

# UNOFFICIAL COPY

96211162

THIS MORTGAGE IS SUBJECT AND SUBORDINATE TO THE MORTGAGE MADE BY MICHAEL SKOKNA AND MARY JO ERNST SKOKNA, MARRIED TO EACH OTHER, AND OTTO F. ERNST AND JUDITH ERNST, MARRIED TO EACH OTHER, TO EVANSTON BANK, ISAOA ATIMA, C/O GREATBANC, INC. DATED MARCH 15, 1996 IN THE AMOUNT OF EIGHTY NINE THOUSAND SIX HUNDRED DOLLARS (\$89,600.00).

## SECOND MORTGAGE

58<sup>00</sup> 78  
\$ 55  
per-

THIS MORTGAGE ("Security Instrument") is made on March 15, 1996. The mortgagors are Michael Skokna and Mary Jo Ernst Skokna, married to each other, and Otto F. Ernst and Judith Ernst, married to each other ("Borrower", jointly and severally if more than one). This Security Instrument is given to George J. Cyrus, Jr. and Walter H. Kihm, Jr. ("Lender"). Borrower has executed and delivered to Lender a Promissory Note ("Note") dated March 15, 1996 payable to the Lender in the principal sum of Eleven Thousand Two Hundred and No/100 Dollars (\$ 11,200.00), bearing interest and payable as set forth in the Note, and due on April 1, 2001. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, replacements, extensions and modifications thereof; (b) the payment of all sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance and observance of Borrower's covenants and agreements under this Security Instrument, the Note, and any other loan documents securing Borrower's obligations under the Note, if any ("Loan Documents"). For this purpose, Borrower does HEREBY MORTGAGE, GRANT AND CONVEY to Lender the following described property locate in Cook County, Illinois:

96211162

See Exhibit A attached hereto.

75 98 112  
96013258

Permanent Index No. 11-19-403-001-0000

which has the address of Unit 843 #3 in the Roycroft Condominium, 837-847 Judson Avenue, 316-322 Main Street, Evanston, Illinois 60202 ("Property Address").

TOGETHER WITH all the improvements of every nature whatsoever now or hereafter situated on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures an

BOX 333-CTI

UNOFFICIAL COPY

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

personal property now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Mortgaged Property."

**BORROWER COVENANTS** that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Mortgaged Property and that the Mortgaged Property is unencumbered, except for those permitted encumbrances accepted by Lender as exceptions to the ALTA Loan Title Insurance Policy delivered to and accepted by Lender in connection with the closing of the transaction creating the indebtedness secured by this Security Instrument ("Permitted Encumbrances"). Borrower warrants and will defend generally the title to the Mortgaged Property against all claims and demands, subject to any encumbrances of record that are of record prior to the date hereof and are contained in a title commitment given to Lender.

**BORROWER FURTHER AGREES, COVENANTS WITH AND REPRESENTS TO LENDER** as of the date hereof and until the indebtedness is paid in full and all other obligations of Borrower under this Security Instrument or of Borrower under any of the other Loan Documents are performed in full, as follows:

**1. Payment of Principal and Interest; Prepayment and Late Charges.** Borrower shall promptly pay when due the principal and the interest on the debt and any other indebtedness evidenced by or required to be paid pursuant to the Note, including any prepayment and late charges due under the Note; and (b) punctually perform and observe all of the requirements of this Security Instrument and the other Loan Documents, if any.

**2. Funds for Taxes and Insurance.** Subject to applicable law or at the option of the Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") equal to one-twelfth of: (a) yearly taxes and assessment which may attain priority over this Security Instrument; (b) yearly leasehold payments of ground rents on the Mortgaged Property, if any; (c) yearly hazard insurance premiums, and (d) yearly mortgage insurance premiums, if any. These items are called "escrow items." Lender may estimate the Funds due on the basis of current data and reasonable estimates of future escrow items.

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay the escrow items. Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose of which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by the Security Instrument and shall not be subject to the direction or control of Borrower. Upon a default under the Security Instrument, Lender may at its option, apply and Funds on hand to the sums secured by this Security Instrument in such order and manner as Lender may elect.

96211162

UNOFFICIAL COPY

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

If the amount of the Funds held by Lender, together with the future monthly payments of Funds payable prior to the due dates of the escrow items, shall exceed the amount required to pay the escrow on monthly items when due, the excess shall be at Lender's option either repaid to Borrower or credited to Borrower on monthly payments of Funds. If the amount of the Funds held by Lender is not sufficient to pay the escrow items when due, Borrower shall, upon demand, pay to Lender any amount necessary to make up the deficiency in one or more payments as required by Lender.

