

THIS LOAN IS PAYABLE IN FULL AT MATURITY. YOU MUST MAKE PAYMENTS WITHIN THE MATURITY DATE. UNPAID BALANCE OF THE LOAN AND UNPAID INTEREST THEN DUE. THE LENDER IS UNDER NO OBLIGATION TO REFINANCE THE LOAN AT THAT TIME. YOU WILL, THEREFORE, BE REQUIRED TO MAKE PAYMENT OUT OF OTHER ASSETS THAT YOU MAY OWN, OR YOU WILL HAVE TO FIND A LENDER, WHICH MAY BE THE LENDER YOU HAVE THIS LOAN WITH, WILLING TO LEND YOU THE MONEY. IF YOU REFINANCE THIS LOAN AT MATURITY, YOU MAY HAVE TO PAY SOME OR ALL OF THE LOSING COSTS NORMALLY ASSOCIATED WITH A NEW LOAN EVEN IF YOU OBTAIN REFINANCING FROM THE SAME LENDER.

94970480

MORTGAGE, ASSIGNMENT OF REWITS & SECURITY AGREEMENT (CHATTEL MORTGAGE)

THIS MORTGAGE ("Security Instrument") is given on November 10, 1994, by MID TOWN BANK AND TRUST COMPANY OF CHICAGO, not personally, but as Trustee ("Trustee") under Trust Agreement dated 10/25/94 and known as Trust No. 1935; and William Moorhead, divorced and not since remarried, "Beneficiary" and collectively with Trustee herein referred to as "Mortgagor"). This Security Instrument is given to Mid Town Bank and Trust Company of Chicago, which is organized and existing under the laws of the State of Illinois, and whose address is 2021 North Clark Street, Chicago, Illinois 60614 ("Lender"). Mortgagor is justly indebted to Lender in the principal sum of One Hundred Eighty-One Thousand Three Hundred Fifty and 00/100 (\$181,350.00) Dollars, which indebtedness is evidenced by a certain note dated of even date herewith ("Note"), which Note provides for payments of the indebtedness as set forth below:

Interest

Borrower promises and agrees to pay to Lender interest on the unpaid principal balance evidenced by this Note at the following rate: 6.75% per annum. The interest rate will change in accordance with the Adjustable Rate Rider attached hereto and by this reference made a part hereof.

The rate stated above is a special rate offered by Lender to Borrower on the strict condition that the Borrower maintain a checking account with Lender which will be automatically debited for payments due under the loan. If Borrower fails to maintain an account with a sufficient balance when needed to be debited automatically for each payment, when due, then, at Lender's option, the interest rate will increase one-half percent (0.5%) per annum, and such increase will be effective as of the first day of the month preceding the month in which a payment is not automatically debited.

Borrower shall have no obligation to maintain a checking account with Lender or to continue with the automatic debiting of the account. At any time Borrower may instruct Lender to close such checking account or discontinue the automatic debiting of such account; provided, however, that if the interest rate is automatically increased as herein provided (whether on account of a default or voluntary action of the Borrower), Lender shall have no obligation to reinstate the lower interest rate if the Borrower cures any default or later requests reinstatement of the automatic debiting procedure.

If the Initial Interest Rate is increased, the amount of each remaining Monthly Installment will be higher than the amount stated herein.

If the Initial Interest Rate increased after one (1) year, then, for the remaining term of the Note or until the Change Date (as defined in the Adjustable Rate Rider), if applicable, Borrower shall be required to make 47 monthly installments in the amount of \$1,235.90 and One (1) remaining payment of principal and interest and late charges, if applicable.

Interest shall be computed on the basis of a 360-day year. DEPT-01 RECORDING \$37.50  
T#0011 TRAN 4595 11/15/94 14:02:00  
\$6082 + RV # -94-970480  
COOK COUNTY RECORDER

The Note shall be due and payable in full on the maturity date which shall be December 1, 1999 (the "Maturity Date").

Required Payments

Principal and interest payments in the amount of \$1,176.23 (based on 30 year amortization) shall be due and payable monthly beginning January 1, 1995, and on that day each month thereafter until maturity or all of said outstanding principal plus any remaining accrued interest and late charges, if any, are repaid in full.

