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EXHIBIT A

LEGAL DESCRIPTION

Lot 5 (except the West 74 feet thereof) in Beygeh's Subdivision of Lots 14 (except the North 60 feet thereof) in the Subdivision of Lot 10 in the Assessor's Division of Unsubdivided lands in the North East 1/4 and the East 1/2 of the North West 1/4 of Section 6, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois. Subject to a easement for party wall use over and upon the East 6 inches of the West 74 feet 6 inches of the South 28 feet of Lot 5 in Beygeh's Subdivision of Lot 14 aforesaid.

Address of property: 1900 W. Division Street
Chicago, Illinois 60622

Permanent Index No.: 17-06-226-035

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NOTE IDENTIFIED

MORTGAGE, ASSIGNMENT OF RENTS AND SECURITY AGREEMENT

This Mortgage, Assignment of Rents and Security Agreement (this "Mortgage") is made as of September 1, 1987, by Maria M. Nieves ("Borrower"), with a mailing address at 1915 N. Tripp, Chicago, Illinois 60639, to Pioneer Bank and Trust Company, a corporation of the State of Illinois ("Lender"), with a mailing address at 4000 West North Avenue, Chicago, Illinois 60639, and pertains to the real estate described in Exhibit A, which is attached hereto and hereby made a part hereof.

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I

RECITALS

1.01 Note. Borrower has executed and delivered to Lender a Mortgage Note (the "Note") of even date herewith, all of the terms and conditions of which are incorporated herein by this reference thereto and hereby made a part hereof, wherein Borrower promises to pay to the order of Lender the principal amount of \$48,300.00 in repayment of a loan (the "Loan") from Lender to Borrower in like amount, or so much thereof as may now or hereafter be disbursed by Lender under the Note, together with interest thereon, in installments as set forth in the Note, the entire unpaid principal balance being due and payable on October 1, 1992.

1.02 Other Loan Documents. As security for the repayment of the Loan, this Mortgage and certain other loan documents must be executed and delivered to Lender (the Note, this Mortgage and all other documents now or hereafter executed and delivered as additional evidence of or security for repayment of the Loan are hereinafter referred to collectively as the "Loan Documents").

II

THE GRANT

To secure the payment of the principal amount of the Note and interest thereon and the performance of the agreements contained hereinbelow and to secure the performance of all other obligations under the Loan Documents, Borrower hereby grants, bargains, sells, assigns, conveys, and mortgages to Lender and its successors and assigns forever, the real estate, and all of its estate, right, title, and interest therein, situated in the County of Cook, State of Illinois, legally described in Exhibit A, which is attached hereto and made a part hereof (the "Premises"), together with the following described property (the Premises and the following described property being hereinafter referred to collectively as the "Mortgaged Property"):

This document prepared by and after recording should be returned to:

Arthur B. Muir, Esq.
Katten, Muchin & Zavis
525 West Monroe Street
Suite 1600
Chicago, Illinois 60606-3693

Call 02 7125935

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(a) all buildings and other improvements of every kind and description now or hereafter erected or placed on the Premises and all materials intended for construction, reconstruction, alteration, and repair of such improvements now or hereafter erected thereon, all of which materials shall be deemed to be included within the Mortgaged Property immediately upon the delivery thereof to the Premises;

(b) All right, title, and interest of Borrower, including any after-acquired title or reversion, in and to the beds of the ways, streets, avenues, sidewalks, and alleys adjoining the Premises;

(c) Each and all of the tenements, hereditaments, easements, appurtenances, passages, waters, water courses, riparian rights, other rights, liberties, and privileges of the Premises or in any way now or hereafter appertaining thereto, including homestead and any other claim at law or in equity, as well as any after-acquired title, franchise, or license and the reversions and remainders thereof;

(d) all rents, issues, deposits, and profits now due and which may hereinafter become due under or by reason of any lease or any letting of, or any agreement for the use, sale, or occupancy of, the Premises or any portion thereof (whether written or verbal), and all the avails thereof; and

(e) all fixtures and personal property owned by Borrower and attached to or contained in the Mortgaged Property (collectively the "Goods", the portion of the Goods which are tangible goods being hereinafter collectively referred to as the "Tangible Goods") and all renewals or replacements thereof, it being intended, agreed, and declared that all such property, so far as permitted by law, shall be deemed to be part of the real estate constituting and located on the Premises and covered by this Mortgage, and as to any of the aforesaid property that is not part of such real estate or does not constitute a "fixture," as such term is defined in the Uniform Commercial Code of the State in which the Premises are located, this Mortgage shall be deemed to be, as well, a security agreement under such Uniform Commercial Code for the purpose of creating hereby a security interest in such property, which Borrower hereby grants to Lender as "secured party," as such term is defined in such Code; provided, however, that if Borrower is an individual, nothing herein shall be deemed to constitute a grant of a security interest in and to any of Borrower's "household furniture or other goods used for [Borrower's] personal, family or household purposes" within the meaning of subsection 4(1)(c)(2) of Section 6404 of Chapter 17 of the Illinois Revised Statutes, as now or hereafter amended.