Upon payment in full of all sums secured by this Security Instrument, Lender shall refund to Borrower any Funds held by Lender. If under paragraph 23 the Property is sold or acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Security Instrument.

**3. Application of Payments.** Unless applicable law provide otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to late charges due under the Note; second, to prepayment charges due under the Note; third, to amounts payable under paragraph 2; fourth, to interest due; and last, to principal due.

**4. Payment of Expenses, Liens.** Borrower shall pay when due all taxes, assessments, charges, fines, impositions, and other operating costs and expenses attributable to the Mortgaged Property which may attain priority over the Security Instrument, including leasehold payments or ground rents, if any. Borrower shall pay these obligation in the manner provided in paragraph 2, or in not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien, charge or encumbrance upon all or any portion of Mortgaged Property unless Borrower: (a) agree in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith and with reasonable diligence the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the Mortgaged Property; or (c) secures from the holder of the lien and agreement satisfactory to Lender subordination the lien to this Security Instrument. If Lender determines that any part of the Mortgaged Property is subject to any such lien, charge or encumbrance, Lender may give Borrower a notice identifying same. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice. Prior to initiating any contest, Borrower shall deposit with Lender, at such place as Lender may from time to time in writing designate, a sum of money or other security acceptable to Lender that is sufficient in Lender's judgment, to pay in full the amount, including interest and penalties thereon, to discharge the lien.

9621162

UNOFFICIAL COPY

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

5. **No Further Encumbrances.** Borrower shall not, without the prior written consent of Lender, create, suffer or permit to be created or to exist and mortgage, deed of trust, security interest, or other encumbrance of any kind whatsoever upon all of any part of the Mortgaged Property, whether junior, secondary or subordinate or senior or prior to the lien of the Mortgage, other than imposition not yet due and the Permitted Encumbrances. To the extent the Lender so consents to any further encumbrances, Borrower shall perform all of its obligation with respect to such encumbrances, including without limitation payment when due of all principal, interest and other indebtedness secured thereby. Borrower shall also furnish Lender with copies of all notices received from the holders of such encumbrances claiming the existence of a default thereunder or giving notice of a condition which with the passage of time would give to a default thereunder.

6. **Insurance Coverage.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Lender may from time to time require insurance. This insurance shall be maintain in such amounts, with such limits, and for the periods that Lender may from time to time require.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause and standard waiver of subrogation endorsements. Lender shall have the right to hold the policies and renewals. Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. All insurance policies shall provide that the coverage shall not be terminated or materially modified without thirty (30) days' advance written notice to Lender, and provide that no claims shall be paid thereunder without ten (10) days' advance written notice to Lender.

Lender may, in its sole discretion, elect to apply the proceeds of insurance policies consequent upon any casualty either (i) to reduce the sum secured by this Security Instrument; or (ii) to reimburse Borrower for the cost of restoring or repairing the Mortgaged Property, if restoration or repair is economically reasonable and Lender's security is not lessened. In the event Lender applies the proceeds of insurance policies to the sum secured by the Security Instrument and such proceeds do not discharge that indebtedness in full, the entire sum secured by this security Instrument shall become immediately due and payable with interest thereon at the default rate specified in the Note. Whether or not insurance proceeds are made available to Borrower, and if restoration or repair of the Mortgaged Property is economically feasible. Borrower shall restore or repair the improvements, to be of at least equal value, and of substantially the same character as prior to such casualty, all to be effected in accordance with plans, specifications and procedures approved in advance by Lender, and Borrower shall pay all costs of such restoring or repairing. If Borrower abandons the Mortgaged Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the

96211162

UNOFFICIAL COPY

Property of Cook County Clerk's Office



# UNOFFICIAL COPY

proceeds to repair or restore the Mortgaged Property or to pay the sum secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 23 the Mortgaged Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Mortgaged Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

**7. Preservation and Maintenance of Mortgaged Property; Leasehold.** Borrower shall not destroy, damage, substantially change or abandon the Mortgaged Property, allow the Mortgaged Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Mortgaged Property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

**8. Protection of Lender's Rights in the Mortgaged Property; Mortgage Insurance.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Mortgaged Property (such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Mortgaged Property and Lender's rights in the Mortgaged Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Mortgaged Property to make repairs. Although Lender may take action under this paragraph 8, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 8 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Default Rate (as that term is defined in the Note) and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

If Lender required mortgage insurance as a condition of making the loan secured by the Security Instrument, Borrower shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

**9 Inspection.** Borrower shall permit Lender or Lender's representative to (a) make reasonable entries upon and inspection of the Mortgaged Property and (b) to inspect and audit all records relating to the Mortgaged Property, including all leases, rent rolls or related reports, for the purpose of determining whether Borrower is in compliance with the provisions of the Note, this Security Instrument, or any of the other loan

9621162

UNOFFICIAL COPY

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

documents.

