

# UNOFFICIAL COPY

## SECURITY AGREEMENT — (Chattel Mortgage) (Illinois)

### Box 260

94021916

94021916

December 29, 1993

CYNTHIA APONTE and FRANK HALL, Jr., 3459 W. 59th St., Cook County Illinois 60629

(hereinafter called "Debtor"), for valuable consideration, receipt whereof is hereby acknowledged, hereby grants to MOHAMMAD H. ZAYED & DALIA F. ZAYED, his wife, 6351 S. Kilpatrick Ave., Chicago, IL 60629, not as tenants in common, but as joint tenants with the right of survivorship (hereinafter called "Secured Party") a security interest in, and mortgages to Secured Party, the following described goods and any and all additions and accessions thereto and products thereof (hereinafter called the "Collateral"):

The entire inventory consisting of each and every item of supplies, materials and merchandise held for resale, and the equipment, business fixtures, and other items presently contained in and used in connection with the grocery store business at 3459 West 59th Street, Chicago, IL 60629, together with any proceeds or products hereafter derived therefrom, and also each and every item of inventory, fixtures, equipment and supplies of the same or similar character or nature hereafter acquired by the Debtors for use at or sale from said business of grocery store, as well as the proceeds and products from such hereafter acquired properties.

A list of equipment and business fixtures presently contained in and used in the business at 3459 W. 59th St., Chicago, IL. is attached hereto and made a part hereof as Exhibit "A".

to secure payment of the following obligations of Debtor to Secured Party (all hereinafter called the "Obligations"):  
(i) Indebtedness of Debtor to Secured Party in the sum of: Fifty Nine Thousand Eight Hundred & 00/100 Dollars (\$59,800.00) evidenced by Debtor's promissory note(s) of even date herewith in said amount payable to the order of Secured Party as therein specified, together with interest thereon as provided in said promissory note(s) and any renewals or extensions thereof, plus all costs of collection, legal expenses and attorneys' fees incurred by Secured Party upon the occurrence of a default under this agreement, in collecting or enforcing payment of such indebtedness, or in preserving, protecting or realizing on the Collateral herein;

(ii) Any note or notes executed and delivered to Secured Party by Debtor at any time before the entire indebtedness and all liabilities secured hereby shall be paid in full, evidencing a refinancing of an unpaid balance of any of the note(s) above described;

(iii) Any and all liabilities of Debtor to Secured Party arising under this agreement.

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Debtor hereby warrants and covenants that —  
(a) The Collateral is bought or used primarily for  Personal, family or household purposes and if checked here  is being acquired with the proceeds of the note or notes, which Secured Party may disburse directly to the seller of the Collateral;  Farming operations use  Business use

(b) If the Collateral is bought or used primarily for personal, family or household purposes, or for farming operations use by an individual, Debtor is a resident of said State at the address shown at the beginning of this agreement;

(c) If the Collateral is bought or used primarily for business use or farming operations use by organization, Debtor's business is grocery store business

and its chief executive office (or place of business if it has only one) is in (outside) said State at 3459 West 59th St., Chicago, IL 60629

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COOK COUNTY RECORDER

or if left blank, is located at the address shown at the beginning of this agreement;  
(d) The Collateral will be kept at 3459 W. 59th St. Chicago Cook County Illinois 60629

or if left blank, at the address of the Debtor shown at the beginning of this agreement; Debtor will promptly notify Secured Party of any change in the location of the Collateral within said State; and Debtor will not remove the collateral from said State without the prior written consent of the Secured Party;

(e) If the Collateral is or is to be affixed to real estate, or is crops growing or to be grown, or standing timber, or minerals or the like (including oil and gas), or accounts financed at the well head or mine head, a description of the real estate concerned is as follows (or on attached sheet):

Lots 23 and 24 in Eberhart's Subdivision of Block 3 in James Webbs Subdivision of the South East 1/4 of Section 14, Township 38 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois.

Street Address: 3459 W. 59th St., Chicago, IL 60629 Permanent Index No.: 19-14-401-001

and the name of a record owner is: Cynthia Aponte and Frank Hall, Jr.

