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Cook County Recorder 51.00



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JUNIOR MORTGAGE, FIXTURE FILING AND ASSIGNMENT OF LEASES AND RENTS

THIS JUNIOR MORTGAGE, FIXTURE FILING AND ASSIGNMENT OF LEASES AND RENTS (the "Mortgage") is entered into as of the 30th day of December, 1998, by EDWARD B. BLEKA, an individual ("Edward Bleka"), and JANE BLEKA, an individual ("Jane Bleka"; Edward Bleka and Jane Bleka shall be collectively referred to herein as "Mortgagor"), in favor of AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association (hereinafter called "Mortgagee"), with its chief executive offices located in Chicago, Illinois.

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WITNESS:

WHEREAS, Mortgagor has executed and delivered to Mortgagee that certain Term Note, dated of even date herewith, in the original principal amount of ONE MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS (\$1,250,000.00) (the Term Note and all amendments, renewals, extensions for any period, increases or rearrangements thereof are hereinafter collectively referred to as the "Bleka Term Note"), and

WHEREAS, Mortgagor has also executed and delivered to Mortgagee that certain Loan and Security Agreement, dated of even date herewith (the Loan and Security Agreement and all amendments, renewals, extensions for any period, increases or rearrangements thereof is hereinafter referred to as the "Bleka Loan Agreement"), providing for the extension of certain credit and other financial accommodations by Mortgagee to Mortgagor (all capitalized terms used herein, but not defined herein, shall have the meanings ascribed to such terms in the Bleka Loan Agreement); and

WHEREAS, as a condition to Mortgagee's extension of certain financial accommodations to Mortgagor, including, without limitation, the extension of credit evidenced by the Bleka Term Note and the Bleka Loan Agreement, Mortgagee has required that Mortgagor enter into this Mortgage and grant to Mortgagee the liens and security interests referred to herein

This Instrument was prepared by,
and after recording, return to:

Property Address: 10628 S. Parkside
Chicago Ridge, IL 60415

Brian L. Sedlak, Esq.
Jones, Day, Reavis & Pogue
77 W. Wacker
Suite 3500
Chicago, Illinois 60601-1692

BOX 333-CTI

P.I.N. Nos.: 24.17.208.005.000
24.17.208.006.000

to secure (i) the payment of the principal amount evidenced by the Bleka Term Note, together with interest thereon; (ii) the payment and performance of all other obligations of Mortgagor to Mortgagee under the Bleka Loan Agreement, all other Bleka Financing Agreements (as defined in the Bleka Loan Agreement), including this Mortgage, and (iii) all other Liabilities (as defined in the Bleka Loan Agreement) of Mortgagor to Mortgagee (all of the foregoing are hereinafter collectively referred to as the "**Obligations**"); and

WHEREAS, the Obligations secured hereby shall not exceed an aggregate principal amount, at any one time outstanding of TEN MILLION DOLLARS (\$10,000,000.00), provided, that the foregoing limitation shall apply only to the lien upon the real property created by this Mortgage, and it shall not in any manner limit, affect or impair any grant of a security interest or other right in favor of the Mortgagee under the provisions of the Bleka Loan Agreement or under any other security agreement at any time executed by Mortgagor.

NOW, THEREFORE, in consideration of the premises contained herein and to secure payment and performance of the Obligations and in consideration of One Dollar (\$1.00) in hand paid, the receipt and sufficiency whereof are hereby acknowledged, Mortgagor has given, granted, bargained and sold, aliened, enfeoffed, released, conveyed, confirmed, mortgaged, assigned, transferred and set-over, and by these presents does give, grant, bargain and sell, alien, enfeoff, release, convey, confirm, mortgage, assign, transfer and set-over unto Mortgagee, its successors and assigns, forever:

ALL Mortgagor's estate, right, title, interest, claim and demand in and with respect to the following property (hereinafter collectively referred to as the "**Mortgaged Property**"):

A. Those certain tracts of land in Cook County, Illinois, and more particularly described in Exhibit A attached hereto and made a part hereof (collectively, the "**Land**");

