

# UNOFFICIAL COPY

**RECORDATION REQUESTED BY:**

South Chicago Bank  
9200 South Commercial Avenue  
Chicago, IL 60617

98472913

**WHEN RECORDED MAIL TO:**

SOUTH CHICAGO BANK  
1400 TORRENCE AVENUE  
CALUMET CITY, IL 60409

RECORDING FEE \$39.00  
RECORDING FEE \$12.00  
TOTAL FEE \$51.00  
#-98-472913  
RECORDED

**SEND TAX NOTICES TO:**

AMERICAN NATIONAL BANK & TRUST COMPANY U/T/A  
#300307-04  
33 N. LA SALLE STREET  
CHICAGO, IL 60600

FOR RECORDER'S USE ONLY

PL 344 77 24 68801

This Mortgage prepared by: SOUTH CHICAGO BANK  
1400 TORRENCE AVENUE  
CALUMET CITY, IL 60409

## MORTGAGE

THIS MORTGAGE IS DATED MAY 19, 1996, between AMERICAN NATIONAL BANK & TRUST COMPANY U/T/A #300307-04, whose address is 33 N. LA SALLE STREET, CHICAGO, IL 60600 (referred to below as "Grantor"); and South Chicago Bank, whose address is 9200 South Commercial Avenue, Chicago, IL 60617 (referred to below as "Lender").

**GRANT OF MORTGAGE.** For valuable consideration, Grantor not personally but as Trustee under the provisions of a deed or deeds in trust duly recorded and delivered to Grantor pursuant to a Trust Agreement dated January 23, 1995 and known as AMERICAN NATIONAL BANK & TRUST COMPANY U/T/A #300307-04, mortgages and conveys to Lender all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, located in COOK County, State of Illinois (the "Real Property"):

- PARCEL 3: LOTS 16 AND 17 IN BLOCK 1 IN WHITE AND COLEMAN'S STONY ISLAND BOULEVARD SUBDIVISION OF THE NORTH 1/2 OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 35, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS. PROPERTY: 8142 S. STONY ISLAND, CHGO, IL 60617 PTN: 20-35-223-031 & 032
- PARCEL 4: LOTS 14 AND 15 IN BLOCK 1 IN WHITE AND COLEMAN'S STONY ISLAND BOULEVARD SUBDIVISION OF THE NORTH 1/2 OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 35, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS. PROPERTY: 8132-36 S. STONY ISLAND, CHGO, IL 60617 PTN: 20-35-223-029 & 030

The Real Property or its address is commonly known as 8142 S. STONY ISLAND & 8132-36 S. STONY ISLAND, CHICAGO, IL 60617. The Real Property tax identification number is 20-35-223-031, 032 & 20-35-223-029, 030.

Grantor presently assigns to Lender all of Grantor's right, title, and interest in and to all leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in

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BOX 333-CTI

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**DEFINITIONS.** The following words shall have the meanings assigned to such terms in the Uniform Commercial Code. All references to dollar amounts shall mean amounts in lawful money of the United States of America.

**Borrower.** The word "Borrower" means each and every person or entity signing the Note, including without limitation WILLIAM L. ADAMS.

**Grantor.** The word "Grantor" means AMERICAN NATIONAL BANK & TRUST COMPANY, Trustee under the Grantor Trust Agreement dated January 23, 1988 and known as AMERICAN NATIONAL BANK & TRUST COMPANY U/T/A #36807-84. The Grantor is the mortgagee under the Mortgage.

**Guarantor.** The word "Guarantor" means and includes without limitation each and all of the guarantors, sureties, and accommodation parties in connection with the Indebtedness.

**Improvements.** The word "Improvements" means and includes without limitation all existing and future improvements, additions, structures, fixtures, and alterations made to the Real Property, including but not limited to, additions, alterations, and other construction on the Real Property.