This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications; (b) the payment of all other sums, with interest, advanced under any paragraph herein to protect the security of this Security Instrument; and (c) the performance of Mortgagor's covenants and agreements under this Security Instrument and the Note and all other documents and agreements entered into in connection therewith (the "Loan Documents"). For this purpose, Mortgagor does hereby mortgage, grant and convey to Lender the following described property located in Cook County, Illinois:

LOT 32 (EXCEPT THE SOUTH 5 FEET) AND LOT 33 IN BLOCK 35 IN ARTHUR DUNAS' GOLF LINKS SUBDIVISION, BEING A SUBDIVISION OF BLOCKS 34, 35, 42 AND 43 IN GALE'S SUBDIVISION OF THE SOUTHEAST 1/4 OF SECTION 31, WITH THE SOUTHWEST 1/4 OF SECTION 32, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS 94970480

TAX I.D. NO.: 13-31-415-041

which has the address of 1735 North Nashville, Chicago, Illinois ("Property Address"); which, with the property hereinafter described, is referred to herein as the "Premises";

TOGETHER with all improvements, fixtures and personal property thereto belonging, for so long and during all such times as Mortgagor, its successors or assigns may be entitled thereto (which are pledged primarily and on a parity with said real estate and not secondarily), and all apparatus, equipment or articles now or hereafter therein or thereon used to supply heat, gas, air conditioning, water, light power, refrigeration (whether single units or centrally controlled).

INTER-COUNTY TITLE 5-1-94

3759

8. 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 (collectively "Taxes") when due, and shall, upon written request, furnish to Lender, its successors or assigns duplicate receipts therefor.

9. 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 (collectively "Taxes") when due, and shall, upon written request, furnish to Lender, its successors or assigns duplicate receipts therefor.

10. 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 (collectively "Taxes") when due, and shall, upon written request, furnish to Lender, its successors or assigns duplicate receipts therefor.

11. 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 (collectively "Taxes") when due, and shall, upon written request, furnish to Lender, its successors or assigns duplicate receipts therefor.

12. 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 (collectively "Taxes") when due, and shall, upon written request, furnish to Lender, its successors or assigns duplicate receipts therefor.

13. 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 (collectively "Taxes") when due, and shall, upon written request, furnish to Lender, its successors or assigns duplicate receipts therefor.

14. 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 (collectively "Taxes") when due, and shall, upon written request, furnish to Lender, its successors or assigns duplicate receipts therefor.

15. 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 (collectively "Taxes") when due, and shall, upon written request, furnish to Lender, its successors or assigns duplicate receipts therefor.

9401-0180

such Taxes, or any portion thereof then unpaid, including all penalties and interest thereon. If the amount of the money and any such security so deposited is insufficient for the payment in full of such Taxes, together with all penalties and interest thereon, Mortgagor shall forthwith, upon demand, either deposit with Lender a sum that, when added to such funds then on deposit, is sufficient to make such payment in full, or, if Lender has applied funds on deposit on account of such Taxes, restore such deposit to an amount satisfactory to Lender. Provided that Mortgagor is not then in default hereunder, Lender shall, upon Mortgagor's written request, after final disposition of such contest and upon Mortgagor's delivery to Lender of an official bill for such Taxes, apply the money so deposited in full payment of such Taxes or that part thereof then unpaid, together with penalties and interest thereon.

**C. Insurance**

1. **Insurance Coverage.** Mortgagor will insure the Premises against such perils and hazards, and in such amounts and with such limits, as Lender may from time to time require, and in any event will continuously maintain the following described policies of insurance (the "Insurance Policies"):
  - a. Casualty insurance against loss and damage by all risks of physical loss or damage, including fire, windstorm, flood, earthquake and other risks covered by the so-called extended coverage endorsement in amounts not less than the full insurable replacement value of all improvements, fixtures and equipment from time to time on the Premises and bearing a replacement cost agreed amount endorsement;
  - b. Comprehensive public liability against death, bodily injury and property damage with such limits as Lender may require;
  - c. Rental or business interruption insurance in amounts sufficient to pay, for a period of up to one (1) year, all amounts required to be paid by Mortgagor pursuant to the Note and this Security Instrument, if applicable;
  - d. Steam boiler, machinery and pressurized vessel insurance, if applicable;
  - e. If the Federal Insurance Administration (FIA) has designated the Premises to be in a special flood hazard area and designated the community in which the Premises are located eligible for sale of subsidized insurance, first and second layer flood insurance when and as available; and
  - f. The types and amounts of coverage as are customarily maintained by owners or operators of like properties.