B. All buildings, structures and improvements of every kind and description now or hereafter situated, erected or placed on the Land, and all fixtures, machinery, equipment, appliances, apparatus, and other property, whether real, personal to the extent owned by Mortgagor or mixed, now or hereafter attached to, or located in or on those buildings, structures or other improvements, or used or useful in connection with the ownership, operation, or maintenance of such buildings, structures or other improvements, and all extensions, additions, improvements, betterments, renewals, substitutions and replacements to all or any of the foregoing (hereinafter collectively, the "**Improvements**");

C. All easements, rights of way, gores of land or any lands occupied by streets, ways, alleys, passages, sewer rights, water courses, water rights and powers, and public places adjoining said Land, and any other interests in property constituting appurtenances to the Land or the Improvements, or which hereafter shall in any way belong, relate or be appurtenant thereto, and all hereditaments, gas, oil, minerals (with the right to extract, sever and remove such gas, oil and minerals), and easements, of every nature whatsoever, located in or on the Land and all other rights and privileges thereunto belonging or appertaining and all extensions, additions, improvements, betterments, renewals, substitutions and replacements to or of any of the rights and interests described above (hereinafter collectively, the "**Property Rights**") (the Land, the

Improvements and the Property Rights may sometimes be referred to hereinafter collectively as the "Real Property");

D. All the rents, issues and profits of the Real Property and all rents, issues, profits, revenues, royalties, bonuses, rights and benefits due, payable or accruing (including all deposits of money as advance rent, for security or as earnest money or as down payment for the purchase of all or any part of the Real Property) (the "Rents") under any and all present and future leases, contracts or other agreements relative to the ownership or occupancy of all or any portion of the Real Property, except to the extent such a transfer or assignment is not permitted by the terms thereof, does hereby transfer and assign to Mortgagee all such leases and agreements (including all Mortgagor's rights under any contracts for the sale of any portion of the Mortgaged Property and all revenues and royalties under any oil, gas and mineral leases relating to the Real Property) (the "Leases");

E. All judgments, insurance proceeds, awards of damages and settlements resulting from condemnation proceedings or the taking of the Real Property, or any part thereof, under the power of eminent domain or for any damage (whether caused by such taking or otherwise) to the Real Property, or any part thereof, or to any rights appurtenant thereto, and all proceeds of any sales or other dispositions of the Real Property or any part thereof; and (except as otherwise provided herein or in the Bleka Loan Agreement) the Mortgagee is hereby authorized to collect and receive said awards and proceeds and to give proper receipts and acquittances therefor, and to apply the same as provided in the Bleka Loan Agreement; and all contract rights, general intangibles, actions and rights in action relating to the Real Property, including, without limitation, all rights to insurance proceeds and unearned premiums arising from or relating to damage to the Real Property; and all proceeds, products, replacements, additions, substitutions, renewals and accessions of and to the Real Property.

TO HAVE AND TO HOLD the Mortgaged Property, properties, rights and privileges hereby conveyed or assigned, or intended to be, unto Mortgagee, its beneficiaries, successors and assigns, forever for the uses and purposes herein set forth, and Mortgagor hereby covenants, represents and warrants that, at the time of the ensembling and delivery of these presents, Mortgagor is well seised of the Mortgaged Property in fee simple and with lawful authority to sell, assign, convey and mortgage the Mortgaged Property, and that the title to the Mortgaged Property is free and clear of all encumbrances, except the Permitted Exceptions (as such term is defined in the Bleka Loan Agreement), and that, except for such Permitted Exceptions, Mortgagor will forever defend the same against all lawful claims.

PROVIDED, HOWEVER, that if Mortgagor shall promptly pay and shall timely perform all of the Obligations, then, upon the termination of all obligations, duties and commitments under the Bleka Term Note, the Bleka Loan Agreement, and the other Bleka Financing Agreements, this Mortgage and the estate granted hereby shall become null and void.

This conveyance is intended as a mortgage and is given for the purpose of securing the payment and performance of the Obligations.

THIS MORTGAGE SECURES FUTURE ADVANCES, up to a maximum principal amount of TEN MILLION DOLLARS (\$10,000,000.00).