**Indebtedness.** The word "Indebtedness" means all principal and interest payable under the Note and any amounts expended or accrued by Lender to discharge obligations of Grantor or expenses incurred by Lender to enforce obligations of Grantor under the Mortgage, together with interest on such amounts as provided in the Note. In addition to the Note, the word "Indebtedness" includes all obligations, debts and liabilities, that have been assumed by Borrower to Lender, or any one or more of them, as well as all claims by Lender against Borrower, or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, or other voluntary or involuntary, whether due or not due, absolute or contingent, liquidated or unliquidated and whether recovery upon such indebtedness may be or whether obligated as guarantor or otherwise, and whether recovery upon such indebtedness may be or hereafter may become barred by any statute, contract, limitation, and whether such indebtedness may be or hereafter may become otherwise unenforceable. (All items shall be included in the amount of Indebtedness secured by the Mortgage, including sums advanced to protect the security of the Mortgage, and the note amount of \$483,700.00.)

**Lender.** The word "Lender" means South Chicago Bank, its successors and assigns. The Lender is the mortgagee under the Mortgage.

**Mortgage.** The word "Mortgage" means the Mortgage between Grantor and Lender, and includes without limitation all assignments and security interest provisions relating to the Real Property and Funds.

**Note.** The word "Note" means the promissory note or credit agreement (dated May 19, 1988, in the original principal amount of \$483,700.00) from Borrower to Lender, together with all renewals of, amendments of, modifications of, extensions of, consolidations of, and substitutions for the promissory note or agreement. The interest rate on the Note is a variable interest rate based upon an index. The index currently is 8.40% per annum. The interest rate to be applied to the unpaid principal balance of the Mortgage shall be at a rate of 2.00 percentage point(s) over the index, resulting in an initial rate of 8.40% per annum. **NOTICE:** Under no circumstances shall the interest rate on the Mortgage be more than the maximum rate allowed by applicable law. The maturity date of the Mortgage is May 19, 2003. **NOTICE TO GRANITOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE.**

**Personal Property.** The word "Personal Property" means all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or added to the Real Property, together with all accessories, parts, and additions to, all replacements of, and all substitutions for, any interest in personal property, and together with all proceeds (including without limitation all insurance proceeds and interest on proceeds) from any sale or other disposition of the Property.

**Property.** The word "Property" means collectively the Real Property and the Personal Property.

**Real Property.** The word "Real Property" means the property, interests and rights described above in the Related Documents. The words "Related Documents" mean and include without limitation all promissory notes, deed of trust, and all other instruments, agreements, assignments, security agreements, mortgages, deeds of trust, and all other instruments, agreements and documents, whether now or hereafter created, executed in connection with the Indebtedness.

**Bank.** The word "Bank" means all present and future rents, revenues, income, leases, royalties, profits, and

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other benefits derived from the Property.

**THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (1) PAYMENT OF THE INDEBTEDNESS AND (2) PERFORMANCE OF ALL OBLIGATIONS OF GRANTOR UNDER THIS MORTGAGE AND THE RELATED DOCUMENTS. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:**

**GRANTOR'S WAIVERS.** Grantor waives all rights or defenses arising by reason of any "one action" or "anti-deficiency" law, or any other law which may prevent Lender from bringing any action against Grantor, including a claim for deficiency to the extent Lender is otherwise entitled to a claim for deficiency, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale.

**GRANTOR'S REPRESENTATIONS AND WARRANTIES.** Grantor warrants that: (a) this Mortgage is executed at Borrower's request and not at the request of Lender; (b) Grantor has the full power, right, and authority to enter into this Mortgage and to hypothecate the Property; (c) the provisions of this Mortgage do not conflict with, or result in a default under any agreement or other instrument binding upon Grantor and do not result in a violation of any law, regulation, court decree or order applicable to Grantor; (d) Grantor has established adequate means of obtaining from Borrower on a continuing basis information about Borrower's financial condition; and (e) Lender has made no representation to Grantor about Borrower (including without limitation the creditworthiness of Borrower).

**PAYMENT AND PERFORMANCE.** Except as otherwise provided in this Mortgage, Borrower shall pay to Lender all indebtedness secured by this Mortgage as it becomes due, and Borrower and Grantor shall strictly perform all their respective obligations under this Mortgage.

**POSSESSION AND MAINTENANCE OF THE PROPERTY.** Grantor and Borrower agree that Grantor's possession and use of the Property shall be governed by the following provisions:

**Possession and Use.** Until in default or until Lender exercises its right to collect Rents as provided for in the Assignment of Rents form executed by Grantor in connection with the Property, Grantor may remain in possession and control of and operate and manage the Property and collect the Rents from the Property.

