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Cook County Recorder 53.00



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**SECOND MORTGAGE**

THIS INDENTURE ("Mortgage") is made May 20, 1999 by and between Edward C. Brown, Jr. and Diana Brown, husband and wife (collectively, "Mortgagor") and Skokie Valley Baptist Church ("Mortgagee"), an Illinois not-for-profit corporation.

WITNESSETH:

WHEREAS, Mortgagee has loaned to Mortgagor the principal sum of FIFTY THOUSAND DOLLARS (\$50,000.00) (the "Loan"), which Loan is evidenced by that certain Mortgage Note of the Mortgagor dated of even date herewith, made payable to the order of Mortgagee (the "Note") and delivered to Mortgagee, in and by which said Note the Mortgagor promises to pay the said principal sum and interest at the variable rate and at the time provided in the Note, and all of said principal and interest are made payable at such place as the holder of the Note may, from time to time in writing appoint, and in the absence of such appointment, then at the office of Mortgagee, 1050 Skokie Boulevard, Wilmette, Illinois 60091; and

WHEREAS, Mortgagor has executed a certain Mortgage dated May 20, 1999 (the "First Mortgage") which First Mortgage created a lien on the Property (as hereinafter defined);

**THIS MORTGAGE WAS PREPARED BY  
AND AFTER RECORDING RETURN TO:**

**ADDRESS AND P.I.N.:**

Douglas Conover  
Rieck and Crotty, P.C.  
55 W. Monroe Street, Suite 3390  
Chicago, Illinois 60603

3933 West Greenleaf  
Lincolnwood, Illinois 60646  
PIN: 10-35-110-047 ✓

NOW, THEREFORE, the Mortgagor, to secure the payment of the principal sum of money and interest evidenced by the Note in accordance with the terms, provisions and limitations of this

BOX 430

Mortgage, and any other sums advanced by Mortgagee to protect the security of this Mortgage or discharge the obligations of Mortgagor hereunder (such principal and interest and all other sums being herein collectively referred to the "Indebtedness") and the performance of the covenants and agreements herein contained by the Mortgagor to be performed, and also in consideration of the sum of One Dollar (\$1.00) in hand paid, the receipt whereof is hereby acknowledged, does by these presents MORTGAGE, GRANT, CONVEY and RELEASE unto the Mortgagee, its successors and assigns, the following described real estate and all of Mortgagor's estate, right, title and interest therein, situated in Cook County, Illinois, to-wit:

THE LEGAL DESCRIPTION OF THE REAL ESTATE MORTGAGED HEREBY  
IS ATTACHED HERETO AS EXHIBIT A AND MADE A PART HEREOF

which, with the property hereinafter described, is collectively referred to herein as the "Property."

TOGETHER with all improvements, tenements, easements, hereditaments and appurtenances thereunto belonging, and all rents, issues and profits thereof for so long as and during all such times as the Mortgagor may be entitled thereto (which are pledged primarily and on a parity with the Real Estate and not secondarily), the structures or buildings, additions and improvements, and replacements thereof now or hereafter erected upon the Property, and all fixtures, equipment attached thereto or located thereon or therein that are used in connection with the Property or the improvements thereon.

TO HAVE AND TO HOLD the Property unto Mortgagee, and its successors and assigns, forever, for the purposes and uses herein set forth.

IT IS FURTHER UNDERSTOOD AND AGREED THAT:

1. Maintenance, Repair and Restoration of Improvements, Payment of Prior Liens, etc.: Mortgagor shall: (A) promptly repair, restore or rebuild any buildings or improvements now or hereafter on the Property which may become damaged or be destroyed (except as provided in Section 3); (B) keep the Property in good condition and repair without waste, and free from mechanics' liens or claims for lien not expressly subordinated to the lien hereof; (C) pay when due any indebtedness which may be secured by a lien or charge on the Property superior to the lien hereof, and upon request exhibit satisfactory evidence of the discharge of such prior lien to Mortgagee; (D) comply with all requirements of law, municipal ordinances, or restrictions of record with respect to the Property and the use thereof; (E) make no material alterations in the Property without Mortgagee's written consent, which consent shall not be unreasonably withheld or as required by law or municipal ordinance; (F) suffer or permit no change in the general nature of the occupancy of the Property, which would cause a violation of any applicable zoning ordinance; and (G) pay each item of Indebtedness when due according to the terms hereof or of the Note.