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The following provisions shall also constitute an integral part of this Mortgage:

1. Performance by Mortgagor. Mortgagor shall pay or cause to be paid, and keep and perform or cause to be kept and performed, all of the Obligations.
2. Maintenance of Mortgaged Property. Mortgagor shall maintain or cause to be maintained the Mortgaged Property in good repair, working order, and condition and make or cause to be made, when necessary, all repairs, renewals, and replacements, structural, non-structural, exterior, interior, ordinary and extraordinary. Mortgagor shall refrain from and shall not permit the commission of waste in or about the Mortgaged Property and shall not remove, demolish, alter, change or add to the structural character of any improvement at any time erected on the Mortgaged Property without the prior written consent of Mortgagee, except as hereinafter otherwise provided. Without limiting any provision of the Bleka Loan Agreement, Mortgagor covenants and agrees that, in the ownership, operation and management of the Mortgaged Property, Mortgagor will observe and comply with all applicable federal, state and local statutes, ordinances, regulations, orders and restrictions. Mortgagee shall have the right at any reasonable time, and from time to time, after reasonable prior notice to Mortgagor, to enter the Mortgaged Property for the purpose of inspecting the same, subject to the rights of any tenants therein.
3. Taxes, Assessments and Imposition. Mortgagor shall pay all real estate and other taxes, assessments, water and sewer charges, vault and other license or permit fees, levies, fines, penalties, interest, impositions and other similar claims, general and special, public and private, of any kind whatsoever which may be assessed, levied, confirmed, imposed upon or arise out of or become due and payable out of, or become a lien on or against the Mortgaged Property or any part thereof (collectively referred to as the "Taxes") not later than ten (10) days before the dates on which such Taxes would become delinquent. Not later than the date when any Taxes would become delinquent, Mortgagor shall produce to Mortgagee official receipts of the appropriate imposing authority, or obtain title insurance coverage over such lien, or bonding over such lien, or other evidence reasonably satisfactory to Mortgagee evidencing the payment thereof in full.
4. Insurance. Mortgagor shall, at its sole expense, obtain for, deliver to, assign and maintain for the benefit of Mortgagee, until the Obligations are paid in full, insurance policies as specified in the Bleka Loan Agreement. In the event of a casualty loss, the net insurance proceeds from such insurance policies shall be paid and applied as specified in the Bleka Loan Agreement.
5. Protection of Mortgagee's Security. If default be made in the payment of any of the aforesaid taxes or assessments or in making repairs or replacements or in procuring and maintaining insurance and paying the premiums therefor, or in keeping or performing any other covenant of Mortgagor herein, Mortgagee may, at its option and without any obligation on its part to do so, pay said taxes and assessments, make such repairs and replacements, effect such insurance, pay such premiums, and perform any other covenant of Mortgagor herein. All amounts expended by Mortgagee hereunder shall be secured hereby and shall be due and payable by Mortgagor to Mortgagee forthwith on demand with interest thereon at the rate applicable under the Bleka Term Note from the date of such expenditure.

6. Assignment of Rents and Leases. Mortgagor (i) does hereby pledge and assign to Mortgagee from and after the date hereof (including any period of redemption), primarily and on a parity with the Real Property, and not secondarily, all Rents of the Real Property and all Rents under any or all present or future Leases, and (ii) except to the extent such a transfer or assignment is not permitted by the terms thereof, does hereby transfer and assign to Mortgagee all such Leases. Mortgagee hereby grants to Mortgagor the right to collect and use the Rents as they become due and payable under the Leases, but not more than one (1) month in advance thereof, unless an Event of Default (as defined in the Bleka Loan Agreement) shall have occurred; provided, however, that the existence of such right shall not operate to subordinate this assignment to any subsequent assignment, in whole or in part, by Mortgagor, and any such subsequent assignment shall be subject to the rights of the Mortgagee under this Mortgage. Mortgagor further agrees to execute and deliver such assignments of leases or assignments of land sale contracts as Mortgagee may from time to time reasonably request. In the event of and during the continuance of an Event of Default (1) the Mortgagor agrees, upon demand, to deliver to the Mortgagee all of the Leases with such additional assignments thereof as the Mortgagee may request and agrees that the Mortgagee may assume the management of the Real Estate and collect the Rents, applying the same upon the Obligations in the manner provided in the Bleka Loan Agreement, and (2) the Mortgagor hereby authorizes and directs all tenants, purchasers or other persons occupying or otherwise acquiring any interest in any part of the Real Estate to pay the Rents due under the Leases to the Mortgagee upon request of the Mortgagee. Mortgagor hereby appoints Mortgagee as its true and lawful attorney in fact to manage said property and collect and use the Rents, with full power to bring suit for collection of the Rents and possession of the Real Estate, giving and granting unto said Mortgagee and unto its agent or attorney full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in the protection of the security hereby conveyed; provided, however, that (i) this power of attorney and assignment of rents shall not be construed as an obligation upon said Mortgagee to make or cause to be made any repairs that may be needful or necessary and (ii) Mortgagee agrees that until such Event of Default as aforesaid, Mortgagee shall permit Mortgagor to perform the aforementioned collection and management responsibilities. Upon Mortgagee's receipt of the Rents, at Mortgagee's option, it may pay: (1) reasonable charges for collection thereof, costs of necessary repairs and other costs requisite and necessary during the continuance of this power of attorney and assignment of rents, (2) general and special taxes, insurance premiums, and (3) any or all of the Obligations pursuant to the provisions of the Bleka Loan Agreement. This power of attorney and assignment of rents is coupled with an interest and shall be irrevocable until this Mortgage shall have been satisfied and released of record, and the releasing of this Mortgage shall act as a revocation of this power of attorney and assignment of rents. Mortgagee shall have and hereby expressly reserves the right and privilege (but assumes no obligation) to demand, collect, sue for, receive and recover the Rents, or any part thereof, now existing or hereafter made, and apply the same in accordance with the provisions of the Bleka Loan Agreement.