**D. Insurance Policies.** All Insurance Policies shall be in form, companies and amounts reasonably satisfactory to Lender. All Insurance Policies shall:

1. include, when available, non-contributing mortgagee endorsements in favor of and with loss payable to Lender,
2. include standard waiver of subrogation endorsements,
3. provide that the coverage shall not be terminated or materially modified without thirty (30) days' advance written notice to Lender and
4. provide that no claims shall be paid thereunder without ten (10) days' advance written notice to Lender. Mortgagor will deliver all Insurance Policies premium prepaid, to Lender and will deliver renewal or replacement policies at least thirty (30) days prior to the date of expiration of any policy.

**E. Defaults and Acceleration**

1. Mortgagor shall pay each item of indebtedness herein mentioned, both principal and/or interest, when due according to the terms hereof. At the option of the holders of the Note and without notice to Mortgagor, all unpaid indebtedness secured by this Security Instrument shall, notwithstanding anything on the Note or in this Security Instrument to the contrary, become due and payable
  - a. within fifteen (15) days in the case of default in making payment of any installment of principal or interest on the Note, or
  - b. when default shall occur and continue for fifteen (15) days following the date of mailing of written notice of such default to Borrower in the performance of any other agreement of the Mortgagor herein contained, said option to be exercised at any time after the expiration of said fifteen day period, or
  - c. in the event Mortgagor or any other obligor default under any other document given by any of them to secure the obligations hereby secured or under the loan commitment of Lender and any and all revisions, modifications, and extensions thereto (the "Loan Commitment"), the provisions of which are incorporated herein by reference (the foregoing events are herein referred to as "Defaults").
2. Notwithstanding anything in the Note or Security Instrument to the contrary, the death of Mortgagor and/or all guarantors of the indebtedness herein mentioned shall be a default in the performance of an agreement of the Mortgagor hereunder and the holder of the Note shall be entitled to all rights and remedies given in the Security Instrument in the event of default in the performance of any agreement of the Mortgagor contained therein.
3. In the event that the holder of the Note shall, in good faith, deem itself insecure, the holder of the Note shall have the right to declare the loan evidenced by the Note to be in default and to accelerate the installments of principal and/or interest due hereunder.

**F. Foreclosure**

1. When indebtedness hereby secured shall become due whether by acceleration or otherwise, holders of the Note shall have the right to foreclose the lien hereof in accordance with the Illinois Mortgage Foreclosure Act, 735 ILCS 5/15-1101, et seq. (the "Act"). 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 Lender, its successor or assigns for attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and costs (which may be estimated as to items to be expended after entry of the decree) procuring all such abstracts of title, title searches and examinations, title insurance policies, Torrens certificates, and similar data and assurances with respect to title as Lender, its successor or assigns may deem to be 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 shall become so much additional indebtedness secured hereby and immediately due and payable, with interest thereon at a rate equivalent to the post maturity rate set forth in the Note secured by this Security Instrument, if any, otherwise the prematurity rate set forth therein, when paid or incurred by Lender, its successor or assigns in connection with:

94370180

UNOFFICIAL COPY

Deposits of Taxes and Insurance Premiums. To the full extent permitted by law, to further secure the payment of said principal sum of money and interest thereon, Mortgagor agrees to deposit with the holder of the Note each and every month, commencing on the first payment date, until the indebtedness hereby secured shall have been fully paid, an amount equal to one-twelfth of 100% of the annual real estate taxes, special assessment taxes and property insurance premiums (hereinafter referred to as "funds"). Said funds shall be held by the holder of the Note in accordance with the terms and provisions of this paragraph without any allowance of interest, and may be applied by said holder toward payment of taxes, special assessment taxes and insurance premiums when due, but the holder of the Note shall be under no obligation to ascertain the correctness of or to obtain the tax, special assessment taxes or insurance bills, or attend to the payment thereof. If the funds so deposited exceed the amount required to pay such taxes, assessment (general and special) and/or insurance premiums for any year, the excess shall be applied on a subsequent deposit or deposits. Mortgagor acknowledges that the sum so deposited shall create a debtor-creditor relationship only and shall not be considered to be held by the holder of the Note in trust and that the holder of the Note shall not be considered to have consented to act as the Mortgagor's agent for the payment of such taxes, levies and premiums. In the event of a default in any of the provisions contained in this Security Instrument or in the Note secured hereby, the holder of the Note may at their option, without being required to do so, apply any monies at the time and manner as they may see fit, or in the Note contained in such order and manner as the holder of the Note may elect. When the indebtedness secured hereby has been fully paid, any remaining deposits shall be paid to Mortgagor or to the then owner or owners of the mortgaged premises.