2. Insurance. Mortgagor shall keep all buildings and improvements now or hereafter situated on the Property insured against loss or damage by fire and extended coverage, malicious mischief and vandalism and such other hazards in such amounts as may reasonably be required by Mortgagee, but in any case for the full insurable value thereof. Mortgagor shall also provide liability

insurance with such limits for personal injury and death and property damage as Mortgagee may reasonably require. All policies of insurance to be furnished hereunder shall be in forms, with companies, and in amounts all as may be reasonably required by Mortgagee, with mortgagee loss payable clauses attached to all policies in favor of and in form reasonably satisfactory to Mortgagee, including a provision requiring that the coverage evidenced thereby shall not be terminated or materially modified without ten (10) days' prior written notice to Mortgagee. Mortgagor shall deliver a certificate of insurance or the original of all policies, including additional and renewal policies, to Mortgagee, and, in the case of insurance about to expire, shall deliver renewal policies not less than thirty (30) days prior to their respective dates of expiration. If any renewal policy is not delivered to Mortgagee thirty (30) days before the expiration of any existing policy or policies, with evidence of premium paid, Mortgagee may, but is not obligated to obtain, the required insurance on behalf of Mortgagor (or insurance in favor of Mortgagee alone) and pay the premiums thereon. Any monies so advanced shall be so much additional Indebtedness and shall become immediately due and payable with interest thereon at the same rate as provided in the Note.

3. Adjustment of Losses with Insurer and Application of Proceeds of Insurance. In case of loss, Mortgagee (or after entry of decree of foreclosure, purchaser at the sale, or the decree creditor, as the case may be) is hereby authorized either: (A) to settle and adjust any claim under such insurance policies without consent of Mortgagor; or (B) upon written request by Mortgagor, to allow Mortgagor to agree with the insurance company or companies on the amount to be paid upon the loss. In either case Mortgagee is authorized to collect and receipt for any such insurance money. Provided that: (A) an Event of Default has not occurred under the Note and Mortgagor is not in default of any of his obligations hereunder; and (B) Mortgagor's financial condition has not materially and adversely changed, such insurance proceeds shall be held by Mortgagee and used to reimburse Mortgagor for the cost of the rebuilding or restoration of the buildings or improvements on the Property. If the conditions set forth above for use of insurance proceeds for restoration or rebuilding are not met, Mortgagee will apply the proceeds to the Indebtedness in the order provided in Section 11 hereof. The buildings and improvements shall be so restored or rebuilt as to be of at least equal value and substantially the same character as prior to such damage or destruction. In the event Mortgagor is entitled to reimbursement out of insurance proceeds, such proceeds shall be made available, from time to time, promptly upon Mortgagee being furnished with satisfactory evidence of the estimated cost of completion thereof and with such architect's certificates, waivers of lien, contractors' sworn statements and other evidence of cost and of payments, including, at the option of Mortgagee, insurance against mechanic's liens and/or a performance bond or bonds in form satisfactory to Mortgagee, with premium fully prepaid, under the terms of which Mortgagee shall be the sole or a dual obligor, and which shall be written with such surety company or companies as may be satisfactory to Mortgagee, as Mortgagee may reasonably require and approve, and, if the estimated cost of the work exceeds twenty percent (20%) of the original principal amount of the Indebtedness, with all plans and specifications for such rebuilding or restoration as Mortgagee may reasonably require and which shall be subject to approval by Mortgagee. No payment made prior to the final completion of the work shall exceed ninety (90%) percent of the value of the work performed, from time to time, and at all times the undisturbed balance of said proceeds remaining in the hands of Mortgagee shall be at least sufficient to pay for the cost of completion of the work free and clear of liens. If, after completion of the work, there are funds remaining, said funds shall be either: (A) applied to the unpaid balance of the Indebtedness; or (B) paid to Mortgagor, at the

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

4. Prepayment Privilege; Prepayment Obligation. Mortgagor shall have the privilege of making prepayments on the principal of the Note (in addition to any required payments) in accordance with the terms and conditions set forth in the Note.

5. Effect of Extensions of Time. (A) If the payment of Indebtedness or any part thereof is extended or varied or if any part of the security is released, all entities now or at any time hereafter liable therefor, or interested in the Property, shall be held to and the lien and all provisions hereof shall continue in full force, the right of recourse against all such entities being expressly reserved by Mortgagee, notwithstanding such extension, variation or release.

(B) No sale of the Property or any part thereof, no forbearance on the part of Mortgagee, and no extension of the time for the payment of the Indebtedness, given by Mortgagee, shall operate to release, modify, change, or affect the original liability of Mortgagor either in whole or in part.

