustee or the Holders of the Note. Nothing in this Trust Deed or in the Note shall affect the obligation of Mortgagor to pay the principal of, and interest on, the Note in the manner and at the time and place therein respectively expressed.

34. Incorporation of Riders, Exhibits and Addenda: All riders, exhibits and addenda attached to this Trust Deed are by express and specific reference incorporated in and made a part of this Trust Deed; and with the provision that the covenants contained in each of said riders, exhibits and addenda, and the other things therein set forth shall have the same force and effect as any other covenant or thing herein expressed.

35. Subrogation: To the extent that Trustee or the Holders of the Note, on or after the date hereof, pays a sum due under any provision of law or any instrument or document creating any lien prior or superior to the lien of this Trust Deed, or Mortgagor or any other person pays any such sum with the proceeds of the loan secured hereby, Trustee or the Holders of the Note shall have and be entitled to a lien on the Mortgaged Premises equal in priority to the lien discharged, and the Trustee or the Holders of the Note shall be subrogated to, and receive and enjoy all rights and liens possessed, held or enjoyed by, the holder of such lien, which shall remain in existence and benefit Trustee or the Holders of the Note in securing the indebtedness secured hereby. Trustee and the Holders of the Note shall be subrogated, notwithstanding their release of record, to the lien of all mortgages (except the Prior Mortgage, as provided in Paragraph 41), trust deeds, superior titles, vendors' liens, liens, charges, encumbrances, rights and equities on the Mortgaged Premises, to the extent that any obligation under any thereof is directly or indirectly paid or discharged with proceeds of disbursements or advances under the Note any Loan Document.

36. [INTENTIONALLY OMITTED]

37. [INTENTIONALLY OMITTED]

38. Default Rate: The term "Default Rate" when used in this Trust Deed shall be defined to mean the Default Rate set forth in the Note.

39. [INTENTIONALLY OMITTED]

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40. Prohibition on Sale or Financing:

40.1 Except as may be permitted under Paragraph 40.2 hereof, any sale, conveyance, assignment, pledge, hypothecation, encumbrance or other transfer of title to, or any interest in, or the placing of any lien upon the Premises (except the Prior Mortgage, as provided in Paragraph 41) or any ownership interest in Mortgagor (whether voluntary or by operation of law) without Trustee's or the Holders of the Note's prior written consent shall be an Event of Default hereunder, and in every such case the whole of said principal sum hereby secured shall, at once, at the option of Trustee or the Holders of the Note, become immediately due and payable, together with accrued interest thereon, without notice to Mortgagor.

40.2 [INTENTIONALLY OMITTED]

40.3 [INTENTIONALLY OMITTED]

40.4 Any consent by Trustee or the Holders of the Note to, or any waiver of any event which is prohibited under this Paragraph 40 shall not constitute a consent to, or waiver of, any right, remedy or power of said parties upon a subsequent event of default.

41. Certain agreements with respect to the Prior Note and Prior Mortgage.

41.1 The original holder of the Note has previously obtained that certain loan in the original aggregate amount of Ninety Thousand and no/100 Dollars (\$90,000.00) (the "Prior Loan") from Bank One LaGrange, (the "Prior Mortgagee") which loan is evidenced by a certain note (the "Prior Note") in the amount of Ninety Thousand and no/100 Dollars (\$90,000.00) dated August 17, 1992, and secured by that certain mortgage (the "Prior Mortgage") dated August 17, 1992, and recorded in the Cook County, Illinois, Recorder's Office on \_\_\_\_\_, as Document No. \_\_\_\_\_.

41.2 The original holder of the Note by its acceptance hereof represents and warrants that, as of the date hereof, it is not in default and no condition has occurred which upon the giving of notice or the passage of time or both would be a default under the Prior Note, the Prior Mortgage, or any other document evidencing or securing the Prior Loan.

41.3 Mortgagor shall not at any time or in any manner without obtaining Trustee's or the Holders of the Note's prior written consent (i) increase the amount of the indebtedness outstanding under the Prior Note or the amount of the indebtedness secured by the lien of the Prior Mortgage. (ii) exercise any right or privilege of prepayment of the Prior Note, or (iii) enter into any agreement with respect to the Prior Note, the Prior Mortgage, or any other instruments or documents securing the Prior Note, modifying or amending the same or any part thereof or providing for the waiver of any of their provisions.

41.4 Mortgagor shall promptly send to Trustee or the Holders of the Note copies of any written notices which it receives from the Prior Mortgagee including, without limitation, copies of any notices of default.