10. **Condemnation.** The proceeds of any award of claim for damages, direct or consequential, in connection with any condemnation or other taking of all or any part of the Mortgaged Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Borrower shall immediately notify Lender of the actual or threatened commencement of any proceeding in respect of the condemnation or other taking of all or any part of the Mortgaged Property and shall deliver to Lender copies of all paper served in connection with any such proceedings.

In the event of a total taking of the Mortgaged Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Mortgaged Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Mortgaged Property immediately before the taking. Any balance shall be paid to Borrower.

If the Mortgaged Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Mortgaged Property or to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

11. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right to remedy shall not be a waiver of or preclude the exercise of any right or remedy.

12. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements of this Security Instrument shall bind and benefit the successor and assigns of Lender and Borrower, subject to the provisions of paragraph 19. Borrower's covenants and agreements shall be joint and several. Any Borrower who

96211162

UNOFFICIAL COPY

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

co-signs this Security Instrument but does not execute the Note: (a) is Mortgaged Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

**13. Subordination of Security Instrument to Leases.** At the option of Lender, this Security Instrument shall become subject and subordinate, in whole or in part, but no with respect to priority of entitlement to insurance proceeds or any award in any condemnation proceeding, to any and all leases of all or any part of the Mortgaged Property upon the execution by Lender and recording thereof at any time, in the Office of the Recorder for the county in which the Mortgaged Property is situated, of a unilateral declaration to that effect.

**14. Loan Charges.** If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest of other loan charged collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded the permitted limits will be refunded to Borrower. Lender at its sole option may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

**15. Legislation Affecting Lender's Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Security Instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 19. If Lender exercises this option, Lender shall take the step specific in the second paragraph of paragraph 19.

**16. Notices.** Any notice to Borrower provided for in this Security Instrument shall be in writing and shall be given by delivering it by hand or by sending it by certified or registered mail, postage pre-paid, return receipt requested, unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be sent by registered or certified mail, postage pre-paid, return receipt requested, to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

**17. Governing Law; Severability.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Mortgaged Property is

96211162

UNOFFICIAL COPY

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provision of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provision of the Security Instrument and the Note are declared to be severable.

**18. Borrower's Copy.** Borrower shall be given on conformed copy of the Note and of this Security Instrument.

**19. Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Mortgaged Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by the Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

**20. Assignment of Rents and Leases.** All right, title, and interest of Borrower in and to all leases, and other agreements or documents evidencing the rents, now or hereafter in effect and any and all deposits held as security under such leases, agreements or documents, together with all of the rents from, due or arising out of the Mortgaged Property have been transferred and assigned simultaneously herewith certain instrument entitled Assignment of Rents and Leases ("Assignment of Rents") of even date herewith measure by Borrower and to be recorded simultaneously herewith, the terms, covenants, and condition of which are hereby expressly incorporated herein by reference and made a part hereof, with the same force and effect as though the same were particularly set forth herein. All future leases affecting the Mortgaged Property shall be submitted by Borrower to Lender for its approval prior to the execution thereof.

**21. Borrower's Right to Reinstate.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Mortgaged Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note had no acceleration occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including,

96211162

UNOFFICIAL COPY

Property of Cook County Clerk's Office



# UNOFFICIAL COPY

but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligation secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraphs 15 or 19.

**22. Events of Defaults.** Any of the following shall constitute and "Event of Default" under this Security Instrument:

(a) Non-Payment. A default shall occur in the payment of any installment of principal, interest of combined principal and interest pursuant to the Note, or in the payment of any amount coming due under the Note, this Security Instrument or any of the other Loan Documents and in any of such events such default shall continue for five (5) days;

(b) Non-Observance; Non-Performance; False or Inaccurate Representation. A default shall occur in the observance or performance of any other covenant, agreement or obligation of Borrower contained in the Note, this Security Instrument or any other Loan Document or any other instrument given at any time as security for payment of the indebtedness, or any representation or statement made in this Security Instrument or any representation, warranty or statement made in any other Loan Document or in any other document or material furnished to Lender by or on behalf of Borrower in connection with the loan proves to be false or inaccurate in any material respect as of the date of making or issuance thereof.