Provided, however, that this Mortgage shall be released at the cost of Borrower if and when Borrower has paid the principal amount of the Note and all interest as provided thereunder, has paid all other amounts required under the Loan Documents, and has performed all of the agreements contained in the Loan Documents.

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III

GENERAL AGREEMENTS

3.01 Principal and Interest. Borrower shall pay the principal and interest on the indebtedness evidenced by the Note at the times and in the manner provided in the Note, this Mortgage and the other Loan Documents.

3.02 Other Payments. Unless waived by Lender in writing, Borrower shall deposit with Lender or a depository designated by Lender, in addition to the monthly installments required by the Note, monthly until the principal indebtedness evidenced by the Note is paid (such amounts being sometimes hereinafter referred to collectively as the "Monthly Escrow Deposits") a sum equal to (a) one-twelfth (1/12th) of the total annual real estate taxes and assessments ("taxes") next due on the Mortgaged Property, as estimated by Lender; and (b) a sufficient percentage of the total amount of annual premiums for all policies of insurance required under this Mortgage, such that the payment of approximately equal installments will result in the accumulation of a sufficient sum of money to prepay annual 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.

All such payments shall be held by Lender, or a depository designated by Lender, without accruing, or without any obligation arising for the payment of, any interest thereon. If the funds so deposited are insufficient to pay, when due, all taxes and premiums as aforesaid, Borrower shall, within ten (10) days after receipt of demand therefor from Lender or its agent, deposit such additional funds as may be necessary to pay such taxes and premiums. If the funds so deposited exceed the amounts required to pay such items, the excess shall be applied as a credit against subsequent deposits.

Neither Lender nor any depository shall be liable for a failure to make payments of insurance premiums or taxes unless Borrower, while not in default hereunder, has requested Lender or such depository, in writing, to apply such deposits to the payment of particular insurance premiums or taxes, accompanied by the bills for such insurance premiums or taxes; provided, however, that Lender may, at its option, make or cause such depository to apply the aforesaid deposits without any direction or request to do so by Borrower.

3.03 Property Taxes. Borrower shall pay immediately, when first due and owing, all general and other taxes and any other charges that may be asserted against the Mortgaged Property and shall furnish to Lender receipts therefor within thirty (30) days after payment thereof. Unless any waiver by Lender of the Monthly Escrow Deposits is then in effect, Lender, at its option, either may make such deposits available to Borrower for the payments required under this paragraph or may make such payments on behalf of Borrower.

3.04 Tax Payments by Lender. Lender is hereby authorized to make or advance, in the place and stead of Borrower, any payment relating to taxes or other governmental charges, impositions or liens that may be asserted against the Mortgaged Property according to any bill, statement, or estimate procured from the appropriate public office without inquiry into the accuracy or

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validity thereof. Lender is authorized to make or advance, in the place and stead of Borrower, any payment relating to any apparent or threatened adverse title, lien, statement of lien, encumbrance, claim or charge, whenever, in Lender's reasonable discretion, such advance seems necessary or desirable to protect the full security intended to be created by this Mortgage. In connection with any such advance, Lender is authorized, at its option and at Borrower's cost, to obtain a continuation report of title or title insurance policy prepared by a title insurance company of Lender's choosing. All such advances, indebtedness and costs authorized by this paragraph shall constitute additional indebtedness secured hereby and shall be repayable by Borrower upon demand with interest at the "Default Interest Rate" (as that term is defined in the Note).

3.05 Insurance.

(a) Hazard. Borrower shall keep the improvements now existing or hereafter erected on the Mortgaged Property and the Tangible Goods insured under a full replacement cost form of insurance policy without co-insurance and without depreciation against loss or damage resulting from fire, windstorm, and other hazards as may be required by Lender, and shall pay promptly, when due, any premiums on such insurance. Unless any waiver by Lender of the Monthly Escrow Deposits is then in effect, Lender, at its option, either may make such deposits available to Borrower for the payments required under this paragraph or may make such payments on behalf of Borrower. All insurance shall be in form and of content, and shall be carried in companies, approved in writing by Lender, and all policies and renewals thereof (or certificates evidencing the same), marked "paid," shall be delivered to Lender at least thirty (30) days before expiration and, shall have attached thereto standard non-contributing mortgage clauses entitling Lender to collect all proceeds of such insurance, as well as standard waiver of subrogation endorsements. Borrower shall not carry any separate insurance concurrent in kind with any insurance required hereunder or contributing in the event of loss. Immediate notice of a change in ownership or of occupancy of the Premises approved in writing by Lender shall be delivered to all insurers by mail. In the event of any casualty loss, Borrower shall give immediate notice thereof by mail to Lender. Borrower hereby authorizes Lender, at Lender's option, to adjust and compromise any loss under any insurance required hereunder and, after deducting any costs of collection, to use, apply, or disburse the proceeds thereof, at its option, (i) as a credit against any portion of the indebtedness secured hereby; (ii) toward repairing, restoring, and rebuilding the aforesaid improvements on terms and conditions reasonably acceptable to Lender; or (iii) by delivering the same to Borrower.