1. Lender's Right of Inspection. Lender, its successors or assigns shall have the right to inspect the premises at all reasonable times and access thereto shall be permitted for that purpose.

2. The Lender, its successor or assigns making any payment hereby authorized relating to taxes or 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.

1. In case of default therein, Lender, its successor or assigns may, but need not, make any payment or perform any act hereon before required of Mortgagor in any form and manner deemed expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, liens, and purchase, discharge, compromise or settle any tax lien or other prior lien or claim thereof, or redeem from any tax sale or foreclosure affecting said premises or contest any tax or assessment. All monies paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorney's fees, and any other monies advanced by Lender, its successor or assigns to protect the mortgaged premises and the lien hereof, plus reasonable compensation to Lender for each matter concerning which action herein and with interest thereon at a rate equivalent to the post mortgagor rate set forth in the Note secured by this Security Instrument, if any, otherwise the premium rate set forth in the Note shall be a lien in favor of Lender, its successor or assigns, and shall never be considered as a waiver of any right accruing to them on account of any default hereunder on the part of Mortgagor.

H. Payments and Advances by Lender in Event of Default. In case of default therein, Lender, its successor or assigns may, but need not, make any payment or perform any act hereon before required of Mortgagor in any form and manner deemed expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, liens, and purchase, discharge, compromise or settle any tax lien or other prior lien or claim thereof, or redeem from any tax sale or foreclosure affecting said premises or contest any tax or assessment. All monies paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorney's fees, and any other monies advanced by Lender, its successor or assigns to protect the mortgaged premises and the lien hereof, plus reasonable compensation to Lender for each matter concerning which action herein and with interest thereon at a rate equivalent to the post mortgagor rate set forth in the Note secured by this Security Instrument, if any, otherwise the premium rate set forth in the Note shall be a lien in favor of Lender, its successor or assigns, and shall never be considered as a waiver of any right accruing to them on account of any default hereunder on the part of Mortgagor.

0. Appointment of Receiver. Upon, or at any time after the filing of a bill to foreclose this Security Instrument, the court in which such bill is filed may appoint a receiver of said premises. Such appointment may be made either before or after sale, without notice or 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 Lender, its successor or assigns hereunder may be appointed as such receiver. Such receiver shall have power to collect the rents, issues and profits of said 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 time 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 in payment in whole or in part of: (a) The indebtedness secured hereby, or by any decree foreclosing this Security Instrument, or any tax, special assessment or other lien or of any provision hereof shall not be subject to any defense which would not be good and available to the party intervening same in an action at law upon the Note hereby secured.

3. No action for the enforcement of the lien or of any provision hereof shall be subject to any defense which would not be good and available to the party intervening same in an action at law upon the Note hereby secured.

2. 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 incurred in the foreclosure proceedings, including all such items as are mentioned in the preceding paragraph thereof; second, 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, all interest remaining unpaid on the Note; fourth, all principal remaining unpaid on the Note; fifth, any overlap to Mortgagor, their heirs, legal representatives or assigns, as their rights may appear.

d. such right to foreclose whether or not actually commenced; or  
c. preparations for the defense of any suit for the foreclosure hereof after accrual of such right to foreclose whether or not actually commenced; or  
b. preparations for the commencement of any suit for the foreclosure hereof after accrual of such right to foreclose whether or not actually commenced; or  
a. any proceeding, including probate and bankruptcy proceedings, to which any of them shall be a party, either as plaintiff, claimant or defendant, by reason of this Security Instrument or any indebtedness hereby secured; or