**Duty to Maintain.** Grantor shall maintain the Property in tenable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

**Hazardous Substances.** The terms "hazardous waste," "hazardous substance," "disposal," "release," and "threatened release," as used in this Mortgage, shall have the same meanings as set forth in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or Federal laws, rules, or regulations adopted pursuant to any of the foregoing. The terms "hazardous waste" and "hazardous substance" shall also include, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos. Grantor represents and warrants to Lender that: (a) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any hazardous waste or substance by any person on, under, about or from the Property; (b) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (i) any use, generation, manufacture, storage, treatment, disposal, release, or threatened release of any hazardous waste or substance on, under, about or from the Property by any prior owners or occupants of the Property or (ii) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (c) Except as previously disclosed to and acknowledged by Lender in writing, (i) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of, or release any hazardous waste or substance on, under, about or from the Property and (ii) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation those laws, regulations, and ordinances described above. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Mortgage. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for hazardous waste and hazardous substances. Grantor hereby (a) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws, and (b) agrees to indemnify and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Mortgage or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Mortgage, including the obligation to indemnify, shall survive the payment of the indebtedness and the satisfaction and reconveyance of the lien of this Mortgage and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

**Nuisance, Waste.** Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), soil, gravel or rock products without the prior written consent of Lender.

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Improvements of Insurance. Grantor shall procure and maintain policies of the insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covered by the improvements on the Real Property in an amount sufficient to avoid application of any co-insurance clause, and with a standard mortgage clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Lender being named as additional insured. Grantor shall deliver to Lender certificates of coverage from each insurer containing a copy of the policy and in such form as may be reasonably required. Lender shall be written by such insurance companies and in such form as may be reasonably required. Grantor shall deliver to Lender certificates of coverage from each insurer containing a copy of the policy and in such form as may be reasonably required. Lender shall be written by such insurance companies and in such form as may be reasonably required. Grantor shall deliver to Lender certificates of coverage from each insurer containing a copy of the policy and in such form as may be reasonably required. Lender shall be written by such insurance companies and in such form as may be reasonably required.

## PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of the

of such improvements. Lender shall not be liable for any loss or damage to the Property or any improvements thereon caused by fire, lightning, explosion, riot, civil commotion, aircraft or motor vehicles, or any other cause, or any combination thereof, unless such loss or damage is covered by a policy of insurance maintained by Lender. Grantor shall procure and maintain a policy of insurance covering the Property and improvements thereon with a standard mortgage clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Lender being named as additional insured. Grantor shall deliver to Lender certificates of coverage from each insurer containing a copy of the policy and in such form as may be reasonably required. Lender shall be written by such insurance companies and in such form as may be reasonably required. Grantor shall deliver to Lender certificates of coverage from each insurer containing a copy of the policy and in such form as may be reasonably required. Lender shall be written by such insurance companies and in such form as may be reasonably required.

## STATUS OF DOCUMENTS. Grantor shall notify Lender at least fifteen (15) days before any work is commenced on the Property, or any material is supplied to the Property, if any mechanic's lien, materialman's lien, or other lien could be asserted on account of the work, services, or materials. Grantor will upon request of Lender furnish to Lender advance assurance satisfactory to Lender that Grantor can and will pay the cost of such improvements.

Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property. Grantor shall not be liable for any loss or damage to the Property or any improvements thereon caused by fire, lightning, explosion, riot, civil commotion, aircraft or motor vehicles, or any other cause, or any combination thereof, unless such loss or damage is covered by a policy of insurance maintained by Lender. Grantor shall procure and maintain a policy of insurance covering the Property and improvements thereon with a standard mortgage clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Lender being named as additional insured. Grantor shall deliver to Lender certificates of coverage from each insurer containing a copy of the policy and in such form as may be reasonably required. Lender shall be written by such insurance companies and in such form as may be reasonably required. Grantor shall deliver to Lender certificates of coverage from each insurer containing a copy of the policy and in such form as may be reasonably required. Lender shall be written by such insurance companies and in such form as may be reasonably required.