(C) Mortgagee, at its sole option and without notice, may release any part of the Property, or any person liable for the Indebtedness, without in any way affecting the lien hereof upon any part of the Property not expressly released, and may agree with any party obligated on the Indebtedness, or having any interest in the Property, to extend the time for payment of any part or all of the Indebtedness. Such agreement shall not in any way release or impair the lien hereof, but shall extend the lien hereof as against the title of all parties having any interest in the Property which interest is subject to this Mortgage.

6. Effect of Changes in Laws Regarding Taxation. In the event of the enactment after this date of any law of the state of Illinois deducting from the value of land for the purpose of taxation any lien thereon, or imposing upon Mortgagee the payment of the whole or any part of the taxes or assessments or charges or liens herein required to be paid by Mortgagor, or changing in any



way the laws relating to the taxation of mortgages or debts secured by mortgages or Mortgagee's interest in the property, so as to affect this Mortgage or the Indebtedness or the holder thereof, then, and in any such event, Mortgagor, upon demand by Mortgagee, shall pay such taxes or assessments, or reimburse Mortgagee therefor; provided, however, that if in the opinion of counsel for Mortgagee: (A) it might be unlawful to require Mortgagor to make such payment; or (B) the making of such payment might result in the imposition of interest beyond the maximum amount permitted by law, then and in such event (but after the expiration of all applicable appeal periods during which Mortgagor may have to appeal any such law), Mortgagee may elect, by written notice to Mortgagor, to declare all of the Indebtedness to be and become due and payable sixty (60) days from the giving of such notice.

7. Mortgagee's Performance of Defaulted Acts. In case of Default herein, Mortgagee may, but shall not be obligated to, make any payment or perform any act herein required of Mortgagor in any form and manner deemed expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting the Property or contest any tax or assessment. All monies paid for any of the purposes herein authorized and all reasonable expenses paid or incurred in connection therewith, including attorney's fees, and any other monies advanced by Mortgagee to protect the Property and the lien hereof, shall be so much additional Indebtedness, and shall become immediately due and payable without notice and with interest thereon at the Default Rate stated in the Note. Mortgagee's exercise of its rights hereunder shall never be considered as a waiver of any right accruing to it on account of any Default on the part of Mortgagor.

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

9. Default; Remedies. If: (A) Mortgagor defaults in the due and punctual payment under the Note of any installment due in accordance with the terms thereof, either of principal or interest (after notice and expiration of applicable cure and grace periods provided therein); (B) Mortgagor or any Guarantor shall file a petition in voluntary bankruptcy or under the Federal Bankruptcy Act or any similar law, state or federal, whether now or hereafter existing, or an answer admitting insolvency or inability to pay his debts, or fail to obtain a vacation or stay of involuntary proceedings within sixty (60) days, as hereinafter provided; (C) Mortgagor or any guarantor shall be adjudicated a bankrupt, or a trustee or receiver shall be appointed for Mortgagor or for all of his property or the major part thereof in any involuntary proceeding, or any court shall have taken jurisdiction of the property of Mortgagor or the major part thereof in any involuntary proceedings for the reorganization, dissolution, liquidation or winding up of Mortgagor, and such trustee or receiver shall not be discharged or such jurisdiction relinquished or vacated or stay on appeal or otherwise stayed within sixty (60) days; (D) Mortgagor or any guarantor shall make an assignment for the benefit of creditors, or shall admit in writing his inability to pay his debts generally as they

become due, or shall consent to the appointment of a receiver or trustee or liquidator of all of his property or the major part thereof; (E) if any representation or warranty made in this Mortgage shall prove to have been false or misleading in any material aspect as of the date on which such representation or warranty was made, and the condition which made such representation or warranty false or misleading is not corrected within fifteen (15) business days after written notice given by Mortgagee to Mortgagor; (F) if the holder of a mortgage or of any other lien on the Property (without hereby implying Mortgagee's consent to any such mortgage or other lien) institutes foreclosure proceedings or other proceedings for the enforcement of its remedies thereunder and the same remain undischarged, unbonded, or uninsured by title indemnity to Mortgagee's reasonable satisfaction for a period of twenty (20) days; or (G) all or any part of the Property is sold or transferred by Mortgagor (excluding the creation of a lien or encumbrance subordinate to this Mortgage with Mortgagee's written consent) and the proceeds of such sale are not paid to Mortgagee to reduce the outstanding principal balance of Note as provided herein, then and in every such case the whole of said principal sum hereby secured shall, at once, at the option of Mortgagee, become immediately due and payable, together with accrued interest thereon, without notice to Mortgagor.