(c) Sale, Transfer or Encumbrance. Borrower without the prior written consent of Lender shall (i) sell, convey, lease with an option to purchase, enter into a contract for the sale of, grant an option to purchase or otherwise alienate, mortgage or further encumber all or any part of the Mortgaged Property or any interest therein, or (ii) be divested of its title thereto or any interest therein in any manner or way, whether voluntarily or involuntarily, or any beneficiary of Borrower, without the prior written consent of Lender, shall create, effect, contract for, commit to, consent to, suffer or permit any sale, assignment, collateral assignment, transfer, lien, pledge, mortgage, security interest, other encumbrance or alienation of all or any portion of such beneficial interest in Borrower;

(d) Change in Ownership of Any Beneficiary of Borrower. Any merger, consolidation, dissolution or reorganization of Borrower or, if Borrower is a partnership, of the corporate general partner of Borrower shall occur; or any sale, conveyance, assignment or other transfer of, or the grant of a security interest in, any general partnership interest in Borrower or a majority interest in Borrower or in any corporation or other partnership constituting a general partner of Borrower shall occur;

(e) Judgments; Enforcement of Liens. Any proceedings shall be instituted or process issued to enforce any lien, charge or encumbrance against the Mortgaged

96211162

UNOFFICIAL COPY

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

Property, a writ of execution or attachment or any similar process shall be issued or levied against all or any portion of in the Mortgaged Property or interest therein; or any judgment involving monetary damages shall be entered against Borrower or any beneficiary of Borrower which shall become a lien on all or any portion of the Mortgaged Property or any interest therein and within twenty (20) days thereafter such proceeding, execution, attachment, similar process or judgment is not dismissed, stayed on appeal, withdrawn, released, satisfied or vacated;

(f) Default Under Other Encumbrances. A default shall occur in the observance or performance of any covenant or agreement of Borrower with respect to payments or otherwise, contained in any other deed of trust, mortgage, lease or security agreement relating to the Mortgaged Property or any part thereof;

(g) Governmental Action. Borrower, any guarantor of all or any portion of the indebtedness or, if any beneficiary of Borrower is a partnership, any of such beneficiary's general partners shall be prevented or relieved by any governmental authority from performing or observing any material terms, covenant or condition of the Note, this Mortgage or any of the other Loan Documents.

(h) Material Adverse Change. Any material adverse change shall occur in the assets, financial condition, business, operations, affairs or circumstance of the Borrower, any guarantor of all or any portion of the indebtedness or, if any beneficiary of Borrower is a partnership, any of such beneficiary's general partners;

(i) Bankruptcy; Insolvency. Any one of the following events shall occur:

(i) Borrower, any guarantor of all or any portion of the indebtedness or, if any beneficiary of Borrower is a partnership, any of such beneficiary's general partners becomes insolvent, is generally not paying its debts as they become due or admits in writing its inability to pay its debts as they become due;

(ii) Borrower, any beneficiary of Borrower, and guarantor or all or any portion of the indebtedness or, in any beneficiary of Borrower is a partnership, any of such beneficiary's general partners voluntarily suspends the transaction of business;

(iii) Borrower, any beneficiary of Borrower, any guarantor of all or any portion of the indebtedness or, if any beneficiary of borrower is a partnership, any of such beneficiary's general partners applies for, consents to or acquiesces in the appointment of a trustee, receiver, or other custodian for such person or any property of such person or makes a general assignment for the benefit of creditors;

(iv) In the absence of any application, consent or acquiescence, a trustee, receiver or other custodian is appointed for Borrower, any beneficiary of Borrower, any guarantor of all or any portion of the Indebtedness or, if any beneficiary of Borrower is a partnership any of such beneficiary's general partners of for a substantial

56211162

UNOFFICIAL COPY

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

part of the property of such persons and in any of such events such trustee, receiver or other custodian is not discharged within thirty (30) days;