Nothing herein contained shall be construed as constituting the Mortgagee a mortgagee-in-possession in the absence of the taking of actual possession of the Mortgaged Property by the Mortgagee. Nothing contained in this Mortgage shall be construed as imposing on Mortgagee any of the obligations of the lessor under any Lease of the Mortgaged Property in the absence of an explicit assumption thereof by Mortgagee. In the exercise of the powers herein

granted the Mortgagee, no liability shall be asserted or enforced against the Mortgagee, all such liability being expressly waived and released by Mortgagor.

7. Leases Affecting the Real Estate. Mortgagor agrees faithfully to perform all of its obligations under all present and future Leases relating to the Real Estate at any time assigned to Mortgagee as additional security, and to refrain from any action or inaction within its reasonable power which would result in termination of any such Leases or in the diminution of the value thereof or of the Rents due thereunder. All future lessees under any Lease made after the date of recording of this Mortgage shall, at Mortgagee's option and without any further documentation, attorn to Mortgagee as lessor if for any reason Mortgagee becomes lessor thereunder, and, upon demand, pay rent to Mortgagee, and Mortgagee shall not be responsible under such Lease for matters arising prior to Mortgagee becoming lessor thereunder. Mortgagor agrees it shall not, without the written consent of Mortgagee (which may be withheld in Mortgagee's sole discretion), (i) enter into any Leases; (ii) modify any Leases; or (iii) waive the default of any other party to any of the Leases; provided, however, Mortgagor may enter into Leases so long as (x) such Leases are on substantially the same non-monetary terms as the current Leases; and (y) the economic terms under such Leases are no less favorable to Mortgagee or Mortgagor as compared to current Leases.

8. Use of the Real Property. Mortgagor agrees that it shall not permit the public to use the Real Property in any manner that might tend, in Mortgagee's reasonable judgment, to impair Mortgagor's title to such property or any portion thereof, or to make possible any claim or claims of easement by prescription or of implied dedication to public use.

9. Indemnification. Mortgagor shall not use or permit the use of any part of the Mortgaged Property for an illegal purpose, including, without limitation, the violation of any environmental laws, statutes, codes, regulations or practices. Without limiting any indemnification Mortgagor has granted in the Bleka Loan Agreement, Mortgagor agrees to indemnify and hold harmless Mortgagee from and against any and all losses, suits, liabilities, fines, damages, judgments, penalties, claims, charges, costs and expenses (including reasonable attorneys' and paralegals' fees, court costs and disbursements) which may be imposed on, incurred or paid by or asserted against the Mortgaged Property by reason of or on account of or in connection with (i) the construction, reconstruction or alteration of the Mortgaged Property (ii) any negligence or misconduct of Mortgagor, any lessee of the Mortgaged Property, or any of their respective agents, contractors, subcontractors, servants, employees, licensees or invitees, (iii) any accident, injury, death or damage to any person or property occurring in, on or about the Mortgaged Property or any street, drive, sidewalk, curb or passageway adjacent thereto (except when due to Mortgagee's negligence), or (iv) any other transaction arising out of or in any way connected with the Mortgaged Property.