10. Foreclosure; Expense of Litigation. When the Indebtedness, or any part thereof, shall become due and shall remain unpaid after the expiration of all applicable cure or grace periods, whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereof for such indebtedness or part thereof, and in the event of the default in the payment of any amount due under the Note and expiration of all applicable cure or grace periods, the owner of the Note may accelerate the payment of same and may institute proceedings to foreclose this Mortgage for the entire amount then unpaid with respect to the Note. In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale all reasonable expenditures and reasonable expenses which may be paid or incurred by or on behalf of Mortgagee for attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographer's charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such title searches and examinations, title insurance policies, and similar information and assurances with respect to title as Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the Property. All and such expenses and fees as may be incurred in the protection of the Property and the maintenance of the lien of this Mortgage, including the fees of any attorney employed by Mortgagee in any litigation or proceeding affecting this Mortgage, the Note or the Property, including probate and bankruptcy proceedings, or in preparations for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by Mortgagor, with interest thereon at the same rate as stated in the Note and shall be secured by this Mortgage.

Mortgagee may employ counsel for advice or other legal service at Mortgagee's reasonable discretion in connection with any dispute as to the obligations of Mortgagor hereunder, or as to the title of Mortgagee to the Property pursuant to this Mortgage, or in any litigation to which Mortgagee may be a party which may affect the title to the Property or the validity of the Indebtedness, and any reasonable attorneys' fees so incurred shall be added to and be a part of the Indebtedness. If Mortgagee prevails in any such dispute or litigation, any costs and expenses reasonably incurred in connection with any dispute or litigation affecting the Indebtedness or Mortgagee's title to the

Property, including reasonably estimated amounts to conclude the transaction, shall be added to and be a part of the Indebtedness. All such amounts shall be payable by Mortgagor to Mortgagee within ten (10) days after demand, and if not paid, shall be included as a part of the Indebtedness and shall include interest at the rate stated in the Note from the dates of their respective expenditures. If Mortgagee does not prevail in such dispute or litigation, Mortgagee may not add its costs and expenses to the Indebtedness.

11. Application of Proceeds of Foreclosure Sale. The proceeds of any foreclosure sale of the Property shall be distributed and applied in the following order of priority: First, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in the preceding Section hereof; second, to all other items which, under the terms of the Note or this Mortgage constitute additional Indebtedness, with interest thereon as herein or therein provided; third, all principal and interest remaining unpaid on the Note; and fourth, any balance to Mortgagor, his successors or assigns, as their rights may appear.

12. Appointment of Receiver. Upon, or at any time after the filing of a complaint to foreclose this Mortgage, the court in which such complaint is filed may appoint a receiver of the Property. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of Mortgagor at the time of application for such receiver and without regard to the then value of the Property or whether the same shall be then occupied as a homestead or not and Mortgagee hereunder or any holder of the Note may be appointed as such receiver. Such receiver shall have power to collect the rents, issues and profits of the Property during the pendency of such foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, whether there by redemption or not as well as during any further times when Mortgagor, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Property during the whole of said period. The court from time to time may authorize the receiver to apply the net income in his hands in payment in whole or in part of: (A) the Indebtedness, or by any decree foreclosing this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to foreclosure sale; and (B) the deficiency in case of a sale and deficiency.

13. Mortgagee's Right of Possession in Case of Default. (A) In any case in which under the provisions of this Mortgage Mortgagee has a right to institute foreclosure proceedings, whether before or after the whole principal sum secured hereby is declared to be immediately due as aforesaid, or whether before or after the institution of legal proceedings to foreclose the lien hereof or before or after sale thereunder, forthwith, upon demand of Mortgagee, Mortgagor shall surrender to Mortgagee and Mortgagee shall be entitled to take actual possession of the Property or any part thereof personally, or by its agents or attorneys, as for condition broken, and Mortgagee in its discretion may, with process of law, enter upon and take and maintain possession of all or any part of the Property, together with all documents, books, records, papers and accounts of Mortgagor or then owner of the Property relating thereto, and may exclude Mortgagor, his agents or servants, wholly therefrom and may as attorney in fact or agent of Mortgagor, or in its own name as Mortgagee and under the powers herein granted, hold, operate, manage and control the Property and

conduct the business, if any, thereof, either personally or by its agents, and with full power to use such measures, legal or equitable, as in its discretion or in the discretion of its successors or assigns may be deemed proper or necessary to enforce the payment or security of the avails, rents, issues, and profits of the Property, including actions for the recovery of rent, actions in forcible detainer and actions in distress for rent, hereby granting full power and authority to exercise each and every of the rights, privileges and powers herein granted at any and all times hereafter, without notice to Mortgagor, and with full power to cancel or terminate any lease or sublease for any cause or on any ground which would entitle Mortgagor to cancel the same, to elect to disaffirm any lease or sublease made subsequent to this Mortgage or subordinated to the lien hereof, to make all necessary or proper repairs, replacements, alterations, additions, and improvements to the Property as may seem necessary to Mortgagee in its reasonable judgment, insure and reinsure the same and all risks incidental to Mortgagee's possession, operations and management thereof and to receive all of such avails, rents, issues and profits.