(b) Liability. Borrower shall carry and maintain such comprehensive public liability and workmen's compensation insurance as may be required from time to time by Lender in form and of content, in amounts, and with companies approved in writing by Lender; provided, however, that the amounts of coverage shall not be less than \$500,000.00 single limit liability and that the policies shall name Lender as an additional insured party thereunder. Certificates of such insurance, premiums prepaid, shall be deposited with Lender and shall contain provision for twenty (20) days' notice to Lender prior to cancellation thereof.

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(c) Rental. Borrower shall carry and maintain rental insurance to cover a loss of six months' rental income from the Premises in form and of content and with companies satisfactory to Lender. Certificates of such insurance, premiums prepaid, shall be deposited with Lender and shall contain provision for twenty (20) days' notice to Lender prior to any cancellation thereof.

3.06 Condemnation and Eminent Domain. All awards heretofore or hereafter made or to be made to the present, or any subsequent, owner of the Mortgaged Property, by any governmental or other lawful authority for the taking, by condemnation or eminent domain, of all or any part of the Mortgaged Property, improvement thereon, easement thereon or appurtenant thereto are hereby assigned by Borrower to Lender. Lender is hereby authorized to collect and receive such awards from the condemnation authorities, and Lender is hereby authorized to give appropriate receipts and acquittances therefor. Borrower shall give Lender immediate notice of the actual or threatened commencement of any condemnation or eminent domain proceedings affecting the Mortgaged Property, and shall deliver to Lender copies of all papers served in connection with any such proceedings. Borrower further agrees to execute and deliver to Lender, at any time upon request, free, clear, and discharged of any encumbrance of any kind whatsoever, all assignments and other instruments deemed necessary by Lender for the purpose of validly assigning awards and other compensation made to Borrower for any taking under any such proceeding. At Lender's option, any such award may be applied to restoring the improvements, in which event the same shall be paid out in a manner acceptable to Lender.

3.07 Maintenance of Property. No building or other improvement on the Premises shall be altered, removed, or demolished, nor shall any fixtures, chattels, or articles of personal property on, in, or about the Premises be severed, removed, sold, or mortgaged, without the prior written consent of Lender (except fixtures, chattels or articles of personal property severed, removed or sold in the ordinary course of business and only then if they are replaced immediately with items of equal or higher quality, condition and value and Lender has obtained a first and paramount lien on or security interest in such replacements). In the event of the demolition or destruction in whole or in part of any of the fixtures, chattels, or articles of personal property covered by this Mortgage, the same shall be replaced promptly by similar fixtures, chattels, and articles of personal property at least equal in quality and condition to those replaced, free from any other security interest therein, encumbrances thereon, or reservation of title thereto. Borrower shall promptly repair, restore, or rebuild any building or other improvement now or hereafter situated on the Premises that may become damaged or be destroyed. Each building or other improvement shall be repaired, restored, or rebuilt so as to be of at least equal value and of substantially the same character as prior to such damage or destruction.

Borrower further agrees to permit, commit, or suffer no waste, impairment, or deterioration of the Mortgaged Property or any part thereof; to keep and maintain the Mortgaged Property and every part thereof in good repair and condition; to effect such repairs as Lender may reasonably require, and, from time to time, to make all necessary and proper replacements thereof and additions thereto so that the Premises and such buildings, other improvements, fixtures, chattels, and articles of personal

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property will, at all times, be in good condition, fit and proper for the respective purposes for which they were originally erected or installed; and to permit Lender or its representatives or agents to inspect the Mortgaged Property from time to time during normal business hours and as frequently as Lender considers appropriate.

3.08 Compliance with Laws. Borrower shall comply with all statutes, ordinances, regulations and other requirements relating to the Mortgaged Property and shall observe and comply with all rights, licenses, permits (including without limitation zoning variances, special exceptions, and nonconforming uses), privileges, franchises, and concessions that are applicable to Borrower or to the Mortgaged Property.

3.09 Liens. Without Lender's prior written consent, Borrower shall not create, suffer, or permit to be created or filed against the Mortgaged Property or any part thereof hereafter any mortgage lien or other lien superior or inferior to the lien of this Mortgage. If Borrower hereafter suffers or permits any superior or inferior lien to be attached to the Mortgaged Property or any part thereof without such consent, Lender shall have the unqualified right, at its option, to accelerate the maturity of the Note, causing the entire principal balance thereof and all interest accrued thereon to be immediately due and payable, without notice to Borrower.