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41.5 If a default shall occur hereunder and shall be continuing, in addition to any other rights and remedies available to Trustee and the Holders of the Note and without limitation of any other provision hereof, Trustee and the Holders of the Note may, at its option, make any payment or perform any act required of Mortgagor under the Prior Note, the Prior Mortgage, or any other document or instrument securing the indebtedness evidenced by the Prior Note and, in connection therewith, may, but need not, make full or partial prepayment of principal or interest on the Prior Note or purchase, discharge, compromise or settle the Prior Mortgage, except for any payments of principal due under the Prior Note, the principal amount of which is included within the principal amount of the Note and, therefore, payments of which by the Holders of the Note would not affect the amount due under the Note, all moneys paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' fees, shall be so much additional indebtedness and shall be immediately due and payable without notice or demand and with interest thereon at the default rate.

41.6 Trustee and the Holders of the Note shall be subrogated to all rights, liens and privileges of the Prior Mortgagee to the extent of all payments made by the Holders of the Note to the Prior Mortgagee, except for payments made by the Holders of the Note with funds advanced by Mortgagor, in subordination, however, to the rights, liens and privileges of the Prior Mortgagee, which continue under the terms of the Prior Mortgage with respect to the unpaid balance of the indebtedness secured by the Prior Mortgage.

41.7 The lien of this Trust Deed and the terms and provisions hereof are subject and subordinate to the lien of the Prior Mortgage. This Trust Deed and the Note wrap around and include within its principal amount the unpaid principal amount of the Prior Mortgage and Prior Note. The Holders of the Note shall pay off the Prior Mortgage and Prior Note with the monies received from Mortgagor, except for the monies the Holders of the Note is specifically authorized to retain including but not limited to the difference between the principal amounts of the Note and the Prior Note, the interest spread between the Note and the Prior Note, the Default Rate interest and amounts advanced by the Holders of the Note which are reimbursable under the Trust Deed, the Note and other Loan Documents including but not limited to costs, fees and expenses (including reasonable attorneys' fees costs and expenses).

41.8 Mortgagor shall fully and timely perform and discharge every agreement, term, covenant, condition and undertaking on the part of the original Holders of the Note to be performed under the Prior Mortgage, the Prior Note and under any other documents or instruments securing the indebtedness evidenced by the Prior Note, and Mortgagor shall not permit a default to exist under any of the foregoing, provided, however, that Mortgagor shall not be obligated to pay any sums due under the foregoing documents that the Holders of the Note has agreed herein to pay. Any default under the Prior Note or the Prior Mortgage, other than a default caused by the Holder's of the Note's failure to pay the sums that it has herein agreed to pay, or the sums that have been advanced to it by Mortgagor for payment on the Prior Note shall be a default under this Trust Deed.

41.9 Upon payment in full of the Prior Note, Trustee or the Holders of the Note may, at its option, acquire the Prior Mortgage from the Prior Mortgagee. Trustee or the

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Holders of the Note shall pay all expenses in connection with such acquisition, including, but not limited to, reasonable attorney's fees, title company charges and recording fees.

41.10 As long as Mortgagor pays the Holders of the Note when due (i) principal and interest as provided in the Note, and (ii) if required, the insurance premiums, tax reserve and other similar payments provided for herein, and no default has occurred and is then continuing, the Holders of the Note shall, prior to the maturity of the Prior Note (whether by acceleration or otherwise), pay the sums necessary to meet (i) the regular successive monthly installments of principal and interest due under the terms of the Prior Note, and (ii) the tax reserve, insurance and other similar payments, if any, due under the terms of the Prior Mortgage. The Holders of the Note shall have no obligation to make the foregoing payments with respect to the Prior Note or the Prior Mortgage upon the acceleration by the holder of the Prior Note of the maturity date of the indebtedness evidenced thereby (other than an acceleration of the maturity date arising out of a failure by the Holders of the Note to make payments hereunder required with respect to the Prior Note and the Prior Mortgage, subject in any event to the terms and conditions hereof and of the Note). Except for and without limitation Trustee's or the Holders of the Note's undertakings pursuant to this Paragraph 41.10, the Trustee or the Holders of the Note shall not be deemed to have assumed any indebtedness or other obligations with respect to the Prior Note or Prior Mortgage.

41.11 The Holders of the Note may, at its option, make prepayments in reduction of the principal balance due under the prior Note subject to the terms and conditions of the prepayment privileges applicable to the Prior Note. Any prepayment penalties or premiums incurred by the Holders of the Note in connection with such a voluntary prepayment shall be borne by the Holders of the Note unless a default shall then be continuing under the Prior Note or the Prior Mortgage, in which event all prepayment premiums or penalties incurred by the Holders of the Note shall constitute additional indebtedness with interest thereon at the default rate.

