

NOTE IDENTIFIED

864389-11

SPACE ABOVE THIS LINE FOR RECORDER'S USE

This Instrument was prepared by and after recording should be mailed to:

KEITH J. KOTCHE
LEVATO & KOTCHE
350 S. Schmale Road
P.O. Box 721
Wheaton, Illinois 60189

Property of

MORTGAGE AND SECURITY AGREEMENT

THIS MORTGAGE AND SECURITY AGREEMENT (hereinafter referred to as the "Mortgage") is made this 20th day of June, 1988, between the Cole Taylor Bank/Main, as Trustee under a Trust Agreement dated the 27th day of August, 1987, and known as Trust Number 87-181, whose address is 350 E. Duane Rd Wheeling, Illinois (hereinafter referred to as either the "Borrower" or "Mortgagor"), and ADDISON STATE BANK an Illinois banking corporation who address is 1100 W. Lake Street, Addison, Illinois, 60101 (hereinafter referred to as either the "Lender" or Mortgagee).

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WHEREAS, Borrower is indebted to Lender in the principal sum of FIVE HUNDRED FIFTY THOUSAND DOLLARS (\$550,000.00), which indebtedness is evidenced by Borrower's Note of even date herewith (hereinafter referred to as the "Note");

ARTICLE I

GRANT

1.1 Grant. TO SECURE TO LENDER the payment and performance of the principal, interest, and all other amounts payable to Lender on the Note according to its tenor and effect, and all renewals, extensions and modifications thereof; and the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage; and the performance and observance of all the covenants, provisions and agreements of Borrower herein and in the Note contained and of any guarantor under any guaranty or other

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EXHIBIT A

Legal Description

LOTS 1 AND 2 IN LYNCH'S RESUBDIVISION IN WHEELING A SUBDIVISION OF PART OF LOT "A" IN WILLE'S CONSOLIDATION OF LAND IN SECTIONS 1, 2, 11 AND 12, TOWNSHIP 42 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PERMANENT INDEX NUMBER: 03-02-416-001
03-02-416-002

26 S. WOLF RD., WHEELING, ILLINOIS

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obligation secured hereby, and in consideration of the premises and Ten Dollars (\$10.00) in hand paid and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Borrower, Borrower does hereby GRANT, BARGAIN, SELL, TRANSFER, ALIEN, PROMISE, RELEASE, HYPOTHECATE, MORTGAGE, PLEDGE, CONVEY AND ASSIGN to Lender all of Borrower's right, title, and interest in the real estate legally described in Exhibit "A" attached hereto and made a part hereof.

TOGETHER with:

- (a) All buildings, improvements, and tenements now or hereafter erected on the property, and all heretofore or hereafter vacated alleys and streets abutting the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water, water rights, and water stock appurtenant to the property, all interest in any easement and right of way used in connection with the land or its improvements or as a means of ingress to or egress from the land;
- (b) All fixtures, equipment, inventory, and personal property in which Borrower now has, or at any time hereafter acquires, an interest, and which now, or at any time hereafter, are situated in, on or about the land, including, without limitation, if any, all heating, lighting, refrigeration, plumbing, ventilating, incinerating, water-heating, cooking, radio, communications, electrical, dishwashing, and air-conditioning equipment, and all appliances, furniture, engines, machinery, elevators, pumps, motors, compressors, boilers, condensing units, doors, windows, window screens, disposals, range hoods, tables, chairs, drapes, rods, beds, springs, mattresses, lamps, bookcases, cabinets, sprinklers, hoses, tools, lawn equipment, sofas, dressers, mirrors, televisions, radios, speakers, electrical wiring, pipes, and floor coverings, and all renewals, replacements and substitutions thereof and additions thereto (all property described or referred to in this Subsection 1.1(b) being hereinafter sometimes called the "Accessories").
- (c) All other estates, interests, rights, and titles of every kind and character which Borrower now has, or at any time hereafter acquires, in and to the land, the improvements, the Accessories, and all property which is used or useful in connection with the land, the improvements, and the Accessories, including, without limitation, the proceeds from the condemnation, or threatened condemnation, of the land, the improvements,

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the Accessories, and the proceeds of any and all insurance covering the land, the improvements, and the Accessories.

All of the foregoing, together with any additional interest therein now owned, or hereinafter acquired by Borrower are herein collectively referred to as the "Real Estate".

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant, convey and assign the Real Estate; that the Real Estate is unencumbered, and that Borrower will warrant and defend generally the title to the Real Estate against all claims and demands, subject to any easements and restrictions listed in a schedule of exceptions to coverage in any title policy insuring Lender's interest in the Real Estate.