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## TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are a part of the

by Lender if such mortgage is prohibited by federal, state or by state law. Grantor shall not be liable for any loss or damage to the Property or any improvements thereon caused by fire, lightning, explosion, riot, civil commotion, aircraft or motor vehicles, or any other cause, or any combination thereof, unless such loss or damage is covered by a policy of insurance maintained by Lender. Grantor shall procure and maintain a policy of insurance covering the Property and improvements thereon with a standard mortgage clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Lender being named as additional insured. Grantor shall deliver to Lender certificates of coverage from each insurer containing a copy of the policy and in such form as may be reasonably required. Lender shall be written by such insurance companies and in such form as may be reasonably required. Grantor shall deliver to Lender certificates of coverage from each insurer containing a copy of the policy and in such form as may be reasonably required. Lender shall be written by such insurance companies and in such form as may be reasonably required.

## DEED ON SALE - GRANT BY LENDER. Lender may, at its option, declare immediately due and payable all

property are lawfully necessary to protect and preserve the Property. Grantor shall do all that is necessary to carry out the provisions of this section, which from the character and use of the Property are lawfully necessary to protect and preserve the Property. Grantor shall do all that is necessary to carry out the provisions of this section, which from the character and use of the Property are lawfully necessary to protect and preserve the Property. Grantor shall do all that is necessary to carry out the provisions of this section, which from the character and use of the Property are lawfully necessary to protect and preserve the Property. Grantor shall do all that is necessary to carry out the provisions of this section, which from the character and use of the Property are lawfully necessary to protect and preserve the Property.

Lender's right to enter. Lender and its agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Property for purposes of Grantor's compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Grantor may correct in good faith any such law, ordinance, or regulation and without compliance during any proceeding, including appropriate appeal, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole discretion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

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stipulation that coverage will not be cancelled or diminished without a minimum of ten (10) days' prior written notice to Lender and not containing any disclaimer of the insurer's liability for failure to give such notice. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property at any time become located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance for the full unpaid principal balance of the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

**Application of Proceeds.** Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at its election, apply the proceeds to the reduction of the indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default hereunder. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Mortgage, then to prepay accrued interest, and the remainder, if any, shall be applied to the principal balance of the indebtedness. If Lender holds any proceeds after payment in full of the indebtedness, such proceeds shall be paid to Grantor.

**Unexpired Insurance at Sale.** Any unexpired insurance shall inure to the benefit of, and pass to, the purchaser of the Property covered by this Mortgage at any trustee's sale or other sale held under the provisions of this Mortgage, or at any foreclosure sale of such Property.

**Grantor's Report on Insurance.** Upon request of Lender, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of insurance showing: (a) the name of the insurer; (b) the risks insured; (c) the amount of the policy; (d) the property insured, the then current replacement value of such property, and the manner of determining that value; and (e) the expiration date of the policy. Grantor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

**EXPENDITURES BY LENDER.** If Grantor fails to comply with any provision of this Mortgage, or if any action or proceeding is commenced that would materially affect Lender's interests in the Property, Lender on Grantor's behalf may, but shall not be required to, take any action that Lender deems appropriate. Any amount that Lender expends in so doing will bear interest at the rate provided for in the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses, at Lender's option, will (a) be payable on demand, (b) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (i) the term of any applicable insurance policy or (ii) the remaining term of the Note, or (c) be treated as a balloon payment which will be due and payable at the Note's maturity. This Mortgage also will secure payment of these amounts. The rights provided for in this paragraph shall be in addition to any other rights or any remedies to which Lender may be entitled on account of the default. Any such action by Lender shall not be construed as curing the default so as to bar Lender from any remedy that it otherwise would have had.

**WARRANTY; DEFENSE OF TITLE.** The following provisions relating to ownership of the Property are a part of this Mortgage.

**Title.** Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Mortgage, and (b) Grantor has the full right, power, and authority to execute and deliver this Mortgage to Lender.

**Defense of Title.** Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Lender under this Mortgage, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

**Compliance With Laws.** Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities, including without limitation all applicable environmental laws, ordinances, and regulations, unless otherwise specifically excepted in the environmental agreement executed by Grantor and Lender relating to the Property.

**CONDEMNATION.** The following provisions relating to condemnation of the Property are a part of this Mortgage.

**Application of Net Proceeds.** If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Lender in connection with the condemnation.