Title to the above-described real estate is  Recorded in the Recorder's office.  Registered in Torrens. Debtor will on demand of Secured Party furnish the latter with a writing signed by all owners and encumbrancers of the real estate consenting to the security interest under this agreement or disclaiming any interest in the collateral as fixtures and Debtor will promptly notify Secured Party in writing of any such persons. If collateral is fixtures, standing timber, minerals or accounts as aforesaid, and if this agreement is used as a financing statement, it shall be filed in the real estate records.

The Collateral will be affixed only to the real estate described herein and will not be affixed to any other real estate so as to become fixtures on such other real estate without the prior written consent of the Secured Party.

The additional provisions set forth on the reverse side hereof are hereby incorporated herein by reference and made a part of this agreement.

Signed in duplicate and delivered on the day and year first above written.  
(Secured Party's signature not required)

Mohammad H. Zayed  
(Secured Party)  
RX Dalia F. Zayed  
Secured Party

Cynthia Aponte  
(Debtor)  
Frank Hall  
Debtor

Mail to: Stephen M. D'Esposito  
401 S. Archer Ave  
Chicago, IL 60603

and is the valid obligation of the Debtor; that the Debtor is the owner of the Collateral, that his true name is signed to the foregoing agreement, and that all parties to this instrument have legal capacity to contract; that the agreement and all accompanying agreements and other documents submitted herewith are genuine in all respects and what they respectively purport to be; that to the best of Secured Party's knowledge all statements of fact contained in the agreement and in all accompanying agreements and other documents submitted herewith are true; that the description of the property is adequate to enforce the rights created therein; that the Collateral is in satisfactory condition, and clear of any adverse interest therein; that Secured Party has no knowledge of any facts which would impair the validity of the agreement or other accompanying agreements and documents or render them less valuable or valueless; and that he knows of no defense to the payment of the Obligations of the Debtor (including, but not limited to, set-off, counterclaim, or other claims against the Debtor or any other obligor under said agreement. The Secured Party hereby waives all demands and notices of default and consents that without notice to Secured Party, the assignee may extend time to or compound or release, by operation of law or otherwise, any rights against the Debtor or any other obligor under said agreement. The Secured Party hereby assumes against prior parties, and the assignee shall not be bound to take any steps to preserve such rights. The Secured Party agrees that if any warranty or representation contained in this assignment should prove to be untrue or incorrect in any material respect when made, Secured Party will upon demand of the assignee, as its election, accept a reassignment of the agreement and pay therefor the amount unpaid thereon, plus costs and expenses including reasonable attorney's fees incurred by the assignee in attempting to enforce the agreement.

and that the indebtedness shown due in the agreement is correct and remains unpaid to the extent of  
The Secured Party hereby warrants that the foregoing agreement represents a valid security agreement as provided under the laws of the State of Illinois taken either in its own name or in the name of the Secured Party, but for its own benefit, all such proceedings, legal or equitable, as the Secured Party might have its successors and assigns, all right, title and interest in, to and under the foregoing agreement and in and to the Collateral therein described, with authority to

FOR VALUE RECEIVED, the Secured Party hereby sells, assigns and transfers to

ASSIGNMENT

prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this agreement.  
If any provision of this agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this agreement.

the extent that waiver thereof shall be made unenforceable under applicable law.  
The Secured Party hereby waives all claims against the Debtor or any other obligor under said agreement, and shall not set up any claim against the Secured Party as a defense, counterclaim, or set-off in any action brought by any assignee for the unpaid balance owed hereunder or for possession of the Collateral, provided that Debtor shall not waive hereby any right of action to which he is entitled by law.

All rights of the Secured Party in, to and under this agreement and in and to the Collateral shall pass to and may be exercised by any assignee thereof. The Secured Party hereby waives all claims against the Debtor or any other obligor under said agreement, and shall not set up any claim against the Secured Party as a defense, counterclaim, or set-off in any action brought by any assignee for the unpaid balance owed hereunder or for possession of the Collateral, provided that Debtor shall not waive hereby any right of action to which he is entitled by law.

General. No waiver by Secured Party of any default shall operate as a waiver of any other default or of the same default on a future occasion. All rights of Secured Party hereunder shall inure to the benefit of its successors and assigns, and all obligations of the Debtor shall be joint and several. This agreement shall become effective when it is signed by Debtor.