1.2 Security Agreement

(a) In addition to the lien created above, Borrower hereby grants to Lender a security interest in all of the rights, titles, and interests which Borrower has (or may hereinafter acquire) in and to the following described properties and interests and all replacements or substitutions thereof and all products and proceeds thereof, and accessions thereto (hereinafter collectively referred to as the "Collateral"):

1. All portions of the Accessories which are either fixtures or personal property, tangible or intangible;
2. All building materials and equipment, machinery, and other items of personal property of any kind or character now or hereafter related to, situated on or used, or acquired for use, on or in connection with the use of the land and improvements (or any part thereof); and
3. All accounts, inventory, instruments, chattel paper, documents, consumer goods, insurance proceeds, leases and contracts hereafter related to the Real Estate (or any part thereof) including without limitation, the following:

(a) All contracts now or hereafter entered into by and between the Borrower, as owner, and any contractor or any party, as well as all right, title, and interest of Borrower in, to, and under any subcontracts, providing for the construction (original, restorative or otherwise) of any of the improvements and any other buildings, structures or improvements to, or on, the Real Estate (or any part

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thereof) or the furnishing of any materials, supplies, equipment, or labor in connection with any such construction;

- (b) All of the plans, specifications and drawings (including, without limitation, plot plans, engineering plans and specifications, and engineering studies and analyses) heretofore or hereafter prepared by any architect or engineer with respect to the Real Estate (or any part thereof);
- (c) All agreements now or hereafter entered into with any party with respect to the engineering, management, promotional, marketing, or consulting services rendered, or to be rendered, with respect to the planning, design, inspection, or supervision of the construction, development, or sale of the Real Estate (or any part thereof);
- (d) Any completion bond, performance bond, labor and material payment bond, any other bond (and the proceeds therefrom) relating to the Real Estate (or any part thereof) or to any contract providing for construction of any of the improvements or any other buildings, structures or improvements to, or on, the Real Estate (or any part thereof);
- (e) All rights or awards due to Borrower arising out of any eminent domain proceedings for the taking or for loss of value of the Real Estate (or any part thereof);
- (f) All accounts receivable arising out of, or in any way related to, the sale and operation of, or the business conducted at or in relation to, the Real Estate (or any part thereof); and
- (g) All monetary deposits which Mortgagor has been, or may be, required to give to any public or private utility with respect to utility services furnished, or to be furnished, to the Real Estate.
4. All of the rights, title and interest in the form of a Mortgage Agreement which shall constitute a first loan encumbering the real estate which

Property

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comprises Sung H. Song and Moon S. Song as beneficiaries of Borrower, Principal residence with a common address of 2257 Ashbury Court, Arlington Heights, Illinois in Cook County (hereinafter referred to as the "Residence Real Estate"), which is legally described on Exhibit "B" attached hereto and made a part hereof, and which Mortgage Agreement is dated the 20~~th~~ day of June, 1988 and is hereby cross collateralized with this Agreement and made a part hereof.

5. To the extent that any of the Collateral is not subject to the Uniform Commercial Code (hereinafter referred to as the "Code") of the state or states where it is situated, Borrower hereby assigns to Lender all of the Borrower's right, title, and interest in the Collateral to secure the Obligation (as hereinafter defined), together with the right of set-off with regard to such Collateral (or any part hereof). Release of the lien of this Mortgage shall automatically terminate this assignment.
6. To the extent permitted by the Uniform Commercial Code of the state or states in which the Real Estate and the Collateral is situated, this Mortgage shall also constitute a security agreement with respect to the Collateral and a "fixture filing" for purposes of Article 9 of the Illinois Uniform Commercial Code (the "Code"). Portions of the Collateral are or may become fixtures. Information concerning the security interests herein granted may be obtained at the addresses stated in Article 7.2 hereof.
7. To the extent permitted by the Uniform Commercial Code of the state or states in which the Real Estate and the Collateral is situated, a carbon, photographic, or other reproduction of this Mortgage, or any financing statement relating to this Mortgage, shall be sufficient as a financing statement.
8. The Real Estate and the Collateral are hereinafter referred to as the "Property".

TO HAVE AND TO HOLD the Property hereby mortgaged, assigned and conveyed unto Lender, its successors and assigns forever and Borrower, for Borrower and Borrower's successors and assigns, hereby agrees to warrant and forever defend, all and singular, title to the Property unto Lender and its successors and assigns, against every person whomsoever lawfully claiming, or to claim, the same or any part thereof, subject only to the Permitted Exceptions.

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ARTICLE II

AFFIRMATIVE COVENANTS

COVENANTS. Borrower and Lender covenant and agree as follows:

- 2.1 Payment of Principal and Interest. Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, and prepayment and late charges provided in the Note and all other sums secured by this Mortgage and other "Indebtedness" as that term is defined in the Loan Agreement. The terms of the Note are incorporated herein by reference.
- 2.2 Funds for Taxes, Insurance and Other Charges. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the date monthly installments of interest are payable under the Note (or on another day designated in writing by Lender), until the Note is paid in full, a sum (hereinafter referred to as the "Funds") equal to one-twelfth of (a) the yearly taxes and assessments which may be levied on the Property, and (b) the yearly premium installments for liability insurance, as Lender may require pursuant to paragraph 2.5 hereof, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof. Any waiver by Lender of a requirement that Borrower pay such Funds may be revoked by Lender, in Lender's sole discretion, at any time upon notice in writing to Borrower. Lender may require Borrower to pay to Lender, in advance, such other Funds for other taxes, charges, premiums, assessments and impositions in connection with Borrower or the Property which Lender shall deem necessary to protect Lender's interests (hereinafter referred to as "Other Impositions"). Unless otherwise provided by applicable law, Lender may require Funds for Other Impositions to be paid by Borrower in a lump sum or in periodic installments, at Lender's option.