3.10 Transfers. If Borrower, without Lender's prior written consent, sells, transfers, conveys, assigns, hypothecates, or otherwise transfers the title to all or any portion of the Mortgaged Property, whether by operation of law, voluntarily, or otherwise, or contracts to do any of the foregoing, Lender shall have the unqualified right, at its option, to accelerate the maturity of the Note, causing the entire principal balance, accrued interest, and prepayment premium, if any, to be immediately due and payable, without notice to Borrower. Without limiting the generality of the foregoing, each of the following events shall be deemed to be a transfer prohibited by the foregoing sentence: (a) if the Borrower is a corporation, any sale, conveyance, assignment, or other transfer of all or any portion of the stock of such corporation, that results in a material change in the identity of the person(s) or entities previously in control of such corporation; (b) if Borrower is a partnership, any sale, conveyance, assignment, or other transfer of all or any portion of the partnership interest of any partner of such partnership that results in a material change in the identity of the persons(s) in control of such partnership; (c) any sale, conveyance, assignment, or other transfer of all or any portion of the stock or partnership interest of any entity directly or indirectly in control of the corporation or partnership constituting the Borrower that results in a material change in the identity of the persons(s) in control of such entity; and (d) any hypothecation of all or any portion of the stock thereof, if Borrower is a corporation, or of all or any portion of the partnership interest of any general partner thereof, if Borrower is a partnership, or of all or any portion of the stock or partnership interest of any entity directly or indirectly in control of such corporation or partnership, that could result in a material change in the identity of the person(s) in control of such corporation, partnership, or entity directly or

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indirectly in control of such corporation or partnership if the secured party under such hypothecation exercised its remedies thereunder.

Any waiver by Lender of the provisions of this paragraph shall not be deemed to be a waiver of the right of Lender in the future to insist upon strict compliance with the provisions hereof.

3.11 Subrogation to Prior Lienholder's Rights. If the proceeds of the loan secured hereby, any part thereof, or any amount paid out or advanced by Lender is used directly or indirectly to pay off, discharge, or satisfy, in whole or in part, any prior lien or encumbrance upon the Mortgaged Property, then Lender shall be subrogated to the rights of the holder thereof in and to such other lien or encumbrance and any additional security held by such holder, and shall have the benefit of the priority of same.

3.12 Lender's Dealings with Transferee. Upon the sale or transfer, by operation of law, voluntarily, or otherwise, of any part of the Mortgaged Property, Lender shall be authorized and empowered to deal with the vendee or transferee as fully and to the same extent as it might with Borrower, without in any way releasing or discharging Borrower from any of its covenants and obligations hereunder.

3.13 Inspection of Books and Records. Borrower shall keep and maintain full and correct books and records showing in detail the income and expenses of the Mortgaged Property. Lender shall have the right to examine said books and records and all supporting vouchers and data from time to time during customary business hours.

3.14 Acknowledgement of Debt. Borrower, at Lender's request, shall furnish a written statement, duly acknowledged, specifying the amount due under the Note and this Mortgage and disclosing whether Borrower has or asserts any offsets or defenses against the indebtedness secured hereby.

3.15 Purpose of Loan. Borrower warrants and represents that the proceeds of the Loan will be used for the purposes specified in Subsection 4(1)(c) of Section 6404 of Chapter 17 of the Illinois Revised Statutes, as now or hereafter amended, and that the indebtedness secured hereby constitutes a "business loan" within the purview of that Subsection.

3.16 Other Amounts Secured. At all times, regardless of whether any loan proceeds have been disbursed, this Mortgage secures in addition to any loan proceeds disbursed from time to time, and in addition to any advances, litigation and other expenses made or incurred by Lender pursuant to the terms of this Mortgage, the payment of any and all loan commissions, service charges, liquidated damages, expenses, and advances due to or paid or incurred by Lender in connection with the loan secured hereby, all in accordance with the application and loan commitment issued in connection with this transaction, if any, and the other Loan Documents.

3.17 Security Instruments. Borrower shall execute, acknowledge, and deliver to Lender, within ten (10) days after request by Lender, such additional security agreements, financing statements,

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and any other similar security instrument reasonably required by Lender, in form and of content satisfactory to Lender, covering property owned by Borrower that, in the sole opinion of Lender, is essential to the operation of the Mortgaged Property and concerning which there may be any doubt whether title thereto has been conveyed, or whether a security interest therein perfected, by this Mortgage. Borrower further agrees to pay to Lender all costs and expenses incurred by Lender in connection with the preparation, execution, recording, filing, and refiling of any such document.