10. Condemnation Awards. Mortgagor hereby assigns to Mortgagee, as additional security, all awards of damage resulting from condemnation proceedings or the taking of or injury to the Real Property for public use, and Mortgagor agrees that the proceeds of all such awards shall be paid and applied as specified in the Bleka Loan Agreement.

11. Remedies. Subject to the provisions of the Bleka Loan Agreement, upon the occurrence of an Event of Default (as such term is defined in the Bleka Loan Agreement), in

addition to any rights and remedies provided for in the Bleka Loan Agreement, and to the extent permitted by applicable law, the following provisions shall apply:

(a) Mortgagee's Power of Enforcement. It shall be lawful for Mortgagee to (i) immediately sell the Mortgaged Property either in whole or in separate parcels, as prescribed by the laws of the State of Illinois, under power of sale, which power is hereby granted to Mortgagee to the full extent permitted by the laws of the State of Illinois, and thereupon, to make and execute to any purchaser(s) thereof deeds of conveyance pursuant to applicable law or (ii) immediately foreclose this Mortgage by judicial action. The court in which any proceeding is pending for the purpose of foreclosure of this Mortgage may, at once or at any time thereafter, either before or after sale, without notice and without requiring bond, and without regard to the solvency or insolvency of any person liable for payment of the Obligations secured hereby, and without regard to the then value of the Mortgaged Property or the occupancy thereof as a homestead, appoint a receiver for the benefit of Mortgagee, with power to collect the Rents, due and to become due, during such foreclosure suit and the full statutory period of redemption notwithstanding any redemption. The receiver, out of the Rents when collected, may pay costs incurred in the management and operation of the Real Property, prior and subordinate liens, if any, and taxes, assessments, water and other utilities and insurance, then due or thereafter accruing, and may make and pay for any necessary repairs to the Real Property, and may pay all or any part of the Obligations or other sums secured hereby or any deficiency decree entered in such foreclosure proceedings. Upon or at any time after the filing of a suit to foreclose this Mortgage, the court in which such suit is filed shall have full power to enter an order placing Mortgagee in possession of the Real Property with the same power granted to a receiver pursuant to this subparagraph and with all other rights and privileges of a mortgagee-in-possession under applicable law.

(b) Mortgagee's Right to Enter and Take Possession, Operate and Apply Income. Mortgagee shall, at its option, have the right, acting through its agents or attorneys, either with or without process of law, forcibly or otherwise, to enter upon and take possession of the Real Property, expel and remove any persons, goods, or chattels occupying or upon the same, to collect or receive all the Rents, and to manage and control the same, and to lease the same or any part thereof, from time to time, and, after deducting all reasonable attorneys' fees and expenses, and all reasonable expenses incurred in the protection, care, maintenance, management and operation of the Real Property, distribute and apply the remaining net income in accordance with the terms of the Bleka Loan Agreement or upon any deficiency decree entered in any foreclosure proceedings.

12. Application of the Rents and Profits or from Proceeds from Foreclosure or Sale. In any foreclosure of this Mortgage by judicial action, or any sale of the Mortgaged Property by advertisement, in addition to any of the terms and provisions of the Bleka Loan Agreement, there shall be allowed (and included in the decree for sale in the event of a foreclosure by judicial action) to be paid out of the Rents and Profits or the proceeds of such foreclosure proceeding and/or sale:

(a) Obligations. All of the Obligations and other sums secured hereby which then remain unpaid;

(b) Other Advances. All other items advanced or paid by Mortgagee pursuant to this Mortgage; and

(c) Costs, Fees and Other Expenses. All court costs, reasonable attorneys' and paralegals' fees and expenses, appraiser's fees, advertising costs, filing fees and transfer taxes, notice expenses, expenditures 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 abstracts of title, title searches and examinations, title guarantees, title insurance policies, Torrens certificates and similar data with respect to title which Mortgagee in the reasonable exercise of its judgment may deem necessary. All such expenses shall become additional Obligations secured hereby when paid or incurred by Mortgagee in connection with any proceedings, including but not limited to probate and bankruptcy proceedings, to which Mortgagee shall be a party, either as plaintiff, claimant or defendant, by reason of this Mortgage or any indebtedness hereby secured or in connection with the preparations for the commencement of any suit for the foreclosure, whether or not actually commenced, or sale by advertisement. The proceeds of any sale (whether through a foreclosure proceeding or Mortgagee's exercise of the power of sale) shall be distributed and applied in accordance with the terms of the Bleka Loan Agreement.