The Funds shall be held in an institution(s) the deposits or accounts of which are insured or guaranteed by a Federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay said taxes, assessments, insurance premiums and Other Impositions so long as Borrower is not in breach of any covenant or agreement of Borrower in this Mortgage. The Funds are pledged as additional security for the sums secured by this Mortgage.

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If the amount of the Funds held by Lender shall exceed the amount deemed necessary by Lender to provide for the payment of taxes, assessments, insurance premiums, and Other Impositions as they fall due, such excess shall be credited to Borrower on the next installment or installments of Funds due. If at any time the amount of the Funds held by Lender shall be less than the amount deemed necessary by Lender to pay taxes, assessments, insurance premiums, and Other Impositions as they fall due, Borrower shall pay to Lender an amount necessary to make up the deficiency within ten days after notice from Lender to Borrower requesting payment thereof.

Upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage, Lender may apply, in any amount and in any order as Lender shall determine in Lender's sole discretion, any Funds held by Lender at the time of application (i) to pay taxes, assessments, insurance premiums and Other Impositions which are now or will hereafter become due, or (ii) as a credit against sums secured by this Mortgage. Upon payment in full of all sums secured by this Mortgage, Lender shall refund to Borrower any Funds held by Lender.

2.3 Application of Payments. Unless applicable law provides otherwise, all payments received by Lender from Borrower under the Note or this Mortgage shall be applied payable to Lender by Borrower under paragraph 2.2 hereof; (i) interest payable on the Note; (ii) interest payable on advances made pursuant to paragraph 2.2 hereof; (iii) principal of advances made pursuant to paragraph 2.2 hereof; (iv) principal of the Note; and (vii) any other sums secured by this Mortgage in such order as Lender, at Lender's option, may determine; provided, however, that Lender may, at Lender's option, apply any sums payable pursuant to paragraph 3.3 hereof prior to interest on and principal of the Note, but such application shall not otherwise affect the order of priority of application specified in this paragraph 2.3.

2.4 Charges; Liens. Borrower shall pay all taxes, assessments, and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage in the manner provided under paragraph 2.2 hereof or, if not paid in such manner, by Borrower making payments when due, directly to the payee thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph, and in the event Borrower shall make payment directly, Borrower shall promptly furnish Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this Mortgage; provided, that Borrower shall not be required to discharge any such

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lien so long as Borrower: (a) shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender; (b) shall in good faith contest such lien by, or defend against enforcement of the lien in, legal proceedings which in the opinion of Lender operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof; or (c) shall secure from the holder of such lien an agreement in a form satisfactory to Lender subordinating such lien to this Mortgage.

If Lender determines that all or any part of the Property is subject to a lien which may attain a priority over this Mortgage, Lender may send Borrower notice identifying such lien. Borrower shall satisfy such lien or take more of the actions set forth above within ten (10) days of the giving of notice.

- 2.5 Liability Insurance. Borrower shall keep Lender and the Property insured by carriers at all times satisfactory to Lender against loss arising from liability claims as Lender shall require and in such amounts and for such periods as Lender shall require. All premiums on insurance policies shall be paid, at Lender's option, in the manner under paragraph 2.2 hereof, or by Borrower making payment, when due, directly to the carrier or in such other manner as Lender may designate in writing.

All insurance policies and renewals thereof shall be in a form acceptable to Lender. Lender shall have the right to hold the policies, and Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. At least thirty days prior to the expiration date of a policy, Borrower shall deliver to Lender a renewal policy in form satisfactory to Lender. In the event of a liability claim, Borrower shall give immediate written notice to the insurance carrier and to Lender. Borrower hereby authorizes and empowers Lender as attorney-in-fact for Borrower to adjust and compromise any claim under insurance policies, to appear in and prosecute any action arising from such insurance policies, to collect and receive insurance proceeds and to deduct therefrom Lender's expenses incurred in the collection of such proceeds; provided however, that nothing contained in this paragraph 2.5 shall require Lender to incur any expense or take any action hereunder. Borrower further authorizes Lender to apply such proceeds to any obligations of Borrower to indemnify Lender pursuant to the terms of paragraph 7.10 hereof or otherwise.

- 2.6 Inspection. Lender may make or cause to be made reasonable entries upon and inspections of the Property.