41.12 If the unpaid principal balance of the Prior Note is reduced by the Prior Mortgagee by reason of the application of any insurance proceeds or condemnation awards thereto, the Holders of the Note's obligation to make payments of principal and interest due under the Prior Note shall be reduced pro tanto in the same manner and amount as the obligation to make any such payments of principal and interest is reduced by the Prior Mortgagee and the Holders of the Note agrees that the indebtedness shall likewise be reduced as of the date of such application of insurance proceeds or condemnation awards by an amount equal to the amount by which the principal indebtedness evidenced by the Prior Note is so reduced. If the Holders of the Note receives and retains condemnation or insurance proceeds which are not applied in reduction of the indebtedness evidenced by the Prior Note, the same shall be applied in reduction of the principal balance under the Note except to the extent the same are used to rebuild, repair or restore the Mortgaged Premises or any part thereof. In no event, however, shall the monthly payments payable under the Note be less than the amount of the monthly principal and interest payments payable under the Prior Note.

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IN WITNESS WHEREOF, Mortgagor has caused this Trust Deed to be signed on the day and year first above written.

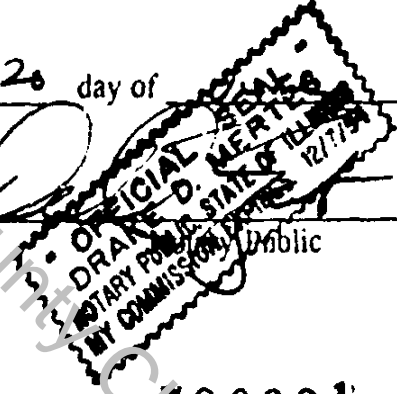
*Ronald Sabel*

Ronald Sabel

STATE OF ILLINOIS )  
                          ) ss  
COUNTY OF COOK )

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that RONALD SABEL is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act for the uses and purposes therein set forth.

Given under my hand and official seal this 26 day of \_\_\_\_\_, 1994.



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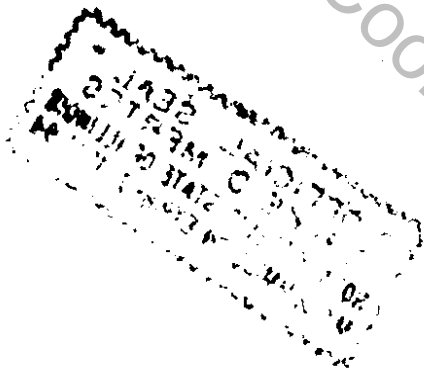
Identification No.  
CHICAGO TITLE AND TRUST COMPANY, Trustee

*Michael L. Saldama*  
Notary Public Office

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## EXHIBIT A

### Legal Description

**Parcel One:** Unit 6-101 in Sandpiper Condominium, together with an undivided percent interest in the common elements as defined and delineated in the Declaration recorded as Document Number 26116685, in the West 8 acres of the East 30 acres of the South 60 acres of the South 1/2 of the Southeast 1/4 of Section 6, Township 42 North, Range 11, East of the Third Principal Meridian, in Cook County, Illinois.

Permanent Index No.: 03-06-400-036-1089  
Address of Property: 620 Trace Drive, Unit 6-101, Buffalo Grove, Illinois 60089

**Parcel Two:** Unit 6-105 in Sandpiper Condominium, together with an undivided percent interest in the common elements as defined and delineated in the Declaration recorded as Document Number 26116685, in the West 8 acres of the East 30 acres of the South 60 acres of the South 1/2 of the Southeast 1/4 of Section 6, Township 42 North, Range 11, East of the Third Principal Meridian, in Cook County, Illinois.

Permanent Index No.: 03-06-400-036-1093  
Address of Property: 620 Trace Drive, Unit 105, Buffalo Grove, Illinois 60089

**Parcel Three:** Unit 4-107 in Sandpiper Condominium, together with an undivided percent interest in the common elements as defined and delineated in the Declaration recorded as Document Number 26116685, in the West 8 acres of the East 30 acres of the South 60 acres of the South 1/2 of the Southeast 1/4 of Section 6, Township 42 North, Range 11, East of the Third Principal Meridian, in Cook County, Illinois.

Permanent Index No.: 03-06-400-036-1059  
Address of Property: 639 Trace Drive, Unit 4-107, Buffalo Grove, Illinois 60089

**Parcel Four:** Unit 8-101 in Sandpiper Condominium, together with an undivided percent interest in the common elements as defined and delineated in the Declaration recorded as Document Number 26116685, in the West 8 acres of the East 30 acres of the South 60 acres of the South 1/2 of the Southeast 1/4 of Section 6, Township 42 North, Range 11, East of the Third Principal Meridian, in Cook County, Illinois.

Permanent Index No.: 03-06-400-036-1125  
Address of Property: 870 Trace, Unit 101, Buffalo Grove, Illinois 60089

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