3.18 Releases. Lender, without notice, may release from the lien of this Mortgage all or any part of the Mortgaged Property, or release from liability any person obligated to repay any indebtedness secured hereby, without in any way affecting the liability of any other party to the Loan Documents. Any such agreement shall not in any way release or impair the lien created by this Mortgage or reduce or modify the liability of any person or entity obligated personally to repay the indebtedness secured hereby.

3.19 Debt Service Coverage Ratio. At all times during the term of the Loan, Borrower shall maintain a "Debt Service Coverage Ratio" (as that term is hereinafter defined) of 1.20 or higher for the Mortgaged Property. As used herein, the term "Debt Service Coverage Ratio" shall mean the quotient derived when "Net Operating Income" (as that term is hereinafter defined) is divided by the then applicable "Debt Service Payment" (as that term is hereinafter defined). At Lender's request, Borrower shall furnish such evidence, including without limitation, certified reports, statements and photocopies of leases, in form and substance reasonably satisfactory to Lender, as Lender shall require to verify Borrower's compliance with the foregoing requirement. Borrower's failure to supply any such requested information within thirty (30) days of the date of a request for such material from Lender or Borrower's failure to maintain the Debt Service Coverage Ratio required hereinabove shall constitute a "Default" (as that term is hereinafter defined) under this Mortgage. As used herein, the term "Net Operating Income" for any period of time shall mean and include: (A) Borrower's operating gross receipts derived during that period relating to and/or arising from the Mortgaged Property and/or the operation thereof (including, but limited to, rental and leasehold income, expenses reimbursements, service income, parking income, concession income and other operating income) adjusted by deducting (B) normal and customary operating and maintenance expenses attributable to the Mortgaged Property, including but not limited to, costs of ordinary and necessary repair and maintenance, costs of cleaning and janitorial service and supplies, management fees, leasing commissions, costs of utilities, real estate taxes and insurance premiums, payments of principal or interest other than the Debt Service Payment, but excluding, depreciation, partnership or corporate distributions, capital expenditures, state, local or federal income taxes and the Debt Service Payment. As used herein, the term "Debt Service Payment" for any period of time, shall mean interest and principal payable to Lender pursuant to the terms of the Note other than principal and interest due on the Maturity Date or on the date of acceleration of the Note.

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IV

ASSIGNMENT OF RENTS

Pursuant to the grant made in Article II hereof, this Mortgage shall constitute an Assignment of Rents with respect to all present and future rents, issues, deposits, avails and profits accruing and to accrue from the Premises. This Assignment confers upon Lender a power coupled with an interest and it cannot be revoked by Borrower.

4.01 Collection of Rents. Borrower does hereby irrevocably appoint Lender as its true and lawful attorney in its name and stead (with or without taking possession of the Premises) to lease all or any portion of the Premises to any party at such price and upon such terms as Lender, in its reasonable discretion, may determine and to collect all such rents, issues, deposits, profits, and avails now or hereafter due, with the same rights and powers and subject to the same immunities, exoneration of liability, and rights of recourse and indemnity as Lender would have upon taking possession of the Premises pursuant to the provisions set forth hereinbelow.

4.02 Available Rents. Borrower represents and agrees that no rent for right of future possession has been or will be paid by any person in possession of any portion of the Premises in excess of one installment thereof paid in advance and that no payment of rents to become due for any portion of the Premises has been or will be waived or otherwise released. Borrower waives any right of set-off against any person in possession of any portion of the Premises. Borrower agrees that it will not assign any rents, issues, profits, deposits, or avails prior to repayment of the Loan.

4.03 Lease Modifications. Borrower shall not agree to any modification of the terms, or a voluntary surrender, of any lease or agreement pertaining to the Premises without the prior consent of Lender.

4.04 Management of Premises. At all times while Lender is not in actual possession of the Premises, Borrower shall manage the Premises, or cause the Premises to be managed, in accordance with sound business practices.

4.05 Future Assignments. Borrower further agrees to assign and transfer to Lender all future leases and agreements pertaining to the Premises and to execute and deliver to Lender, immediately upon demand of Lender, all such further assurances and assignments pertaining to the Premises as Lender may from time to time reasonably require.

4.06 Exercise of Rights. Although it is the intention of Borrower and Lender that the Assignment of Rents contained in this Mortgage be a present assignment, it is expressly understood and agreed, anything herein contained to the contrary notwithstanding, that Lender shall not exercise any of the rights and powers conferred upon it under this Section unless and until a Default has occurred under the Loan Documents.

4.07 Authorization to Lessees. Borrower does further specifically authorize and instruct each and every present and future lessee or purchaser of all or any portion of the Premises to pay

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all unpaid rentals or deposits agreed upon in any lease or agreement pertaining to the Premises to Lender upon receipt of demand from Lender to pay the same.