2.7 Books and Records. Borrower shall keep and maintain at all times at Borrower's address stated below, or such other place as Lender may approve in writing, complete and accurate books of accounts and records adequate to reflect correctly the results of the operation of the Property and copies of all written contracts, leases and other instruments which affect the Property. Such books, records, contracts, leases and other instruments shall be subject to examination and inspection at any reasonable time by Lender. Borrower shall, within ninety (90) days after the end of each fiscal year of Borrower, furnish to Lender financial and operating statements of the Property for such fiscal year, in reasonable detail, and in any event including such itemized statements of receipts and disbursements as shall enable Lender to determine whether a breach described in Article V or other default hereunder ("Event of Default") then exists. Such financial and operating statements shall be prepared and certified at Borrower's expense in a manner acceptable to Lender, and shall include a statement as to whether or not an Event of Default exists hereunder. For purposes of this Paragraph 2.7, the term "Borrower" shall mean Borrower's beneficiary if Borrower is a land trust.

2.8 Hazardous Materials. Borrower represents, and Beneficiary of Borrower warrants and covenants to Lender that the Property shall be kept in first class operating order, repair and condition and no waste shall be committed or permitted thereon. Among other things, first class conditions shall include keeping the Property free of "Hazardous Materials". Hazardous Materials, for purposes of this Agreement, means and includes any material specifically defined as such in (or for purposes of) the Comprehensive Environmental Response Compensation and Liability Act, and so-called "Superfund" or "Superlien" law or any other federal, state or local statute, law ordinance, code, rule, order or regulation regulating, now or hereafter relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, and specifically identified and known to be a hazardous, toxic or dangerous waster, substance or material. There are no Hazardous Materials presently located in or near the Property; the Property is not now being used, nor has it ever been used in the past for any activities involving the use, generation, storage, treatment or disposal of any Hazardous Materials, and no Hazardous Materials will be placed or permitted to be placed on or near the Property.

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ARTICLE III

NEGATIVE COVENANTS

- 3.1 Preservation and Maintenance of Property. Borrower (a) shall not waste or permit impairment or deterioration of the Property, (b) shall not abandon the Property, (c) shall comply with all laws, ordinances, regulations and requirements of any governmental body applicable to the Property, and (d) shall give notice in writing to Lender of and, unless otherwise directed by Lender, appear in and defend any action or proceeding purporting to affect the Property, the security of this Mortgage or the rights or powers of Lender.
- 3.2 Use of Property. Unless required by applicable law or unless Lender has otherwise agreed in writing, Borrower shall not allow changes in the use for which all or any part of the Property was intended at the time this Mortgage was executed. Borrower shall not initiate or acquiesce in a change in the zoning classification of the Property without Lender's prior written consent.
- 3.3 Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which affects the Property or title thereto or the interest of Lender therein, including, but not limited to eminent domain, insolvency, or code enforcement, Lender at its option may make such appearances, disburse such sums and take such action as Lender deems necessary, in its sole discretion, to protect Lender's interest. Any amounts disbursed by Lender pursuant to this paragraph 3.3, with interest thereon, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be immediately due and payable and shall bear interest from the date of disbursement at the default rate stated in the Note. Borrower hereby covenants and agrees that Lender shall be subrogated to the lien of any mortgage or other lien discharged, in whole or in part, by the indebtedness secured hereby.
- 3.4 Restrictions On Transfer and Financing: Borrower was ably represented by a licensed attorney in the negotiation and documentation of the Indebtedness secured hereby and bargained at arm's length and without duress for all of the terms and conditions of the Loan Documents, including this provision. In determining whether to provide the financing secured by this Lender and the Loan Documents, Lender

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examined and analyzed the creditworthiness of Borrower and the Guarantor, approved their creditworthiness and relied and continues to rely upon their creditworthiness as the means of repayment of the Indebtedness. Lender also evaluated the background, experience and reputation of Borrower and the Guarantor in owning, developing and operating property such as the Property, approved them on the basis of such background, experience and reputation and relied and continues to rely upon such background, experience and reputation as a means of maintaining the value of the Property, which is Lender's security for repayment of the Indebtedness. Borrower and the Guarantor acknowledge and recognize that any secondary, junior or subordinate financing placed upon the Property or any part thereof or interest therein (a) may divert funds which would otherwise be used to pay the Indebtedness secured hereby; (b) could result in acceleration and foreclosure by any such junior mortgagee or junior lien or encumbrance holder, which would force Lender to take measures and incur expenses to protect its security; (c) would detract from the value of the Property should a junior mortgagee or junior lienholder come into possession or ownership thereof with the intention of selling same; and (d) impair Lender's right to accept a deed in lieu of foreclosure in whole or partial settlement of the Indebtedness, because a foreclosure by Lender would be necessary to extinguish the rights of any junior mortgagee or junior lien or encumbrance holder to clear title to the Property. Accordingly, and for the purposes of (i) protecting Lender's security, both of repayment by Borrower and of the value of the Property; (ii) giving Lender the full benefit of its bargain and contract with Borrower; (iii) allowing Lender to maintain its loan portfolio at then current interest rates and/or collect assumption fees; and (iv) keeping the Property free of junior or subordinate mortgages, liens or other interests, Borrower hereby covenants and agrees that in this paragraph be deemed a restraint on alienation, that it is a reasonable one, and that any sale, conveyance, assignment, further encumbrance or other transfer of title to the Property or any part thereof or interest therein, or any interest in Borrower or any Guarantor, whether legal or equitable, whether voluntary or by operation of law, without the Lender's prior written consent shall constitute an Event of Default hereunder. For the purpose of, and without limiting the generality of, the preceding sentence, it shall be deemed to be an unpermitted transfer and therefore an Event of Default hereunder, giving Lender the rights and remedies at its election under Article V hereof, if without Lender's prior written consent:

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- (a) Borrower shall sell, convey, assign, or alien the Property or any part thereof or interest therein or enter into any contract, agreement, installment contract, articles of agreement for deed, commitment or option to do so without the prior written consent of Lender except for individual lots in accordance with the provisions hereof; or
- (b) Borrower shall create, place or permit to be created or placed, or through any act or failure to act, acquiesce in the placing of, or allow to remain, any mortgage, pledge, lien, attachment, levy (whether mechanics, judgment, tax, statutory, constitutional, contractual or other unless the same is bonded or insured over to Lender's satisfaction), security interest, encumbrance or charge on, or conditional sale or other title retention agreement with respect to the Property or any portion thereof or interest therein, regardless of whether same is allegedly or expressly subordinate and inferior to the liens and security interests created by this Mortgage and the Loan Documents.
- (c) Guarantor shall sell, assign, transfer, convey, alien, pledge, hypothecate, mortgage, grant a security interest in, or alter in any way any interest it holds in the Borrower or the Property (whether in the form of a beneficial or general or controlling partnership interest therein, or in the form of a power of direction, control or management, or otherwise) or in any entity which holds an interest in the Borrower (whether in the form of a beneficial or partnership interest therein or power of direction, control or management or otherwise) at the time this Mortgage is executed, or enter into any contract, agreement, installment contract, articles of agreement, commitment or option to do so, unless the same is expressly permitted under the Loan Documents or the Commitment;
- (d) If the Borrower is a corporation, or if any corporation is a beneficiary of a Trustee Borrower, then if any shareholder of such corporation shall create, effect, contract for, commit to or consent to or shall suffer or permit any sale, assignment, transfer, lien, pledge, mortgage security interest or other encumbrance or alienation of any such shareholder's shares in such corporation;
- (e) If the Borrower is a partnership or joint venture, or if any beneficiary of a Trustee Borrower is a partnership or joint venture, then if any general partner or joint venturer in such partnership or joint venture shall create, effect or consent to or shall suffer or permit

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any sale, assignment, transfer, lien, pledge, mortgage, security interest or other encumbrance or alienation of any part of the partnership interest or joint venture interest, as the case may be, of such partner or joint venturer; or

- (f) If there shall be any change in control (by way of transfers of stock ownership, partnership interests or otherwise) in any general partner which directly or indirectly controls or is a general partner of a partnership or joint venture beneficiary as described above;

Any consent by the Lender, or any waiver of an Event of Default, under this paragraph shall not constitute a consent to, or waiver of any rights, remedy or power of the Lender upon a subsequent Event of Default under this paragraph. Any term capitalized herein and not defined elsewhere in this Mortgage shall have the same meaning as set forth in the Loan Agreement.

ARTICLE IV

EVENTS OF DEFAULT

The term "Event of Default," as used in the Loan Documents, shall mean the occurrence of happening, at any time and from time to time, of any one or more of the following:

- 4.1 Payment of Indebtedness: If Borrower shall fail, refuse or neglect to pay, in full, any installment or portion of the Indebtedness, whether of principal, interest or any other amount, as and when the same shall become due and payable, or if the Indebtedness is not paid in full at the Maturity Date thereof stipulated in the Loan Documents, or at a date fixed for prepayment, or by acceleration or otherwise.
- 4.2 Performance of Obligations: If Borrower shall fail, refuse or neglect to perform and discharge fully any of the Obligations as and when required under any of the Loan Documents.
- 4.3 False Representation: If any representation or warranty made by Borrower or Guarantor or others in, under or pursuant to the Loan Documents shall be false or misleading in any material respect or if any material inaccuracy shall exist in any of the financial statements, operating information or other information furnished to Lender in connection with the Loan Documents to induce Lender to enter into the Loan Documents.