081010136

K. Restrictions on Transfer.

1. In determining whether or not to make the loan requested hereby, Lender examined the credit-worthiness of Mortgagor and/or Mortgagor's beneficiary or guarantor (if applicable), found the same to be acceptable and relied and continues to rely upon same as the means of repayment of the loan. Lender also evaluated the background and experience of Mortgagor and/or its beneficiary or guarantor (if applicable) in owning and operating property such as the Premises, found the same to be acceptable and relied and continues to rely upon same as the means of maintaining the value of the Premises which is Lender's security for the loan. It is recognized that Lender is entitled to keep its own portfolio at current interest rates by either making new loans at such rates or collecting assumption fees and/or increasing the interest rate on a loan the security for which is purchased by a party other than the original Mortgagor and/or its beneficiary (if applicable). Mortgagor and/or its beneficiary (if applicable) further recognize that any secondary or junior financing placed upon the Premises, or the beneficial interest of beneficiary in Mortgagor:
  - a. may divert funds which would otherwise be used to pay the Note secured hereby;
  - b. could result in acceleration and foreclosure by any such junior encumbrancer which would force Lender to take measures and incur expenses to protect its security;
  - c. would detract from the value of the Premises should Lender come into possession thereof with the intention of selling same; and
  - d. impair Lender's right to accept a deed in lieu of foreclosure, as a foreclosure by Lender would be necessary to clear the title of the Premises.
2. In accordance with the foregoing and for the purposes of:
  - a. protecting Lender's security, both of repayment of the indebtedness and of value of the Premises;
  - b. giving Lender the full benefit of its bargain and contract with Mortgagor and/or beneficiary (if applicable) and Mortgagor;
  - c. allowing Lender to raise the interest rate and/or collect assumption fees; and
  - d. keeping the Premises and the beneficial interest (if applicable) free of subordinate financing liens, beneficiary (if appropriate) and Mortgagor agree that if this Paragraph be deemed a restraint on alienation, that it is a reasonable one and that any sale, conveyance, assignment, further encumbrance or other transfer of title to the Premises or any interest therein (whether voluntary or by operation of law) without the Lender's prior written consent shall be an event of default hereunder. For the purpose of, and without limiting the generality of, the preceding sentence, the occurrence at any time of any of the following events shall be deemed to be an unpermitted transfer of title to the Premises and therefore an event of default hereunder:
    - (1) any sale, conveyance, assignment or other transfer of, or the grant of a security interest in, all or any part of the title to the Premises or the beneficial interest or power of disposition under the trust agreement with the Mortgagor, if applicable;
    - (2) any sale, conveyance, assignment or other transfer of, or the grant of a security interest in, any share or stock of the Mortgagor (if a corporation) or the corporation which is the beneficiary or one of the beneficiaries under the trust agreement with the Mortgagor, or of any corporation directly or indirectly controlling such beneficiary corporation;
    - (3) any sale, conveyance, assignment or other transfer of, or the grant of a security interest in, any general partnership interest of the limited partnership or general partnership (herein called the "Partnership") which is the Mortgagor or the beneficiary or one of the beneficiaries under the trust agreement with the Mortgagor;
    - (4) any sale, conveyance, assignment or other transfer of, or the grant of a security interest in, any share of stock of any corporation directly or indirectly controlling such Partnership.

Any consent by the Lender, or any waiver of an event of default, under this Paragraph shall not constitute a consent to, or waiver of any right, remedy or power of Lender upon a subsequent event of default under this Paragraph.