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

14. Application of Income Received by Mortgagee. Mortgagee, in the exercise of the rights and powers conferred upon it by this Mortgage shall have full power to use and shall apply the avails, rents, issues and profits from the sale of any part of the Property to the payment of or on account of the following, in such order as Mortgagee may determine:

(A) to the payment of the operating expenses of the Property including the cost of management and leasing of the Property (which shall include reasonable compensation to Mortgagee and its agent or agents, if management be delegated to an agent or agents, and shall also include lease commissions and other compensation and expenses of seeking and procuring tenants and entering into leases), established claims for damages, if any, and premiums on insurance hereinabove authorized;

(B) to the payment of taxes and special assessments now due or which may hereafter become due on the Property;

(C) to the payment of all repairs, replacements, alterations, additions, and improvements of the Property and of placing said property in such condition as will, in the judgment of Mortgagee, make it readily salable; and



(D) to the payment of any Indebtedness or any deficiency which may result from any foreclosure sale.

15. Mortgagee's Right of Access and Inspection. Mortgagee, its agents and representatives shall have the right to inspect the Property at all reasonable times and upon reasonable notice, and access thereto shall be permitted for that purpose. All such inspections shall be for the sole benefit of Mortgagee and not for the benefit of Mortgagor or any other person. Mortgagor acknowledges that the periodic inspections made by or through Mortgagee are for loan administration purposes only, that neither Mortgagee nor any of its employees, representatives, agents or contractors assumes any responsibility or liability to any person by reason of such inspections and that neither Mortgagor nor any other person may rely upon such inspections for any purpose whatsoever (including, but not limited to, stage of completion, payments due the Contractor or any subcontractors, matters of design, adequacy of workmanship or materials, compliance with law, engineering detail, or conformance to the Approved Plans). Mortgagor acknowledges and agrees that neither Mortgagee nor any of its employees, representatives, agents or contractors shall be deemed in any way responsible to any person for any matters related to the design or construction of the Condominium except to the extent of any gross negligence or willful misconduct of Mortgagee or any of its employees.

16. Condemnation. Mortgagor hereby assigns, transfers and sets over to Mortgagee the entire proceeds of any award or any claim for damages for any of the Property taken or damaged under the power of eminent domain or by condemnation. Provided that: (A) the remainder of the Property is sufficient for the practical restoration or rebuilding of the any improvements so taken; (B) an Event of Default has not occurred under the Note and Mortgagor is not in default of any of his obligations hereunder; and (C) Mortgagor's financial condition has not materially and adversely changed, the proceeds shall be held by Mortgagee and used to reimburse Mortgagor for the cost of the rebuilding or restoring of buildings or improvements on the Property, in accordance with plans and specifications to be submitted to and approved by Mortgagee. If the conditions set forth above for use of the condemnation proceeds for restoration or rebuilding are not met, Mortgagee will apply the proceeds to the Indebtedness in the order provided in Section 14 hereof. Mortgagor may also request that Mortgagee allow Mortgagor itself to use said proceeds for the cost of rebuilding or restoring; Mortgagee may elect to permit Mortgagor to so use said proceeds in Mortgagee's reasonable discretion. In the event Mortgagor is required or authorized, by Mortgagee's elections aforesaid, to rebuild or restore, the proceeds of the award shall be paid out in the same manner as is provided in Section 3 hereof for the payment of insurance proceeds toward the cost of rebuilding or restoration. If the amount of such award is insufficient to cover the cost of rebuilding or restoration, Mortgagor shall pay such cost in excess of the award, before being entitled to reimbursement out of the award. Any surplus which may remain out of said award after payment of such cost of rebuilding or restoration shall be applied, at the option of Mortgagee, on account of the Indebtedness or be paid to any party entitled thereto.

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

18. Waiver of Statutory Rights. Mortgagor shall not and will not apply for or avail itself of any appraisal, valuation, stay, extension or exemption laws, or any so-called "Moratorium Laws," now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but hereby waives the benefit of such laws. Mortgagor for itself and all who may claim through or under him waives any and all right to have the property and estates comprising the Property marshaled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the mortgaged property sold as an entirety. To the extent permitted by law, Mortgagor hereby waives any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage on his behalf and on behalf of each and every person, except decree or judgment creditors of Mortgagor, acquiring any interest in or title to the Property subsequent to the date of this Mortgage.