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- 4.4 Inability to Pay Debts: If Borrower or any Guarantor shall generally and repeatedly not pay its debts as they become due or shall admit in writing its inability to pay its debts as they become due.
- 4.5 Material Adverse Change: If there occurs, in the reasonable judgment of Lender, a material adverse change in the net assets or financial condition of the beneficiary of Borrower or any guarantor of the Indebtedness as reflected on any updated financial statement or as disclosed by any audit required by Lender compared to such party's net assets or financial condition as reflected on the financial statements submitted to Lender as of the date hereof.
- 4.6 Voluntary Bankruptcy: If Borrower or Guarantor (a) shall voluntarily be adjudicated a bankrupt or insolvent; or (b) shall seek, consent to or not contest the appointment of a receiver or trustee for itself or for all or any part of its property; or (c) shall file a petition seeking relief under any bankruptcy, insolvency, arrangement, reorganization, receivership, or other debtor relief laws of the United States or any state or any other competent jurisdiction.
- 4.7 Involuntary Bankruptcy: If (a) a petition is filed against Borrower or Guarantor seeking relief under any bankruptcy, insolvency, arrangement, reorganization, receivership, or other debtor relief law of the United States or any state or other competent jurisdiction; or (b) a court of competent jurisdiction enters an order, judgment or decree appointing, with or without the consent of Borrower or Guarantor, a receiver or trustee for it, or for all or any part of its property, and such petition, order, judgment or decree shall not be stayed within ten (10) days after the entry thereof or shall not be dismissed within thirty (30) days after the entry thereof.
- 4.8 Death or Incompetence of Sung H. Song and/or Moon S. Song: If either Sung H. Song and/or Moon S. Song, the beneficiaries of Borrower and the Guarantors should die or is adjudicated incompetent, or if any order is entered appointing any trustee, conservator, or receiver, or is entered approving the petition in any such proceedings; or if any incompetency proceeding or proceeding for the appointment of a trustee, conservator, or receiver is filed by any third party against Sung H. Song and/or Moon S. Song.
- 4.9 Borrower and Lien Not Released. From time to time, Lender may, at Lender's option, without giving notice to or obtaining the consent of Borrower, Borrower's successors or assigns or of any junior lienholders or guarantors, without liability on Lender's part and notwithstanding Borrower's

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breach of any covenant or agreement of Borrower in this Mortgage, extend the time for payment of said indebtedness or any part thereof, reduce the payments thereon, release anyone liable on any of said indebtedness, accept a renewal note or notices therefor, modify the terms and time of payment of said indebtedness, release from the lien of this Mortgage any part of the Property, take or release other or additional security, reconvey any part of the Property, consent to any map or plan of the Property, consent to the granting of any easement, join in any extension or subordination agreement, and agree in writing with Borrower to modify the rate of interest or period of amortization of the Note or change the amount of the installments payable thereunder. Any actions taken by Lender pursuant to the terms of this paragraph 4.9 shall not affect the obligation of Borrower or Borrower's successors or assigns to pay the sums secured by this Mortgage and to observe the covenants of Borrower contained herein, shall not affect the guaranty of any person, corporation, partnership or other entity for the payment of the indebtedness secured hereby, and shall not affect the lien or priority of lien on the Property. Borrower shall pay Lender a reasonable service charge, together with such title insurance premiums and attorney's fees as may be insured at Lender's option, for any such action if taken at Borrower's request.

4.10 Forbearance by Lender Not a Waiver. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any right or remedy. The acceptance by Lender of payment of any sum secured by this Mortgage after the due date of such payment shall not be a waiver of Lender's right to either require prompt payment when due of all other sums so secured or to declare a default for failure to make prompt payment. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Mortgage, nor shall Lender's receipt of any awards, proceeds or damages hereunder operate to cure or waive Borrower's default in payment of sums secured by this Mortgage.

4.11 Estoppel Certificate. Borrower shall within ten days of a written request from Lender provide Lender with a written statement, duly acknowledged, setting forth the sums secured by this Mortgage and any right of set-off, counterclaim or other defense which exists against such sums and the obligations of this Mortgage.

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ARTICLE V

REMEDIES

5.1 Remedies: If an Event of Default shall occur, Lender shall have the right and option, at Lender's election and by or through a Trustee or nominee or assignee or otherwise, to exercise any or all of the following rights, remedies and recourses, either successively or concurrently:

(a) Acceleration: Declare the unpaid principal balance of the Note, the accrued interest and any other accrued but unpaid portion of the Indebtedness to be accelerated, without further notice, presentment, protest, demand or action of any nature whatsoever (each of which is hereby expressly waived by Borrower), whereupon the same shall become immediately due and payable.

(b) Entry on Property: Enter upon the Property, without force or with such force as is permitted by law, and without notice or process or with such notice of process as is required by law, unless such notice or process is waivable, in which case Borrower hereby waives such notice and process, and take exclusive possession thereof and of all books, records and accounts relating thereto. If Borrower fails to surrender possession of the Property and remains in possession of any part thereof after an Event of Default and without Lender's prior written consent thereto, Mortgagee may invoke all legal rights and remedies to dispossess Borrower, including specifically self-help to the extent permitted by law, or one or more actions for forcible entry and detainer, action to try title and writ of restitution. Nothing contained in the foregoing sentence shall, however, be construed to impose any greater legal obligation or any additional legal prerequisites to acquiring possession of the Property after an Event of Default than would have existed under applicable law in the absence of such sentence, and to the extent any such legal obligation or prerequisite is waivable, Borrower hereby waives such obligation and prerequisite.