4.08 Indemnity. Lender shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligations, duty, or liability under any leases or agreements pertaining to the Premises, and Borrower shall and does hereby agree to indemnify and hold Lender harmless of and from any and all liability, loss, and damage that it may or might incur under any such leases or agreements 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 conditions contained in such leases or agreements. Should Lender incur any such liability, loss, or damage under such leases or agreements, or under or by reason of the assignment thereof, or in the defense of any claims or demands relating thereto, Borrower shall reimburse Lender for the amount thereof (including without limitation costs, expenses, and reasonable attorney's fees) immediately upon demand.

4.09 Limitation of Liability. Nothing herein contained shall be construed as making Lender a "mortgagee in possession" in the absence of the taking of actual possession of the Premises. In the exercise of the powers herein granted to Lender, no liability shall be asserted or enforced against Lender, all such liability being expressly waived and released by Borrower.

v

SECURITY AGREEMENT

Pursuant to the grant made in Article II hereof, this Mortgage shall constitute a Security Agreement with respect to that portion of the Mortgaged Property constituting property or interests in property, whether real or personal, tangible or intangible, which are subject to the priority and perfection of security interest provisions of the Uniform Commercial Code of Illinois.

5.01 Absence of Other Security Interests. Borrower hereby warrants that it has full title to the Goods, free of all security interests, liens, and encumbrances other than the security interest granted herein and in the other Loan Documents. Borrower shall not do or permit anything to be done that could materially impair the value of the Goods as collateral hereunder without the written consent of Lender.

5.02 Use of Goods; Taxes. Until a Default has occurred under the Loan Documents, Borrower may have possession of the Tangible Goods and use them in any lawful manner consistent with the provisions of this Mortgage. Borrower shall use the Tangible Goods solely for business purposes in connection with the operation of the Premises and shall cause all taxes and assessments on the Goods or on their use or operation to be paid when due.

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VI

DEFAULTS AND REMEDIES

6.01 Events Constituting Defaults. Each of the following events shall constitute a default (a "Default") under this Mortgage:

(a) Failure of Borrower to pay any amount secured hereby, interest thereon, or any installment of principal or interest thereon within ten (10) days of the date such sum becomes due and payable under the Loan Documents;

(b) Failure of Borrower to comply with the covenants, warranties and provisions of Paragraphs 3.03 and 3.05;

(c) Failure of Borrower to comply with any covenant, warranty, or other provision contained in the Loan Documents, other than those covenants, warranties and provisions identified in Paragraphs 6.01(a) and (b) above, for a period in excess of thirty (30) days after the date on which notice of the nature or existence of such failure is given by Lender to Borrower;

(d) Untruth or material deceptiveness of any representation or warranty contained in any of the Loan Documents or any other document or writing pertaining to the Loan submitted to Lender by or on behalf of Borrower or any guarantors of payment of the Note (hereinafter referred to as the "Guarantors");

(e) Admission by Borrower or any of Guarantors, in writing, including without limitation an answer or other pleading filed in any court, of Borrower's or any of Guarantors' insolvency or their inability to pay their debts generally as they fall due;

(f) Institution by Borrower or any of Guarantors of bankruptcy, insolvency, reorganization, or arrangement proceedings of any kind under the Federal Bankruptcy Code or any similar law, federal or state, now or hereafter existing, or the making by Borrower or any of Guarantors of a general assignment for the benefit of creditors;

(g) Institution of any proceedings described in Paragraph 6.01(f) against Borrower or any of Guarantors that are consented to by Borrower or any of Guarantors, or are not dismissed, vacated, or stayed within thirty (30) days after the filing thereof;

(h) Appointment by any court of a receiver, trustee, or liquidator of or for, or assumption by any court of jurisdiction of, all or any part of the Mortgaged Property or all or a major portion of the property of Borrower or any of Guarantors, if such appointment or assumption is consented to by Borrower or any of Guarantors, or, within thirty (30) days after such appointment or assumption, such receiver, trustee, or liquidator is not discharged or such jurisdiction is not relinquished, vacated, or stayed;

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(i) Declaration by any court or governmental agency of the bankruptcy or insolvency of Borrower or any of Guarantors; or

(j) The death or adjudicated incompetency of any of Guarantors.

6.02 Acceleration of Maturity. At any time during the existence of any Default, and at the option of Lender, the entire principal balance then outstanding under the Note, together with interest accrued thereon and all other sums due from Borrower under the Loan Documents, shall become immediately due and payable with interest thereon at the Default Interest Rate without notice.

6.03 Foreclosure of Mortgage; Other Remedies. Upon the occurrence of any Default, or at any time thereafter, Lender may, at its option, proceed to foreclose the lien of this Mortgage by judicial proceedings in accordance with the laws of the State of Illinois and may exercise any rights and remedies available to Lender under the Uniform Commercial Code of Illinois. If any notification of intended disposition of any of the Goods is required by law, such notification shall be deemed reasonable and proper if given at least five (5) days before such disposition. Any failure by Lender to exercise either of such options shall not constitute a waiver of its right to exercise the same at any other time.