(v) Any bankruptcy, reorganization, debt arrangement, composition, readjustment dissolution, liquidation or other case or proceeding is commenced under any federal, state or other bankruptcy or insolvency law in respect of Borrower, any beneficiary of Borrower, any guarantor of all or any portion of the indebtedness or, if any beneficiary of Borrower is a partnership, any one of such beneficiary's general partners and, if such case or proceeding is not commenced by Borrower, any beneficiary of Borrower or general partner of a beneficiary of Borrower, as the case may be, it is consented to or acquiesced in by the person or persons against which the same was commenced or remains undismissed for thirty (30) days,

(vi) A writ or warrant of attachment or similar order shall be issued by any court or any governmental authority against all or a substantial portion of the property of Borrower, any beneficiary of Borrower, any guarantor of all or any portion of the Indebtedness or, if any beneficiary of Borrower is partnership, any of such beneficiaries general partners; or

(vii) Borrower, any beneficiary of Borrower, any guarantor of all or any portion of the Indebtedness or, if any beneficiary of Borrower is partnership, any one of such beneficiary's general partners takes any action to authorize, or in furtherance of, and of the foregoing.

**23. Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration following an Event of Default or Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraphs 15 and 19 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Mortgaged Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and shall have the right to foreclose the lien hereof in accordance with the Illinois Mortgage Foreclosure Act, Ill. Rev. Stat. Ch. 110 para. 15-101, *et. seq.* (1987), and to exercise any other remedies which Lender may have at law, at equity or otherwise. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 23, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

**24. Lender in Possession.** Upon acceleration under paragraph 23 or

96211162

UNOFFICIAL COPY

Property of Cook County Clerk's Office

11/11/11

# UNOFFICIAL COPY

abandonment of the Mortgaged Property and at any time prior to the expiration of any period of redemption following judicial sale, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Mortgaged Property and to collect the rents of the Mortgaged Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Mortgaged Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Security Instrument.

**25. Release.** Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.

**26. Waiver of Homestead.** Borrower waives all right of homestead exemption in the Property.

**27. Waiver of Jury Trial.** BORROWER HEREBY WAIVES A TRIAL BY JURY ARISING IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BETWEEN THE PARTIES HERETO, OR THEIR SUCCESSORS OR ASSIGNS, OR ANY AND ALL ISSUES ARISING UNDER OR CONNECTED WITH THIS SECURITY INSTRUMENT, THE NOTE, OR ANY OTHER LOAN DOCUMENT, OR ANY OF THE PROVISIONS IN ANY SUCH DOCUMENTS.

**28. Riders to this Security Instrument.** If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument, as if the rider(s) were a part of this Security Instrument. [Check applicable]

- Condominium Rider
- Planned Unit Development
- Other(s) [specify]

**29. Lender's Right of Subrogation.** Should the proceeds of the loan made by Lender to Borrower, or any part thereof, be used directly or indirectly to pay off, discharge, or satisfy, in whole or in part, any prior lien or encumbrance upon the Mortgaged Property or any part thereof, then Lender shall be subrogated to such other lien or encumbrance and to any additional security held by the hold thereof and shall have the benefit of the priority of all the same.

**30. Estoppel Certificate.** Borrower, within seven days after being so requested by Lender, shall furnish a written statement, sworn to by Borrower or an authorized financial officer or other representative of Borrower, duly acknowledged and otherwise in a form satisfactory to Lender, setting forth the amount of the indebtedness secured by this Security Instrument the date to which interest has been paid, stating either

96211162

UNOFFICIAL COPY

Property of Cook County Clerk's Office



# UNOFFICIAL COPY

that no offsets or defenses exist against the indebtedness secured hereby or, if such offsets or defenses are alleged to exist, the nature thereof, and covering such other matters as Lender may reasonably require.

Property of Cook County Clerk's Office

9621162

UNOFFICIAL COPY

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

Prepared by and after recording send to: ✓

Katherine M. Steffes  
2535 Prairie #301  
Evanston, IL 60201

Property of Cook County Clerk's Office

96211162

UNOFFICIAL COPY

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

Mary Jo Ernst Skokna  
Borrower

Michael S. Skokna  
Borrower

Otto F Ernst  
Borrower

Julie Ernst  
Borrower

STATE OF ILLINOIS, ss:  
COUNTY OF COOK

I, the undersigned, a Notary Public in and for said county and state, do hereby certify that ~~MARY JO ERNST SKOKNA~~  
~~MICHAEL SKOKNA~~  
~~OTTO ERNST JUSTICE ERNST~~ personally known to me to be the same person(s) whose name(s) ARE subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 15 day of MARCH, 1996.