13. Cumulative Remedies; Delay or Omission Not a Waiver. Each remedy or right of Mortgagee shall not be exclusive of but shall be in addition to every other remedy or right now or hereafter existing at law or in equity. No delay in the exercise or omission to exercise any remedy or right accruing on the occurrence or existence of any Event of Default shall impair any such remedy or right or be construed to be a waiver of any such Event of Default or acquiescence therein, nor shall it affect any subsequent Event of Default of the same or different nature. Every such remedy or right may be exercised concurrently or independently and when and as often as may be deemed expedient by Mortgagee.

14. Mortgagee's Remedies against Multiple Parcels. If more than one property, lot or parcel is covered by this Mortgage, and if this Mortgage is foreclosed upon, or judgment is entered upon any Obligations secured hereby, or if Mortgagee exercises its power of sale (if available), execution may be made upon or Mortgagee may exercise its power of sale (if available) against any one or more of the properties, lots or parcels and not upon the others, or upon all of such properties or parcels, either together or separately, and at different times or at the same time, and execution sales or sales by advertisement may likewise be conducted separately or concurrently, in each case at Mortgagee's election.

15. No Merger. In the event of a foreclosure of this Mortgage or any other mortgage, deed of trust or deed to secure debt securing the Obligations, the Obligations then due the Mortgagee shall not be merged into any decree of foreclosure entered by the court, and Mortgagee may concurrently or subsequently seek to foreclose one or more mortgages, deeds of trust or deeds to secure debt which also secure said Obligations.

16. Notices. Except as otherwise expressly provided herein, any notice required or desired to be served, given or delivered hereunder shall be in writing, and shall be deemed to have been validly served, given or delivered (i) three (3) Business Days after deposit in the United States registered mails, with proper postage prepaid, (ii) when sent after receipt of

confirmation if sent by telecopy or other similar facsimile transmission, (iii) one (1) Business Day after deposit with a reputable overnight courier with all charges prepaid or (iv) when delivered, if hand-delivered by messenger, all of which shall be properly addressed to the party to be notified and sent to the address or number indicated as follows:

If to Mortgagee at:

American National Bank and Trust
Company of Chicago
120 South LaSalle Street, 8th Floor
Chicago, Illinois 60603-3400
Attn: Thomas O'Hare
Telecopy: (312) 661-9587
Confirmation: 312/661-6479

with a copy to:

Jones, Day, Reavis & Pogue
77 West Wacker
Suite 3500
Chicago, Illinois 60601-1692
Attn: David S. Kurtz and Timothy R. Pohl
Telecopy: (312) 782-8585
Confirmation: (312) 782-3939

If to Mortgagor at:

Edward B. Bleka
c/o Quantum Properties, LLC
750 South Schmidt Road
Bolingbrook, Illinois 60440
Telecopy: (630) 679-1259
Confirmation: (800) 334-6328

with a copy to:

McDermott, Will & Emery
227 West Monroe Street
Chicago, Illinois 60606-5096
Attn: Greg Bagan
Telecopy: (312) 984-7700
Confirmation: (312) 327-2000

or to such other address or number as each party designates to the other in the manner herein prescribed.

17. Extension of Payments. Mortgagor agrees that, without affecting the liability of any person for payment of the Obligations secured hereby or affecting the lien of this Mortgage upon the Mortgaged Property or any part thereof (other than persons or property explicitly released as a result of the exercise by Mortgagee of its rights and privileges hereunder), Mortgagee may at any time and from time to time, on request of the Mortgagor, without notice to any person liable for payment of any Obligations secured hereby, but otherwise subject to the provisions of the Loan Documents, extend the time, or agree to alter or amend the terms of payment of such Obligations. Mortgagor further agrees that any part of the security herein described may be released with or without consideration without affecting the remainder of the Obligations or the remainder of the security.