6.04 Lender's Continuing Options. The failure of Lender to exercise either or both of its options to accelerate the maturity of the indebtedness secured hereby and to foreclose the lien hereof following any Default as aforesaid, or to exercise any other option granted to Lender hereunder in any one or more instances, or the acceptance by Lender of partial payments of such indebtedness, shall neither constitute a waiver of any such Default or of Lender's options hereunder nor establish, extend, or affect any grace period for payments due under the Note, but such options shall remain continuously in force. Acceleration of maturity, once claimed hereunder by Lender, may at Lender's option be rescinded by written acknowledgement to that effect by Lender and shall not affect Lender's right to accelerate maturity upon or after any future Default.

6.05 Litigation Expenses. In any proceeding to foreclose the lien of this Mortgage or enforce any other remedy of Lender under the Loan Documents, or in any other proceeding relating to the Loan in which Lender is named as a party, there shall be allowed and included, as additional indebtedness in the judgment or decree resulting therefrom, all expenses, including reasonable attorney's fees, paid or incurred in connection with such proceeding by or on behalf of Lender. All such expenses incurred in the protection of the Mortgaged Property and the maintenance of the lien of this Mortgage thereon shall be immediately due and payable by Borrower with interest thereon at the Default Interest Rate.

6.06 Performance by Lender. In the event of any Default, Lender may, but need not, make any payment or perform any act herein required of Borrower in any form and manner deemed expedient by Lender in its reasonable discretion. All monies paid for any of the purposes authorized herein and all expenses paid or incurred in connection therewith, including reasonable attorney's fees, and any other monies advanced by Lender to protect the Mortgaged Property and the lien of this Mortgage, shall be so much

additional indebtedness secured hereby, and shall become immediately due and payable by Borrower to Lender without notice and with interest thereon at the Default Interest Rate. Inaction of Lender shall never be construed to be a waiver of any right accruing to Lender by reason of any default by Borrower.

6.07 Right of Possession. In any case in which, under the provisions of this Mortgage or the other Loan Documents, Lender has a right to institute foreclosure proceedings, whether or not the entire principal sum secured hereby becomes immediately due and payable as aforesaid, or whether before or after the institution of proceedings to foreclose the lien hereof or before or after sale thereunder, Borrower shall, forthwith upon demand of Lender surrender to Lender, and Lender, in person, by agent or by a judicially appointed receiver, shall be entitled to enter upon and take and maintain possession of all or any part of the Mortgaged Property, together with all documents, books, records, papers, and accounts of Borrower (or the then owner of the Mortgaged Property) relating thereto, and may exclude Borrower, such owner, and any agents and servants thereof wholly therefrom. Lender, personally, by its agents or by a judicially appointed receiver may, to the extent permitted by law and under the powers herein granted: (a) hold, operate, manage, and control all or any part of the Mortgaged Property, collect the rents arising therefrom and conduct the business, if any, thereof, with full power to use such measures, legal or equitable, as in its discretion may be deemed proper or necessary, all without notice to Borrower; (b) cancel or terminate any lease or sublease of all or any part of the Mortgaged Property for any cause or on any ground that would entitle Borrower to cancel the same; (c) elect to disaffirm any lease or sublease of all or any part of the Mortgaged Property made subsequent to this Mortgage or subordinated to the lien hereof; (d) extend or modify any then existing leases and make new leases of all or any part of the Mortgaged Property and issue a deed or deeds to a purchaser or purchasers at a foreclosure sale; it being understood and agreed that any such leases, and all of the provisions thereof, shall be binding upon Borrower, all persons whose interests in the Mortgaged Property are subject to the lien hereof, and the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from sale, discharge of the indebtedness secured hereby, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any such purchaser; and (e) make all necessary or proper repairs, decoration, renewals, replacements, alterations, additions, betterments, and improvements in connection with the Mortgaged Property as may seem judicious to Lender; insure and reinsure the Mortgaged Property and all risks incidental to Lender's possession, operation, and management thereof; and receive all rents, issues, deposits, profits, and avails therefrom.

6.08 Application of Rents and Other Payments. Any rents, issues, deposits, profits, and avails of the Mortgaged Property received by Lender after taking possession of all or any part of the Mortgaged Property, or pursuant to any assignment thereof to Lender under the Loan Documents, shall be applied in payment of or on account of the following, in such order as Lender or, in case of a receivership, as the court, may determine: (a) operating and maintenance expenses of the Mortgaged Property; (b) taxes, special assessments, and other charges due or to become due on the Mortgaged Property; (c) any and all repairs, decorating, renewals, replacements, alterations, additions, betterments, and

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improvements of the Mortgaged Property; (d) any indebtedness secured by this Mortgage or any deficiency that may result from any foreclosure sale pursuant hereto; and (e) any remaining funds to Borrower or its successors or assigns, as their interests and rights may appear.