**Proceedings.** If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the

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may be, notwithstanding any cancellation of this Mortgage or of any note or other instrument or agreement evidencing the indebtedness and the Property will continue to secure the amount repaid or recovered to the same extent as if that amount never had been originally received by Lender, and Grantor shall be bound by any judgment, decree, order, settlement or compromise relating to the indebtedness or to this Mortgage.

**DEFAULT.** Each of the following, at the option of Lender, shall constitute an event of default ("Event of Default") under this Mortgage:

**Default on Indebtedness.** Failure of Borrower to make any payment when due on the Indebtedness.

**Default on Other Payments.** Failure of Grantor within the time required by this Mortgage to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

**Environmental Default.** Failure of any party to comply with or perform when due any term, obligation, covenant or condition contained in any environmental agreement executed in connection with the Property.

**Compliance Default.** Failure of Grantor or Borrower to comply with any other term, obligation, covenant or condition contained in this Mortgage, the Note or in any of the Related Documents.

**Default in Favor of Third Parties.** Should Borrower or any Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's or any Grantor's property or Borrower's ability to repay the Note or Borrower's or Grantor's ability to perform their respective obligations under this Mortgage or any of the Related Documents.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by or on behalf of Grantor or Borrower under this Mortgage, the Note or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished.

**Defective Collateralization.** This Mortgage or any of the Related Documents ceases to be in full force and effect (including failure of any collateral documents to create a valid and perfected security interest or lien) at any time and for any reason.

**Death or Insolvency.** The death of Grantor or Borrower or the dissolution or termination of Grantor or Borrower's existence as a going business, the insolvency of Grantor or Borrower, the appointment of a receiver for any part of Grantor or Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor or Borrower.

**Foreclosure, Forfeiture, etc.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any of the Property. However, this subsection shall not apply in the event of a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the foreclosure or forfeiture proceeding, provided that Grantor gives Lender written notice of such claim and furnishes reserves or a surety bond for the claim satisfactory to Lender.

**Breach of Other Agreement.** Any breach by Grantor or Borrower under the terms of any other agreement between Grantor or Borrower and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Grantor or Borrower to Lender, whether existing now or later.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any Guarantor of any of the indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

**Adverse Change.** A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

**Insecurity.** Lender reasonably deems itself insecure.

**RIGHTS AND REMEDIES ON DEFAULT.** Upon the occurrence of any Event of Default and at any time thereafter, Lender, at its option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law.

**Accelerate Indebtedness.** Lender shall have the right at its option without notice to Borrower to declare the entire indebtedness immediately due and payable, including any prepayment penalty which Borrower would be required to pay.

**UCC Remedies.** With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

**Collect Rents.** Lender shall have the right, without notice to Grantor or Borrower, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

**Mortgagee in Possession.** Lender shall have the right to be placed as mortgagee in possession or to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve

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There shall be no merger of the interest or estate created by this mortgage with any other interest or estate in the property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender. The mortgage shall be governed by and construed in accordance with the laws of the State of California. Certain provisions in this mortgage are for convenience purposes only and are not to be construed as a waiver or release of the provisions of this mortgage.

Assignment. The mortgage, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this mortgage. No assignment or amendment to this mortgage shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the assignment or amendment.

Annual Reports. If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. The operating income shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Notwithstanding to the extent that the mortgage is not a part of the mortgage.

## MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this mortgage:

Notices to Grantor and Other Parties. Any notice under this mortgage, including without limitation any notices of default and any notices of sale to Grantor, shall be in writing, may be sent by registered letter, certified mail, or by email, and shall be effective when actually delivered, or when deposited with a nationally recognized overnight courier, or, if mailed, shall be deemed effective when deposited in the United States mail by first class registered mail, postage prepaid, directed to the address set forth in the mortgage. Any change in the address for notices under this mortgage by Grantor shall be in writing and shall be filed with the beginning of the mortgage. Any notice under this mortgage shall be given to the address set forth in the mortgage, or to the address of Grantor's current address.

Notwithstanding to the extent that the mortgage is not a part of the mortgage.

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consent of Lender.

**Severability.** If a court of competent jurisdiction finds any provision of this Mortgage to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of this Mortgage in all other respects shall remain valid and enforceable.

**Successors and Assigns.** Subject to the limitations stated in this Mortgage on transfer of Grantor's Interest, this Mortgage shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Mortgage and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Mortgage or liability under the Indebtedness.