18. Mortgagor's Estoppel. Mortgagor shall, within ten (10) days after a request by Mortgagee, furnish a duly acknowledged written statement in form reasonably satisfactory to Mortgagee setting forth to the best of Mortgagor's knowledge the amount of the Obligations, stating either that to the best of Mortgagor's knowledge no offsets or defenses exist against the Obligations, or if such offsets or defenses are alleged to exist, the nature and extent thereof and such other matters as Mortgagee may reasonably request. Mortgagee shall, within ten (10) days after request by Mortgagor, furnish a duly acknowledged written statement that to the best of Mortgagee's knowledge, the Financing Agreements as they relate to the Mortgaged Property are in full force and effect and have not been modified except as specified.

19. Payment of Taxes on the Mortgage. Without limiting any of the provisions of the Bleka Loan Agreement, Mortgagor agrees that, if the United States or any department, agency or bureau thereof or if the State of Illinois or any of its subdivisions having jurisdiction shall at any time require documentary stamps to be affixed to this Mortgage or shall levy, assess, or charge any tax, assessment or imposition upon this Mortgage or the credit or indebtedness secured hereby or the interest of Mortgagee in the Real Property or upon Mortgagee by reason of or as holder of any of the foregoing then, Mortgagor shall pay for such documentary stamps in the required amount and deliver them to Mortgagee or pay (or reimburse Mortgagee for) such taxes, assessments or impositions. Mortgagor agrees to exhibit to Mortgagee, at any time upon request, official receipts showing payment of all taxes, assessments and charges which Mortgagor is required or elects to pay under this paragraph. Mortgagor agrees to indemnify Mortgagee against liability on account of such documentary stamps, taxes, assessments or impositions, whether such liability arises before or after payment of the Obligations and regardless of whether this Mortgage shall have been released.

20. Governing Law. Mortgagor agrees that this Mortgage is to be construed, governed and enforced in accordance with the laws of the State of Illinois. Wherever possible, each provision of this Mortgage shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Mortgage shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Mortgage.

21. Successors and Assigns Included in Parties. This Mortgage shall be binding upon the Mortgagor and upon the successors, assigns and vendees of the Mortgagor and shall inure to the benefit of the Mortgagee's successors and assigns; all references herein to the

Mortgagor and to the Mortgagee shall be deemed to include their respective successors and assigns. Mortgagor's successors and assigns shall include, without limitation, a receiver, trustee or debtor in possession of or for the Mortgagor. Wherever used, the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall be applicable to all genders.

22. Waiver of Appraisal, Valuation, Stay, Extension and Redemption Laws. Mortgagor agrees, to the full extent permitted by law, that at all times following an Event of Default, neither Mortgagor nor anyone claiming through or under it shall or will set up, claim or seek to take advantage of any appraisal, valuation, stay, or extension laws now or hereafter in force, in order to prevent or hinder the enforcement or foreclosure of this Mortgage or the absolute sale of the Mortgaged Property or the final and absolute putting into possession thereof, immediately after such sale, of the purchaser thereat; and Mortgagor, for itself and all who may at any time claim through or under it, hereby waives, to the full extent that it may lawfully so do, the benefit of all such laws and any and all right to have the assets comprising the Mortgaged Property marshalled upon any foreclosure of the lien hereof and agrees that Mortgagee or any court having jurisdiction to foreclose such lien may sell the Mortgaged Property in part or as an entirety. To the full extent permitted by law, Mortgagor hereby waives any and all statutory or other right of redemption from sale under any order or decree of foreclosure of this Mortgage, on its own behalf and on behalf of each and every person acquiring any interest in or title to the Mortgaged Property subsequent to the date hereof.

23. Interpretation with Other Documents. Notwithstanding anything in this Mortgage to the contrary, in the event of a conflict or inconsistency between the Mortgage and the Bleka Loan Agreement, the provisions of the Bleka Loan Agreement shall govern.

24. Future Advances. This Mortgage is given for the purpose of securing loan advances which the Mortgagee may make to or for Mortgagor pursuant and subject to the terms and provisions of the Bleka Loan Agreement. The parties hereto intend that, in addition to any other debt or obligation secured hereby, this Mortgage shall secure unpaid balances of loan advances made after this Mortgage is delivered to the appropriate recording office of the Cook County, Illinois, whether made pursuant to an obligation of Mortgagee or otherwise, and in such event, such advances shall be secured to the same extent as if such future advances were made on the date hereof, although there may be no advance made at the time of execution hereof and although there may be no indebtedness outstanding at the time any advance is made. Such loan advances may or may not be evidenced by notes executed pursuant to the Bleka Loan Agreement.