6.09 Foreclosure Sale; Application of Proceeds Thereof. In the event of any foreclosure sale of the Mortgaged Property, the same may be sold in one or more parcels. Lender may be the purchaser at any foreclosure sale of the Mortgaged Property or any part thereof. The proceeds of any foreclosure sale of the Mortgaged Property, or any part thereof, shall be distributed and applied in the following order of priority: (a) on account of all costs and expenses incident to the foreclosure proceedings; (b) in payment of all other amounts that, under the terms of this Mortgage, constitute secured indebtedness additional to that evidenced by the Note, with interest thereon at the Default Interest Rate; (c) as a payment under the Note in the order of priority specified therein; and (d) the balance, if any, to Borrower or its successors or assigns, as their interests and rights may appear.

6.10 Application of Deposits. In the event of any Default, Lender may, at its option, apply any monies or securities that constitute deposits made to or held by Lender or any depository pursuant to any of the provisions of this Mortgage toward payment of any of Borrower's obligations under the Note, this Mortgage and the other Loan Documents, in the order specified in the Note. Such deposits are hereby pledged as additional security for the prompt payment of the indebtedness evidenced by the Note.

6.11 Waiver of Statutory Rights. Borrower shall not apply for or avail itself of any appraisal, valuation, redemption, 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. Borrower, for itself and all who may claim through or under it, hereby also waives any and all rights to have the Mortgaged Property and estates comprising the Mortgaged Property marshalled upon any foreclosure of the lien hereof, and agrees that any court having jurisdiction to foreclose such lien may order the Mortgaged Property sold in its entirety. Borrower hereby further waives any and all rights of redemption from sale under any order or decree of foreclosure of the lien hereof pursuant to the rights herein granted, for itself and on behalf of any trust estate of which the Premises are a part, all persons beneficially interested therein, and each and every person acquiring any interest in the Mortgaged Property or any interest in the Premises subsequent to the date of this Mortgage, and, on behalf of all other persons, all to the extent permitted by applicable law, including specifically, without limitation, if the Mortgage is governed by Illinois law, to the extent permitted by the provisions of Sections 12-124 and 12-125 of Chapter 110 of the Illinois Revised Statutes 1983, as now or hereafter amended.

VII

MISCELLANEOUS

7.01 Notices. Except as otherwise hereinabove specified, any notice hereunder shall be in writing and shall be mailed or

delivered to the intended recipient thereof at its address hereinabove set forth or at such other address as such intended recipient may, from time to time, by notice in writing, designate to the sender pursuant hereto. Any such notice shall be deemed to have been delivered two (2) business days after mailing by United States registered or certified mail, return receipt requested, or when delivered in person, with written acknowledgment of the receipt thereof.

7.02 Time of Essence. Time is of the essence of this Mortgage.

7.03 Covenants Run with Land. All of the covenants of this Mortgage shall run with the land constituting the Premises.

7.04 Governing Law. This Mortgage shall be construed and enforced according to the laws of the State of Illinois.

7.05 Severability. If any provision of this Mortgage, or any paragraph, sentence, clause, phrase, or word, or the application thereof, in any circumstance, is held invalid, the validity of the remainder of this Mortgage shall be construed as if such invalid part were never included herein.

7.06 Grammar; Joint and Several Liability. As used in this Mortgage, the singular shall include the plural, and masculine, feminine, and neuter pronouns shall be fully interchangeable, where the context so requires. To the extent that Borrower consists of more than one person, partnership, corporation or other entity or combination thereof, all warranties, representations, covenants and agreements made herein and in the other Loan Documents shall be deemed to be made jointly and severally by each person, partnership, corporation and entity comprising Borrower.

7.07 Successors and Assigns. This Mortgage and the other Loan Documents and all the provisions thereof shall be binding upon Borrower, its successors, assigns, legal representatives, and all other persons or entities claiming under or through Borrower.

IN WITNESS WHEREOF, Borrower has caused this Mortgage to be executed as of the date hereinabove first written.

BORROWER;


Marla M. Nieves

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UNOFFICIAL COPY

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STATE OF ILLINOIS)
COUNTY OF COOK)

SS

aspinstel

I, Christine Weczorek, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Maria M. Nieves, 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 signed and delivered the said instrument as her own free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 26th day of September, 1987.

Christine Weczorek
Notary Public



Property of Cook County Clerk's Office

Handwritten signature
REGISTERED

3664533

1987 NOV - 3 PM 1:06
HARRY (BUS) YOUNG
REGISTER OF TITLES

3664533

Number duplicate filed
Date to
Address
Amount

113

CHICAGO TITLE INS.
7125935

3664533

UNOFFICIAL COPY

Property of Cook County Clerk's Office

2025-01-08 10:00