**Time is of the Essence.** Time is of the essence in the performance of this Mortgage.

**Waiver of Homestead Exemption.** Grantor hereby releases and waives all rights and benefits of the homestead exemption in laws of the State of Illinois as to all Indebtedness secured by this Mortgage.

**Waivers and Consents.** Lender shall not be deemed to have waived any rights under this Mortgage (or under the Related Documents) unless such waiver is in writing and signed by Lender. No delay or omission on the part of Lender in exercising any rights shall operate as a waiver of such right or any other right. A waiver by any party of a provision of this Mortgage shall not constitute a waiver of or prejudice the party's right otherwise to demand strict compliance with that provision or any other provision. No prior waiver by Lender, nor any course of dealing between Lender and Grantor or Borrower, shall constitute a waiver of any of Lender's rights or any of Grantor or Borrower's obligations as to any future transactions. Whenever consent by Lender is required in this Mortgage, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required.

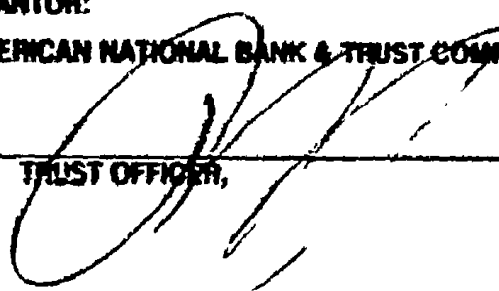
**GRANTOR'S LIABILITY.** This Mortgage is executed by Grantor, not personally but as Trustee as provided above in the exercise of the power and the authority conferred upon and vested in it as such Trustee (and Grantor thereby warrants that it possesses full power and authority to execute this instrument). It is expressly understood and agreed that with the exception of the foregoing warranty, notwithstanding anything to the contrary contained herein, that each and all of the warranties, indemnities, representations, covenants, undertakings, and agreements made in this Mortgage on the part of Grantor, which in form purporting to be the warranties, indemnities, representations, covenants, undertakings, and agreements of Grantor, are nevertheless each and every one of them made and intended not as personal warranties, indemnities, representations, covenants, undertakings, and agreements by Grantor or for the purpose or with the intention of binding Grantor personally, and nothing in this Mortgage or in the Note shall be construed as creating any liability on the part of Grantor personally to pay the Note or any interest that may accrue thereon, or any other Indebtedness under this Mortgage, or to perform any covenant, undertaking, or agreement, either express or implied, contained in this Mortgage, all such liability, if any, being expressly waived by Lender and by every person now or hereafter claiming any right or security under this Mortgage, and that so far as Grantor and its successors personally are concerned, the legal holder or holders of the Note and the owner or owners of any Indebtedness shall look solely to the Property for the payment of the Note and Indebtedness, by the enforcement of the lien created by this Mortgage in the manner provided in the Note and herein or by action to enforce the personal liability of any Guarantor.

**GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE, AND GRANTOR AGREES TO ITS TERMS.**

**GRANTOR:**

**AMERICAN NATIONAL BANK & TRUST COMPANY U/T/A #300307-04**

By: \_\_\_\_\_  
TRUST OFFICER,



Trust Officer's Office  
98472913

# UNOFFICIAL COPY

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Property of Cook County Clerk's Office

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My commission expires \_\_\_\_\_

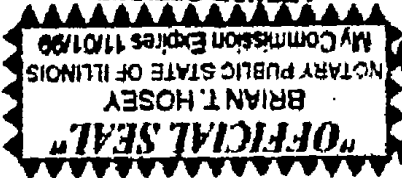
Notary Public in and for the State of \_\_\_\_\_

Residing at \_\_\_\_\_

day of MAY 18 1998

Given under my hand and official seal this \_\_\_\_\_

On the day before me, the undersigned Notary Public, personally appeared Brian T. Hosey, the individual described in and who executed the mortgage, and acknowledged that he or she signed the mortgage as his or her free and voluntary act and deed, for the uses and purposes therein mentioned.



COUNTY OF COOK

STATE OF IL

## INDIVIDUAL ACKNOWLEDGMENT

02-18-1998 LEND NO 78779901

MORTGAGE (Continued)