94370480

L. Assignment of Rents

1. To further secure the indebtedness secured hereby, Mortgagor does hereby sell, assign and transfer unto the Lender all the rents, issues and profits now due and which may hereafter become due 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 hereof, which may have been heretofore or may be hereafter made or agreed to or which may be made or agreed to by the Lender under the powers herein granted, it being the intention hereby to establish an absolute transfer and assignment of all of such leases and agreements, and all the avails thereunder, unto the Lender, and Mortgagor does hereby appoint irrevocably the Lender its true and lawful attorney in its name and stead (with or without taking possession of the Premises) to rent, lease or let all or any portion of the Premises to any part or parties at such rental and upon such terms as said Lender shall, in its discretion, determine, and to collect all of said avails, rents, issues and profits arising from or accruing at any time hereafter, existing on the Premises, with the same rights and powers and subject to the same immunities, exoneration of liability and rights of recourse and indemnity as the Lender would have upon taking possession of the Premises.
2. The 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 two installments in advance, and that the payment of none of the rents to accrue for any portion of the Premises has been or will be waived, released, reduced, discounted, or otherwise discharged or compromised by the Mortgagor. The Mortgagor waives any rights or set off against any person in possession of any portion of the Premises. Mortgagor agrees that it will not assign any of the rents or profits of the Premises, except to a purchaser or grantee of the Premises.
3. Nothing herein contained shall be construed as constituting the Lender as a mortgagee in possession in the absence of taking of actual possession of the Premises by the Lender. In the exercise of the powers herein granted the Lender, no liability shall be asserted or enforced against the Lender, all such liability being expressly waived and released by Lender.
4. The Mortgagor further agrees to assign and transfer to the Lender all future leases regarding all or any part of the Premises hereinbefore described and to execute and deliver, at the request of the Lender, all such further assurances and assignments in the

UNOFFICIAL COPY

Note. This security instrument shall be construed under Illinois law. If any provisions hereof are invalid under Illinois law, such invalidity shall not affect the validity of the rest of the security instrument and rider, if any.

defined in 5/15-1219 of the Act. Mortgagor acknowledges that the premises do not constitute agricultural real estate as defined in 5/15-1201 of the Act or residential real estate as defined in 5/15-1219 of the Act. Mortgagor agrees that no action for the enforcement of the lien or any provision hereof shall be subject to any defense which would not be good and valid in an action at law upon the Note. Mortgagor hereby agrees that no action for the enforcement of the lien or any provision hereof shall be subject to any defense which would not be good and valid in an action at law upon the Note.

to the full extent permitted by law, Mortgagor hereby expressly waives any and all rights it may have to require that the premises be sold as separate tract or units in the event of foreclosure. To the full extent permitted by law, Mortgagor hereby expressly waives any and all rights it may have to require that the premises be sold as separate tract or units in the event of foreclosure. To the full extent permitted by law, Mortgagor hereby expressly waives any and all rights it may have to require that the premises be sold as separate tract or units in the event of foreclosure.

Application of Rents. The Lender, in the exercise of the rights and powers hereinabove conferred upon it by Section 1 hereof, shall have full power to use and apply the rents, issues and profits of the premises to the payment of or on account of the following: rents, issues and profits of the premises to the payment of or on account of the following:

94C:030180

- 2. Lender, its successors or assigns shall prepare the release of this Security Instrument and the lien thereof by proper instrument upon presentation of satisfactory evidence that all indebtedness secured by this Security Instrument has been fully paid, including the cost of the preparation of the release. Mortgagor shall be responsible for the recording of said release and all charges relating thereto.
- 3. This Security Instrument and all provisions hereof, shall extend to and be binding upon Mortgagor 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 hereof, whether or not such persons shall have executed the Note or this Security Instrument. The word "Note" when used in this instrument shall be construed to mean "Notes" when more than one note is used.
- 4. Mortgagor and Lender acknowledge and agree that in no event shall Lender be deemed to be a partner or joint venturer with Mortgagor or any beneficiary of Mortgagor. Without limitation of the foregoing, Lender shall not be deemed to be such a partner or joint venturer on account of its becoming a mortgagee in possession or exercising any rights pursuant to this Security Instrument or pursuant to any other instrument or document evidencing or securing any of the indebtedness secured hereby, or otherwise.

**Q. Future Advances.** This Security Instrument is given to secure a non-revolving credit loan and shall secure not only the existing indebtedness, but also such future advances, whether such advances are obligatory or to be made at the option of the Lender, or otherwise, as are made within twenty years from the date hereof, to the same extent as if such future advances were made on the date of execution of this Security Instrument, although there may be no advance made at the time of execution of this Security Instrument, and although there may be no indebtedness outstanding at the time any advance is made. The total amount of indebtedness that is secured hereby may increase or decrease from time to time, but the total unpaid balance so secured at any one time shall not exceed a maximum principal amount of the Note, plus interest thereon, and any disbursements made for the payment of taxes, special assessments, or insurance on the Premises, with interest on such disbursements (all such indebtedness being hereinafter referred to as the "maximum amount secured hereby"). This Security Instrument is intended to and shall be valid and have priority over all subsequent liens and encumbrances, including statutory liens, excepting from solely taxes and assessments levied on the Premises, to the extent of the maximum amount secured hereby.