(c) Appointment of Trustee or Receiver: Upon, or at any time prior or after, initiating the exercise of any power of sale or instituting any foreclosure of the liens and security interests provided for herein or any other legal proceedings hereunder, make application to a court of competent jurisdiction as a matter of strict

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right and without notice to Borrower and without regard to the adequacy of the Property for the repayment of the Indebtedness, for appointment of a receiver of the Property, and Borrower does hereby irrevocably consent to such appointment. Any such receiver shall have all the usual powers and duties of receivers in similar cases, including the full power to hold, develop, rent, lease, manage, maintain, operate, and otherwise use or permit the use of the Property upon such terms and conditions as said Trustee or Receiver may deem to be prudent.

- (d) Power of Sale: To the extent permitted and pursuant to the procedures provided by applicable law, exercise such power of sale as may be provided by applicable law, and sell or offer for sale the Property in such portions, order and parcels as Lender may determine, with or without having first taken possession of same, to the highest bidder at public auction. Such sales shall be made in accordance with the Legal Requirements therefor for the state in which the Property is located, including, to the extent there relevant, the Uniform Commercial Code then in effect. Nothing contained in this Paragraph 5.(d) shall be construed to limit in any way Lender's rights to sell the Property by private sale if, and to the extent that, such private sale is permitted under the laws of the state where the Property is located or by public or private sale after entry of a judgment by any court of competent jurisdiction ordering same. At any such sale (i) whether made under the power herein contained, any other Legal Requirement or by virtue of any judicial proceedings or any other legal right, remedy or recourse, it shall not be necessary for Lender to have physically present, or to have constructive possession of, the Property (Borrower hereby covenanting and agreeing to deliver to Lender any portion of the Property not actually or constructively possessed by Lender immediately upon demand by Lender), and the title to and right of possession of any such property shall pass to the purchaser thereof as completely as if the same had been actually presented and delivered to purchaser at such sale; and (ii) each instrument of conveyance executed by Lender shall contain a general warranty of title, binding upon Borrower; and (iii) each and every recital contained in any instrument of conveyance made by Lender shall conclusively establish the truth and accuracy of the matters recited therein, including, without limitation, nonpayment of the Indebtedness, advertisement and conduct of such sale in the manner provided herein and otherwise by law and appointment of any successor Lender

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hereunder; and (iv) any and all prerequisites to the validity thereof shall be conclusively presumed to have been performed; and (v) the receipt of Lender or of such other party or officer making the sale shall be a sufficient discharge to the purchaser or purchasers for his or their purchase money and no such purchaser or purchasers, or his or their assigns or personal representatives, shall thereafter be obligated to see to the application of such purchase money or be in any way answerable for any loss, misapplication or non application thereof; and (vi) to the fullest extent permitted by law, Borrower shall be completely and irrevocably divested of all of its right, title, interest, claim and demand whatsoever, either at law or in equity, in and to the property sold and such sale shall be a perpetual bar both at law and in equity against Borrower, and against any and all other persons claiming or to claim the property sold or any part thereof, by, through or under Borrower; and (vii) to the extent and under such circumstances as are permitted by law, Lender may be a purchaser at any such sale. The Property may be sold in one or more parcels in such manner and order as Lender, in its sole discretion, may elect, it being expressly understood and agreed that the right of sale arising out of any Event of Default shall not be exhausted by any one or more sales.

- (e) Full or Partial Foreclosure: Pursuant to the procedures provided by applicable law, institute and prosecute foreclosure proceedings with respect to the Property; or, if Lender so elects, institute foreclosure procedures only with respect to a portion of the Indebtedness or the Property (such partial proceeding being hereinafter referred to as a partial foreclosure). Borrower agrees that sale pursuant to a partial foreclosure, if so made, shall not in any manner affect the remainder of the secured Indebtedness, but as to such remainder this Mortgage and the lien thereof shall remain in full force and effect just as though no foreclosure sale had been made under the provisions of this Paragraph. Notwithstanding the filing of any partial foreclosure or entry of a decree of sale therein, Lender may elect at any time prior to a foreclosure sale pursuant to such decree, to discontinue such partial foreclosure and to accelerate the entire secured Indebtedness by reason of any Event of Default upon which such partial foreclosure was predicated or by reason of any other Event of Default, and proceed with full foreclosure proceedings. It is further agreed that several foreclosure sales may be made pursuant to partial foreclosures without exhausting the right of

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full or partial foreclosure sale for any remainder of the secured Indebtedness, it being the purpose hereof to provide for a partial foreclosure sale of the secured Indebtedness without exhausting the power to foreclose and to sell the Property, pursuant to any such partial foreclosure for any other part of the secured Indebtedness whether matured at the time or subsequently maturing, and without exhausting any right of acceleration and full foreclosure.

(f) Other: Exercise any and all other rights, remedies and recourses granted under Note and/or other Loan Documents or now or hereafter existing in equity or at law, by virtue of statute or otherwise.