My Commission expires:

Marcia L. Saesin  
Notary Public



9621162

UNOFFICIAL COPY

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

## EXHIBIT A

Unit 843-3 in the Roycroft Condominium, as delineated on a survey of the following described tract of land:

Lots 1, 2, and 3 in block 9 in White's addition to Evanston, being a subdivision of part of the Northeast 1/4 and part of the North 1/2 of the North 1/2 of the Southeast Quarter of Section 19, Township 41 North, Range 14, East of the Third Principal Meridian on Cook County, Illinois, Which survey is attached as Exhibit 'A' to the Declaration of Condominium Recorded as Document No. 95354362, together with its undivided percentage interest in the common elements in Cook County, Illinois.

Mortgagor also hereby grants to the mortgagee its successors and assigns, as rights and easements appurtenant to the above describe real estate, the rights and easements for the benefit of said property set forth in the declaration of condominium aforesaid.

This mortgage is subject to all rights, easements, covenants, conditions, restrictions contained in said declaration the same as though the provision of said declaration were recited and stipulated at length herein.

. DEPT-01 RECORDING \$58.00  
. T40012 TRAIL 8669 03/19/96 15:15:00  
. 44935 # CG # -96-211162  
. COOK COUNTY RECORDER  
. DEPT-10 PENALTY \$55.00

96211162

UNOFFICIAL COPY

Property of Cook County Clerk's Office



# UNOFFICIAL COPY

## CONDOMINIUM RIDER

THIS CONDOMINIUM RIDER is made this 15 day of March, 1996, and is incorporated into and shall be deemed to amend and supplement the Second Mortgage ("the Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to

George J. Cyrus, Jr. and Walter H. Kihm, Jr. (the "Lender")

of the same date and covering the Property described in the Security Instrument and locate at:

843 Judson Avenue Unit #3, EVANSTON, ILLINOIS 60202  
[Property Address]

The Property includes a unit in, together with an undivided interest in the common elements of, a condominium project known as:

Roycroft Condominium  
[Name of Condominium Project]

(the "Condominium Project"). If the owners association of other entity which acts for the Condominium Project (the "Owners Association") holds title to property for the benefit or use of its members or shareholders, the Property also includes Borrower's interest in the Owners Association and the uses, proceeds and benefits of Borrower's interest.

**CONDOMINIUM COVENANTS.** In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

**A. Condominium Obligations.** Borrower shall perform all of Borrower's obligations under the Condominium Project's Constituent Documents. The "Constituent Documents" are the: (i) Declaration or any other document which creates the Condominium Project; (ii) by-laws; (iii) code of regulations; and (iv) other equivalent documents. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

**B. Hazard Insurance.** So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy on the Condominium Project which is satisfactory to Lender and which provides insurance coverage in the amounts, for the periods, and against the hazards Lender requires, including fire and hazards

9621162

UNOFFICIAL COPY

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

included within the term "extended coverage," then:

(i) Lender waives the provision in Uniform Covenant 2 for the monthly payment to Lender of the yearly premium installments for hazard insurance on the Property; and

(ii) Borrower's obligation under Uniform Covenant 6 to maintain hazard insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

Borrower shall give Lender prompt notice of any lapse in required hazard insurance coverage.

In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property, whether to the unit or to common elements, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender for application to the sums secured by the Security Instrument, with any excess paid to Borrower.

**C. Public Liability Insurance.** Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

**D. Condemnation.** The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or any part of the Property, whether of the unit or of the common elements, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Uniform Covenant 10.

**E. Lender's Prior Consent.** Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to:

(i) the abandonment or termination of the Condominium Project, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain;

(ii) any amendment to any provision of the Constituent Documents if the provision is for the express benefit of Lender;

(iii) termination of professional management and assumption of self-management of the Owners Association; or

(iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

**F. Remedies.** If Borrower does not pay condominium dues and assessments when due, the Lender may pay them. Any amounts

UNOFFICIAL COPY

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

disbursed by Lender under this paragraph F shall become additional debt of Borrower secure by the Security Instrument. Unless Borrower and Lender agree to the other terms of payment, these amounts shall bear the interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

BY SIGNING BELLOW, Borrower accepts and agrees to the terms and provisions contained in this Condominium Rider.

Adrian J. and Shelia Borrower

Michael J. Skobow Borrower

Chlo F. Emt Borrower

Julie Emt Borrower

Property of Cook County Clerk's Office

96211162

UNOFFICIAL COPY

Property of Cook County Clerk's Office