19. Mortgagor's Additional Covenants. Mortgagor further covenants and agrees with Mortgagee, his successors and assigns, as follows:

(A) Mortgagor's Obligations in the Event of Casualty. In the event of the happening of any casualty, of any kind or nature, ordinary or extraordinary, foreseen or unforeseen (including any casualty for which insurance was not obtained or obtainable) resulting in damage to or destruction of the Property or any part thereof in excess of \$10,000.00, Mortgagor will give notice thereof to Mortgagee, and will promptly, at Mortgagor's sole cost and expense (whether or not there are sufficient and available insurance proceeds) commence and diligently continue to restore, replace, repair or rebuild the Property to be of at least equal value and substantially the same character and condition as prior to such casualty; provided that in any case where Mortgagee has elected to use insurance loss proceeds to apply on the indebtedness, the provisions of this subsection shall not apply.

(B) Compliance with Laws. Mortgagor will comply in all material respects with all laws, ordinances, regulations, and orders of all governmental authorities applicable to his business or the use of his properties. Mortgagor may contest, in good faith, any such law, ordinance, regulation, or order and withhold compliance during any proceeding, including appropriate appeals, so long as Mortgagee's lien on the Property, in the opinion of Mortgagee, is not jeopardized.

(C) Payment of Taxes. Mortgagor shall pay before any penalty attaches all general taxes, and shall pay special taxes, special assessments, water charges, sewer service charges, and other charges against the Property when due, and shall, upon written request, furnish to Mortgagee duplicate receipts therefor. To prevent default hereunder Mortgagor shall pay in full under protest, in the manner provided by statute, any tax or assessment which Mortgagor may desire to contest.

(D) Zoning Changes. Mortgagor will not initiate or acquiesce in any zoning change without Mortgagee's written consent, which consent shall not be unreasonably withheld.

(E) Demolition. No building or other property now or hereafter covered by the lien of this Mortgage shall be removed, demolished or materially altered, without the prior written consent of Mortgagee, which consent shall not be unreasonably withheld. Mortgagor shall have the

right to remove and dispose of, free from the lien of this Mortgage, such equipment as from time to time may become worn out or obsolete in Mortgagor's reasonable judgment, provided that if: (i) simultaneously with or prior to the removal any such equipment, Mortgagor replaces it with other equipment, by such replacement Mortgagor shall be deemed to have subjected such equipment to the lien of this Mortgage; or (ii) if Mortgagor does not replace such worn out or obsolete equipment, any net cash proceeds received from such disposition shall be promptly paid over to Mortgagee to be applied to the outstanding balance due on the Indebtedness, without any charge for prepayment.

(F) No Transfer. Mortgagor will not, without the prior written consent of Mortgagee, transfer, convey (including a conveyance to a land trust, except as otherwise provided below), assign, mortgage, or otherwise encumber the Property or any part thereof. Mortgagor shall be permitted to convey the Property to a land trust of which Mortgagor is the beneficiary or to a partnership of which Mortgagor is the general partner provided that: (1) Mortgagor obtains the prior written consent of Mortgagee to such conveyance; and (2) Mortgagor executes such additional documentation as may be reasonably required by Mortgagee and its counsel to protect and maintain Mortgagee's security interest in the Property upon such conveyance, including, in the case of a permitted conveyance to a land trust, granting a security interest in the beneficial interest of such land trust. The cost of such additional documentation will be at Mortgagor's sole expense.

20. Tax Deposits. (A) After an Event of Default, upon written notice from Mortgagee, Mortgagor shall deposit, in addition to the monthly installments of principal and interest required by the Note, monthly until the Indebtedness is paid:

- (1) a sum equal to all Taxes (as hereinafter defined) next due on the Property, all as estimated by Mortgagee, divided by the whole number of months to elapse before the month prior to the date when such Taxes will become due and payable; and
- (2) a sum equal to an installment of the premium or premiums that will become due and payable to renew the insurance as hereinafter required, each installment to be in such an amount that the payment of approximately equal installments will result in the accumulation of a sufficient sum of money to pay renewal premiums for such insurance at least one (1) month prior to the expiration or renewal date or dates of the policy or policies to be renewed.