**R. Occupancy Requirement.** The Premises are to be occupied by Mortgagor or Mortgagor's Beneficiary during the entire term of the loan and any and all extensions or modifications thereof and, if this requirement is not met, the holders of the Note shall be entitled to all rights and remedies given in this Security Instrument in the event of default in the performance of any agreement of the Mortgagor contained herein.

**S. Trustee Exculpatory.** In the event Mortgagor executing this Security Instrument is an Illinois land trust, this Security Instrument is executed by Trustee, not personally but as trustee aforesaid in the exercise of the power and authority conferred upon and vested in it as such Trustee, and is payable only out of the property specifically described in said Security Instrument securing the payment hereof, by the enforcement of the provisions contained in said Security Instrument. No personal liability shall be asserted or be enforceable against Trustee, because or in respect of this or the making, issue or transfer thereof, all such liability, if any, being expressly waived by each taker and holder of the Note, but nothing herein contained shall modify or discharge the personal liability of Beneficiary, any co-maker of the Note or any guarantor, if any, and each original and successive holder of the Note accepts the same upon the express condition that no duty shall rest upon Trustee to sequester the rents, issues and profits arising from the property described in this Security Instrument or the proceeds arising from the sale or other disposition thereof, but that in case of default in the payment of this Note or of any installment of principal and interest, the sole remedy of the holders of the Note shall be by foreclosure of Security Instrument, in accordance with the terms and provision hereof set forth or by action to enforce the personal liability of Beneficiary, any co-maker or any guarantor, if any, of the payment of the Note.

**T. Rider.** The Rider or Riders attached hereto, if any, is(are) hereby made a part hereof.

IN WITNESS WHEREOF, the Mortgagor has executed this instrument as of the day and year first above written.

**TRUSTEE:**  
**MID TOWN BANK AND TRUST COMPANY OF CHICAGO**  
 not personally, but solely as Trustee  
 aforesaid:  
 By: Deborah Stephanites  
 Deborah Stephanites, Trust Officer  
 Attest: Carmen Rosario  
 Carmen Rosario, Assistant Secretary

**BENEFICIARY:**  
William Moorehead  
 William Moorehead

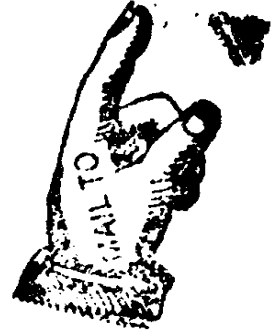
94970480

# UNOFFICIAL COPY

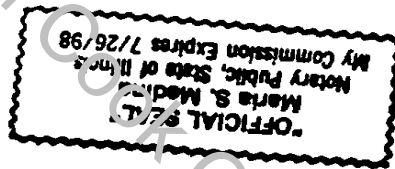
GARMEN ROSARIO  
MID TOWN BANK AND TRUST COMPANY OF CHICAGO  
2021 NORTH CLARK STREET  
CHICAGO, ILLINOIS 60614

THIS INSTRUMENT WAS PREPARED BY:

MAIL TO:



Property of



My commission expires:

Notary Public

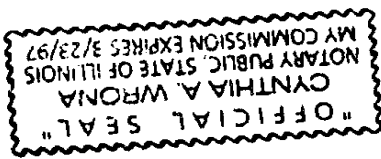
*Maria S. Medina*

Given under my hand and Notarial Seal on November 10, 1994.

I, the undersigned, a Notary Public in and for said county, in the state aforesaid, DO HEREBY personally know to me to be the same persons whose names are 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.

A true and correct copy of the foregoing instrument is hereby certified to be the same as the original.

COURT OF COOK )  
STATE OF ILLINOIS )



My commission expires:

Notary Public

*Cynthia A. Wrona*

Given under my hand and Notarial Seal on November 10, 1994.