Remedies. The remedies of the Secured Party hereunder are cumulative and the exercise of any one or more of the remedies provided for herein or under the Uniform Commercial Code of Illinois shall not be construed as a waiver of any of the other remedies of any of the Secured Party so long as any part of the Debtor's Obligation remains unpaid.

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This agreement is subject to applicable bankruptcy law.  
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Remedies. Upon such default, whether or not the Code has been enacted in the jurisdiction where rights or remedies are asserted and at any time thereafter, Secured Party may, at its option, declare all Obligations secured hereby immediately due and payable and shall have the remedies of a secured party under the Uniform Commercial Code of Illinois, including without limitation the right to take immediate and exclusive possession of the Collateral, or a part thereof, and for that purpose may, so far as Debtor can give authority therefor, with or without judicial process, enter (if this can be done without or each of the Secured Parties) upon any premises on which the Collateral or any part thereof may be situated and remove the same therefrom (provided that if the Collateral is a fixture, such removal shall be subject to the conditions listed in the Uniform Commercial Code of Illinois) and the Secured Party shall be entitled to hold, maintain, preserve and prepare the Collateral for sale, until disposed of, or may propose to retain the Collateral subject to Debtor's right of redemption, satisfaction of the Debtor's Obligations as provided in the Uniform Commercial Code of Illinois. Secured Party without removal may render the Collateral unmarketable and dispose of the Collateral on the Debtor's premises. Secured Party may require Debtor to assemble the Collateral and make it available to Secured Party for possession at a place to be designated by Secured Party which is reasonably convenient to both parties. Unless the Collateral is perishable or its value is declining rapidly, Secured Party may, at its option, require Debtor to assemble the Collateral and make it available to Secured Party for possession at a place to be designated by Secured Party which is reasonably convenient to both parties. The requirements of this section shall be met if such notice is mailed, postage prepaid, to the address of Debtor shown at the beginning of this agreement at least five days before the time of the sale or disposition. Secured Party may buy at any public sale and if the Collateral is of a type customarily sold in a recognized market or is of a type which is the subject of widely distributed standard price quotations, he may buy at private sale. The net proceeds realized upon any such disposition, after deduction for the expenses of retaining, holding, preparing for sale or lease, selling, leasing and the like and the reasonable attorney's fees and legal expenses incurred by Secured Party, shall be applied in satisfaction of the Obligations secured hereby. The Secured Party will account to the Debtor for any surplus realized on such disposition, and the Debtor shall remain liable for any deficiency. All rights and remedies under this agreement are subject to applicable bankruptcy law.

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Events of Default. Debtor shall be in default under this agreement upon the occurrence of any of the following events or conditions, namely: (a) default in the payment or performance of any of the Obligations or of any covenants or liabilities contained or referred to herein or in any of the Obligations; (b) any warranty, representation or statement made or furnished to Secured Party or on behalf of Debtor proving to have been false in any material respect which made or furnished; (c) loss, destruction, substantial damage, destruction, sale or encumbrance to or of any of the Collateral, or the making of any levy, seizure or attachment thereof or the death, disability, dissolution, termination of existence, insolvency, business failure, appointment of a receiver of any part of the property of, or assignment to, the benefit of creditors by, Debtor.

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Additional Rights of Parties. As its option, Secured Party may discharge taxes, liens or security interests or other encumbrances at any time levied or placed on the Collateral, and may pay for insurance on the Collateral upon failure by the Debtor, after having been requested so to do, to provide insurance satisfactory to the Secured Party, and may pay for the maintenance, repair, and preservation of the Collateral. To the extent permitted by applicable law, Debtor agrees to reimburse Secured Party on demand for any payment made, or any expense incurred by Secured Party pursuant to the foregoing authorization. Unless Debtor may have possession of the Collateral and use it in any lawful manner not inconsistent with this agreement and not inconsistent with any policy of insurance thereon.