(B) All such payments (collectively "Tax and Insurance Deposits") shall be held with no obligation to segregate such payments by the Mortgagee or a depository designated by Mortgagee, in trust, without any obligation arising for the payment of, any interest thereon. The aggregate of the monthly Tax and Insurance Deposits, together with monthly payments of interest and/or principal payable on the Note, shall be paid in a single payment each month, to be applied to the following items in the order stated: (i) Taxes and insurance premiums; (ii) Indebtedness other than principal and interest on the Note; (iii) interest on the Note; (iv) amortization of the principal balance of the Note. If the total Tax and Insurance Deposits on hand shall not be sufficient to pay all of the Taxes and insurance premiums, together with all penalties and interest thereon, when the same shall become due, then the Mortgagor shall pay to the Mortgagee on demand any amount necessary to make up the deficiency. If the total of such Tax and Insurance Deposits exceeds the amount required

to pay the Taxes and insurance premiums, such excess shall be credited on subsequent payments to be made for such items.

(C) In the event of a Default in any of the provisions contained in this Mortgage or in the Note, the Mortgagee may, at its option, without being required to do so, apply any Tax and Insurance Deposits on hand on any of the Indebtedness in such order and manner as the Mortgagee may elect. When the Indebtedness has been fully paid, then any remaining Tax and Insurance Deposits shall be paid to the Mortgagor. All Tax and Insurance Deposits are hereby pledged as additional security for the Indebtedness and shall be held in trust to be irrevocably applied for the purposes for which made as herein provided, and shall not be subject to the direction or control of the Mortgagor.

(D) Notwithstanding anything contained herein to the contrary, neither the depository nor the Mortgagee shall be liable for any failure to apply to the payment of Taxes and insurance premiums any amounts deposited as Tax and Insurance Deposits unless the Mortgagor, while no Default exists hereunder and within a reasonable time prior to the due date, shall have requested the Mortgagee in writing to make application of such Tax and Insurance Deposits on hand to the payment of the particular Taxes or insurance premiums and Taxes or shall, upon presentation of receipted bills therefor, reimburse the Mortgagor for such payments made by the Mortgagor.

(E) Property Taxes and Contest of Liens. Mortgagor shall be responsible for the payment, when first due and owing and before any penalty attaches, of all taxes and assessments (general or special), water charges, sewer charges and any other charges, fees, taxes, claims, levies, charges, expenses, liens, and assessments ordinary or extraordinary, governmental or non-governmental, statutory or otherwise, that may be asserted against the Property or any part thereof or interest ("Taxes"). Provided, however, that sufficient Tax and Insurance Deposits are available, Mortgagee, at its option, either may make such Tax and Insurance Deposits available to Mortgagor for the payments required under this Paragraph or may make such payments on behalf of Mortgagor.

21. Usury Laws. If the Loan is or becomes subject to a law which sets maximum interest or loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, in ipso facto: (a) any interest or loan charge shall be reduced by the amount necessary to reduce the interest or loan charge to the permitted limit, and paid according to the provisions of the Note; and (b) any sums already collected from Mortgagor that exceed the permitted limits will, if required by such law, be refunded to Mortgagor by either reducing the principal balance under the Note or by making direct payment to Mortgagor, at Mortgagee's election. In no event shall Mortgagor be bound to pay for the use, forbearance or detention of the interest of more than the legal limit, and Mortgagor hereby waives the right to demand any such excess. This provision shall control every other provision of this Mortgage or the Note.

22. General Provisions.

(A) Binding on Successors and Assigns. This Mortgage and all provisions hereof shall extend to and be binding upon Mortgagor and all persons claiming under or through Mortgagor,



and the word "Mortgagor" when used herein shall include all such persons and all persons liable for the payment of the Indebtedness or any part thereof, whether or not such persons shall have executed the Note or this Mortgage. The word "Mortgagee" when used herein shall include the successors and assigns of the Mortgagee named herein, and the holder or holders, from time to time, of the Note.

(B) Captions. The captions and headings of various sections of this Mortgage are for convenience of reference only and are not to be construed as defining or limiting, in any way, the scope, intent, or meaning of the provisions of this Mortgage.

(C) Defeasance. Upon payment by Mortgagor to Mortgagee of the Indebtedness and all other sums payable by Mortgagor to Mortgagee under this Mortgage, which payment is made either: (1) at or after the due date specified in the Note (including any extension as provided therein); or (2) prior to the due date of the Note and is accompanied by a written statement by Mortgagor that no further draws will be made under the Note, and such payment is made in accordance with the provisions of the Note and in the manner and at the times therein set forth, without deduction, fraud, or delay, then this Mortgage, and the estate hereby granted, shall cease and become void.

(D) Release. Mortgagee shall release this Mortgage and the liens created hereby by proper instrument upon payment and discharge of all Indebtedness. Mortgagor shall pay to Mortgagee a reasonable fee for the preparation of any release instruments.