25. Invalid Provisions to Affect No Others. In the event that any of the covenants, agreements, terms or provisions contained in this Mortgage shall be invalid, illegal or unenforceable in any respect, the validity of the remaining covenants, agreements, terms and provisions contained herein or in the Bleka Loan Agreement shall not be in any way affected, prejudiced or disturbed thereby. In the event that the application of any of the covenants, agreements, terms or provisions of this Mortgage is held to be invalid, illegal or unenforceable, those covenants, agreements, terms and provisions shall not be in any way affected, prejudiced or disturbed when otherwise applied.

26. Changes. Neither this Mortgage nor any term hereof may be changed, waived, discharged or terminated orally, or by any action or inaction, but only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought. To the extent permitted by law, any agreement hereafter made by Mortgagor and Mortgagee relating to this Mortgage shall be superior to the rights of the holder of any intervening lien or encumbrance.

27. Time of Essence. Time is of the essence with respect to the provisions of this Mortgage.

28. Fixture Filing. It is agreed that if any of the Mortgaged Property is of a nature so that a security interest therein can be perfected under the Uniform Commercial Code (the "Code") in effect in the State of Illinois, this instrument shall constitute a security agreement, fixture filing and financing statement, and Mortgagor agrees to execute, deliver and file or refile any financing statement, continuation statement, or other instruments Mortgagee may reasonably require from time to time to perfect or renew such security interest under the Code. The addresses of Mortgagor (Debtor) and Mortgagee (Secured Party) are set forth herein. Mortgagor further agrees that a carbon, photographic or other reproduction of this Mortgage or of a financing statement is sufficient as a financing statement. To the extent permitted by law, this instrument, upon recording or registration in the real estate records of Cook County, shall constitute a "fixture-filing" within the meaning in the Code. Subject to the terms and conditions of the Bleka Loan Agreement, the remedies for any violation of the covenants, terms and conditions of the agreements herein contained shall be as prescribed herein or by general law, or, as to that part of the security in which a security interest may be perfected under the Code, by the specific statutory consequences now or hereafter enacted and specified in the Code, all at Mortgagee's sole election.

29. Restrictions on Use of Funds. The proceeds of the Bleka Term Note may only be used for the purposes specified in Section 4 of the Interest Act (815 ILCS 205/4), and, if so used, the principal obligations secured hereby constitutes a "business loan" as defined in such section.

30. Joint and Several Liability. The covenants and agreement of this Mortgage shall be joint and several obligations of each of the parties and Mortgagee may proceed against one or more of the parties without providing notice to or proceeding against the other parties.

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99009177

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

MORTGAGOR:



EDWARD B. BLEKA



JANE BLEKA

Property of Cook County Clerk's Office

UNOFFICIAL COPY

99009177

STATE OF Illinois)
) SS.
COUNTY OF Cook)

I, Tara E. Healy, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Edward B. Bleka who is personally known to me to be the same person whose name is subscribed to the foregoing instrument appeared before me this day in person and acknowledged that she/he signed, sealed and delivered said instrument as his/her own free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal, this 30th day of December, 1998.

Tara E. Healy
Notary Public

My Commission expires: _____



STATE OF Illinois)
) SS.
COUNTY OF Cook)

I, Tara E. Healy, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Jane Bleka, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument appeared before me this day in person and acknowledged that she/he signed, sealed and delivered said instrument as his/her own free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal, this 30th day of December, 1998.

Tara E. Healy
Notary Public

My Commission expires: _____



UNOFFICIAL COPY

99009177

Property of Cook County Clerk's Office

Cook County, Illinois

EXHIBIT A

Legal Description

PARCEL 1:

THE NORTH 50 FEET OF LOT 64 IN FRANK DELUGACH'S CENTRAL AVENUE GARDENS, BEING A SUBDIVISION OF THE EAST 2/5 OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 17 TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

THE SOUTH 1/2 OF LOT 64 IN FRANK DELUGACH'S CENTRAL AVENUE GARDENS BEING A SUBDIVISION OF THE EAST 2/5 OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 17, TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN EXCEPT HERETOFORE DEDICATED IN COOK COUNTY, ILLINOIS.