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ADDITIONAL PROVISIONS

Further Warranties and Covenants of Debtor. Debtor hereby warrants and covenants that:  
(a) Except for the security interest granted hereby Debtor is the owner of the Collateral free from any adverse lien, security interest or encumbrance; and Debtor will indemnify the Collateral against all claims and demands of all persons at any time claiming the same or any interest therein.  
(b) No Financing Statement covering any of the Collateral or any proceeds therefrom is on file in any public office. The Debtor shall immediately notify the Secured Party in writing of any change in name, address, identity or corporate structure from that shown in this Agreement and shall also upon demand furnish to the Secured Party such further information and shall execute and deliver to Secured Party such financial statements and other documents in form satisfactory to Secured Party and shall do all such acts and things as Secured Party may at any time or from time to time reasonably require or as may be necessary or appropriate to establish and maintain a perfected security interest in the Collateral as security for the Obligations, subject to no adverse liens or encumbrances; and Debtor will pay the cost of filing the same or filing or recording the agreement in all public offices wherever filing or recording is deemed by Secured Party to be necessary or desirable. A carbon, photographic or other reproduction of this agreement is sufficient as a financing statement.  
(c) Debtor will not sell or offer to sell, assign, pledge, lease or otherwise transfer or encumber the Collateral or any interest therein, without the prior written consent of Secured Party.  
(d) Debtor shall keep the Collateral at all times insured against risks of loss or damage by fire (including so-called extended coverage), theft and such other casualties as Secured Party may reasonably require, including collision in the case of any motor vehicle, all in such amounts, under such forms of policies, upon such terms, for such periods and with such companies as Secured Party may approve, losses in all cases to be payable to Secured Party and Debtor as their interests may appear. All policies of insurance shall provide for at least ten days' prior written notice of cancellation to Secured Party. Debtor shall furnish Secured Party with certificates of such insurance or other evidence satisfactory to Secured Party as to compliance with the provisions of this paragraph. Secured Party may act as attorney for Debtor in making, adjusting and settling claims under and cancelling such insurance and endorsing Debtor's name on any drafts drawn by insurers of the Collateral.  
(e) Debtor will keep the Collateral free from any adverse lien, security interest or encumbrance and in good order and repair, shall not waste or destroy the Collateral or any part thereof, and shall not use the Collateral in violation of any statute, ordinance or policy of insurance thereon. Secured Party may examine and inspect the Collateral at any reasonable time or times, wherever located.  
(f) Debtor will promptly pay when due all taxes and assessments upon the Collateral or for its use or operation or upon this Agreement or upon any note or notes evidencing the Obligations.

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Exhibit "A" 9 1 2 1 0 1 0

List of Fixtures and Equipment in Grocery Store at 3459 W.  
59th Street, Chicago, IL 60629

- 1 7 Ft Spice Rack
- 1 Spin Rack
- 3 8 Ft Gondola shelves
- 3 24 Ft Gondola Shelves
- 1 16 Ft Soda shelf
- 1 4 Ft Cig shelf
- 1 5 Ft Cig shelf
- 1 20 Ft Liquor shelf
- 2 12 Ft shelves
- 2 4 Ft Candy Racks
- 1 4 Ft Hardware Rack
- 1 6 Ft overhead Cig Rack
- 3 Toledo scales
- 1 Toledo scale w. th printer
- 1 Three Roll produce wrapper
- 1 Three Roll meat wrapper
- 1 Automatic meat scale with Printer
- 1 wood meat Block
- 1 meat table
- 1 Meat Grinder, Larger
- 1 7 Ft ~~case~~ Ice Cream Case
- 1 File Cabinet
- 14 Shopping carts
- 1 Magazine Rack
- 11 Shopping ~~Bath~~ Baskets
- 1 office Desk

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- 1 Meat tenderizer
- 1 Meat saw Electric
- 1 Hand Saw
- 2 Meat Hangers
- 1 old RC Rack
- Gas stove
- 1 hanging scale
- 1 Two compartment sink
- 2 Cash Registers
- 1 check out counter
- 1 6ft Table
- 1 5ft Table
- 1 6ft Table
- 1 8ft meat display case
- 1 6ft Deli Display case
- 1 24 ft open meat case
- 1 20 ft Produce case, 2 shelf dec
- 1 4 door Walk in Cooler
- 2 8ft x 8ft Walk in Cooler
- 1 21 ft 8 door Freezer
- 1 21 ft 8 door Freezer

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~~span rack~~

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Property of Cook County Clerk's Office

Mail to: Stephen M. Oleszkiewicz  
4512 S Archer Ave  
Chicago, IL 60632