(E) Incorporation of Riders Exhibits and Addenda. All riders, exhibits and addenda attached to this Mortgage are by express reference incorporated into and made a part of this Mortgage. The covenants contained in each of said riders, exhibits and addenda, and the other things therein set forth shall have the same force and effect as though set forth in this Mortgage.

(F) Assurances of Cooperation. The parties agree that they will, at any time after the execution of this Mortgage, and from time to time, execute, acknowledge, and deliver or cause to be executed, acknowledged and delivered to each other the various documents which shall be reasonably required to carry out the various undertakings under this Mortgage and the creation or perfection of any security interest contemplated by this Mortgage. The parties further agree that each of them will use reasonable and diligent efforts to cause the conditions precedent hereto, if any, to be met.

(G) No Waiver. No failure by Mortgagor to exercise, or delay by Mortgagor in exercising, any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof, or the exercise of any other right, power or privilege. No notice to or demand on Mortgagee in any case shall, in itself, entitle Mortgagee to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of Mortgagor to any other or further action in any circumstances without notice or demand.

(H) Rights and Remedies Cumulative. All of Mortgagor's rights and remedies, whether set forth in this Mortgage, the Note, or in any other writing, are not exclusive of any right

or remedy provided by law; all such rights and remedies shall be cumulative and may be exercised singularly or concurrently. Election by Mortgagor to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Mortgagee under this Mortgage, after the failure of Mortgagor to perform, shall not affect the Mortgagee's right to declare a default and to exercise its remedies.

(I) Notices. Any communications, requests or notices required or appropriate to be given under this Mortgage shall be in writing and deemed given when delivered in person or three (3) business days after mailing when mailed by certified mail, return receipt requested, deposited in the United States mail postage prepaid, addressed to the party for whom the notice is intended as follows:

IF TO MORTGAGOR: Edward C. and Diana Brown  
3933 West Greenleaf  
Lincolnwood, Illinois 60646

IF TO MORTGAGEE: Executive Board  
Skokie Valley Baptist Church  
1050 Skokie Boulevard  
Wilmette, Illinois 60091

WITH A COPY TO: Douglas Conover, Esq.  
Rieck and Crotty, P.C.  
55 W. Monroe Street, Suite 3390  
Chicago, Illinois 60603

These addresses may be changed by notice as provided herein.

(J) Severability. If any term or provision hereof should be held to be invalid, unenforceable, or illegal, such holding shall not invalidate or render unenforceable any other provision hereof, and the remaining provisions shall not be impaired thereby.

(K) Gender and Number. All personal pronouns used in this Mortgage, whether used in the masculine, feminine or neuter, shall include all of the other genders, and the use of the singular or the plural shall include the use of the other as the identity of the person or persons may require.

(L) Joint and Several Liability. As used herein, the term "Mortgagor" shall be deemed to include all Mortgagors hereunder (or any of them) and all of the undertakings contained herein shall be the joint and several obligations of said Mortgagors and each of them.

(M) Subordination to First Mortgage. This Mortgage is subordinate to the lien of the First Mortgage and to the rights of the Mortgagee under the First Mortgage.

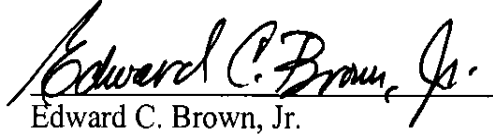
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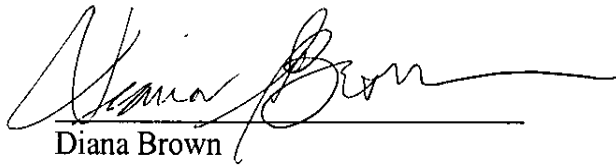
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(N) Governing Law. The place of negotiation and delivery of this Note, the location of the Property, and the place of performance under the Note being the State of Illinois, this Note shall be governed by and construed in accordance with the laws of the State of Illinois.

IN WITNESS WHEREOF, Mortgagor has signed this instrument on the day and year first set forth above.

MORTGAGOR:

  
Edward C. Brown, Jr.

  
Diana Brown

Property of Cook County Clerk's Office





UNOFFICIAL COPY

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**EXHIBIT A**  
**LEGAL DESCRIPTION**

Lot 35 (except the West 8.5 feet thereof) and the West 24.5 feet of Lot 36 in Crawford-Lunt Subdivision in the West half of the Northwest  $\frac{1}{4}$  of Section 35, Township 41 North, Range 13 East of the Third Principal Meridian, according to the plat thereof recorded July 20, 1926 as document 9345310 in Cook County, Illinois. ✓

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Property of Cook County Clerk's Office