I, the undersigned, a Notary Public in and for said county, in the state aforesaid, DO HEREBY personally know to me to be the same persons whose names are subscribed to the foregoing instrument in their stated capacities, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary acts, and as the free and voluntary acts of said corporation, for the uses and purposes therein set forth; and they did also then and there acknowledge that as custodian of the corporate seal of said corporation, I did affix said corporate seal to said instrument as their own free and voluntary act, and as the free and voluntary act of said corporation, for the uses and purposes therein set forth; and as they personally know to me to be the same persons whose names are subscribed to the foregoing instrument in their stated capacities, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary acts, and as the free and voluntary acts of said corporation, for the uses and purposes therein set forth; and as they did also then and there acknowledge that as custodian of the corporate seal of said corporation, I did affix said corporate seal to said instrument as their own free and voluntary act, and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

COURT OF COOK )  
STATE OF ILLINOIS )

91010180



# UNOFFICIAL COPY

ADJUSTABLE RATE RIDER

This Rider is made this November 10, 1994, and is incorporated into and shall be deemed to amend and supplement the Note/Mortgage dated of even date herewith, given by the undersigned (herein "Mortgagor") to secure Borrower's Note to Mid Town Bank and Trust Company of Chicago ("Lender") covering the property described in the Mortgage and located at 1735 North Nashville, Chicago, Illinois ("Premises").

In addition to the covenants and agreements made in the Mortgage, Mortgagor and Lender further covenant and agree as follows:

## Rate Change Provisions:

- (i) **Change Dates:** The interest rate may change on December 1, 1995, and on that day every year thereafter. Each date on which the interest rate can change is called a "Change Date".
- (ii) **Effective Date of Changes:** The new interest rate will become effective on each Change Date.
- (iii) **The Index:** Beginning with the first Change Date, the interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury Securities adjusted to a constant maturity of One (1) year as published by the Federal Reserve Board. The most recent Index figure published as of the date forty-five (45) days before each Change Date is called the "Current Index".

If the Index is no longer published, the holder of the Note will choose a new index which is based upon comparable information. The holder of the Note will give the Maker notice of this choice. Subject to the conditions of this paragraph, the interest rate on this Note shall first be increased or decreased on the Change Date so that the interest rate hereon is the sum of 3.25% (the "Margin") plus the current Index value, which is rounded up to the next highest one-eighth of one percentage point. This rounded amount will be the new interest rate until the next Change Date. The holder of the Note will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal balance of the loan (based on a thirty (30) year declining amortization schedule) at the new interest rate in substantially equal payments. The result of this calculation is called the "Full Monthly Payment Amount" and it will be the new amount of the monthly payment.

- (iv) **Required Full Monthly Payment Amount:** Beginning with the first monthly payment after each Change Date, the Maker will pay the current Full Monthly Payment Amount as the monthly payment.
- (v) **Interest Rate "Caps":** Any change in the interest rate effective on any Change Date shall be in increments of one-eighth of one percentage point. Any change in the interest rate effective on any Change Date shall not exceed two percentage points (2.0%) up or down from the interest rate effective on the immediately preceding Change Date. The maximum interest rate which may be imposed by the holder of the Note shall not exceed 12.75% per annum (the initial interest rate plus six percentage points (6.0%)) and the minimum interest rate which may be imposed shall not be less than 6.75% per annum (the initial interest rate).
- (vi) The principal and interest payment stated herein of \$1,176.23 will be payable until the earlier of the first Change Date or the date on which the Note is fully paid.
- (vii) From and after the occurrence of (a) any default in the payment of interest when due in accordance with the terms hereof, (b) a Default (as herein defined) under the Note, or (c) the Maturity Date (as defined in the Note) of the Note, whether by acceleration or otherwise, interest shall accrue on the amount of the principal balance outstanding hereunder at the Default Rate. The Default Rate shall be equal to 10.00% (the "margin") over the Prime Rate of interest per annum. For purposes of this Note the "Prime Rate" shall mean the prime rate of interest as announced from time to time in the Money Rate Section of the Wall Street Journal. The rate may vary daily with changes in the Prime Interest Rate and each day with changes in your outstanding daily balance. Interest accruing at the Default Rate shall be payable on demand.

MID TOWN BANK AND TRUST COMPANY OF CHICAGO  
not personally, but solely as Trustee  
aforesaid:

By: Deborah Stephanites  
Deborah Stephanites, Trust Officer

Attest: Carmen Rosario  
Carmen Rosario, Assistant Secretary

William Moorehead  
William Moorehead

94370480