5.2 Right and Authority of Receiver or Lender In The Event of Default, Power of Attorney: Upon the occurrence of an Event of Default hereunder and entry upon the Property pursuant to paragraph 5.1(b) hereof or appointment of a Trustee or Receiver pursuant to Paragraph 5.1(c) hereof, and under such terms and conditions as may be deemed prudent and reasonable under the circumstances, all at Borrower's expense, Lender or said Trustee or Receiver, as the case may be, may do or permit any one or more of the following, successively or concurrently; (a) enter upon and take possession and control of the Property; (b) take and maintain possession of all documents, books, records, papers and accounts related to the Property; (c) exclude Borrower, its agents and employees, wholly from the Property; (d) manage and operate the Property; (e) preserve and maintain the Property; (f) make repairs and alterations to the Property; (g) complete the construction of the improvements on the Property, with such changes, additions, or modifications to the improvements under construction on the Property as Lender may in its discretion deem appropriate or desirable; to place the Property in such condition as will, in Lender's sole judgment, make it or any part thereof readily marketable or rentable; (h) conduct a marketing or leasing program with respect to the Property, or employ a marketing or leasing agent or agents to do so, directed to the lease or sale of the Property, under such other terms and conditions as Lender may in its sole discretion deem appropriate or desirable; (i) employ such contractors, subcontractors, materialmen, architects, engineers, consultants, managers, brokers, marketing agents, or other employees, agents, independent contractors, or professionals, as Lender may in its discretion deem appropriate or desirable, to implement and effectuate the rights and powers herein granted; (j) execute and deliver, in the name of the Borrower as attorney-in-fact and agent of Borrower, or in its own name as Borrower, such documents and instruments as are necessary or appropriate to consummate authorized transactions; (k) enter such leases,

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whether of real or personal property, or tenancy agreements, under such terms and conditions as Lender may in its sole discretion deem appropriate or desirable; (l) collect and receive the Rents from the Property; (m) eject tenants or repossess personal property, as provided by law, for breaches of the conditions of their leases or other agreements; (n) sue for unpaid rents, payments, income or proceeds in the name of Borrower or Lender; (o) maintain actions in forcible detainer and actions in distress for rent; (p) compromise or give acquittance for rents, payments, income or proceeds that may become due; (q) delegate or assign any and all rights and powers given to Lender by this Borrower; and/or (r) do any acts which Lender in its discretion deems appropriate or desirable to protect the security hereof and/or use such measures, legal or equitable, as it may in its discretion deem appropriate or desirable to implement and effectuate the provisions of this Mortgage. This Mortgage shall constitute a direction to and full authority to any lessee, or other third-party who has heretofore dealt or may hereafter deal with Borrower or Lender, at the request of Lender, to pay all amounts owing under any lease or other agreement to the Lender without proof of the default relied upon. Any such lessee or third-party is hereby irrevocably authorized to rely upon and comply with (and shall be fully protected by Borrower in so doing) any request, notice or demand by the Lender for the payment to the Lender of any Rents or other sums which may be or thereafter become due under its lease or other agreement, or for the performance of any undertakings under any such lease or other agreement, and shall have no right or duty to inquire as to whether any default under this Mortgage or any of the other Loan Documents has actually occurred or is then existing, and Borrower hereby constitutes and appoints Lender, its assignees, successors, transferees and nominees, as Borrower's true and lawful attorney-in-fact and agent, with full power of substitution in the Property, in Borrower's name and stead, to do or permit any one or more of the foregoing described rights, remedies, powers and authorities, successively and concurrently, and said power of attorney shall be deemed a power coupled with an interest and irrevocable.

- 5.3 Application of Proceeds: The proceeds of any sale of, and the Rents and other amounts generated by the holding, leasing, operation or other use of, the Property shall be applied by Lender (or the Trustee or Receiver, if one is appointed) to the extent that funds are so available to the following items in such an order of priority as Mortgagee may in its discretion determine:

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- (a) to the payment of the costs and expenses of taking possession of the Property and of holding, using, leasing, repairing, improving and selling the same and of otherwise enforcing its rights and remedies under the Loan Documents, including, without limitation (i) trustees' and receivers' fees, (ii) court costs, (iii) attorneys' and accountants' fees, (iv) costs of advertisement and (v) the payment of any and all impositions, liens, security interests or other rights, titles or interests equal, superior or subordinate to the lien and security interest of this Mortgage (except those to which the Property has been sold subject to but without in any way implying Lender's prior consent to the creation thereof);
- (b) to the payment of all amounts, other than the principal balance outstanding and accrued but unpaid interest which may be due to Mortgagee under the Loan Documents, together with interest thereon as provided therein;
- (c) to the payment of all accrued but unpaid interest due on the Note; and
- (d) to the payment of the principal balance outstanding under the Note.

5.4 Remedies Cumulative, Concurrent and Non-Exclusive; No Waiver: Mortgagee shall have all rights, remedies and recourses granted in the Loan Documents and available at law or equity (including specifically those granted by the Uniform Commercial Code in effect and applicable to the Property, or any portion thereof) and same (a) shall be cumulative and concurrent, (b) may be pursued separately, successively or concurrently against Borrower, any Guarantor or others obligated under the Note, or against the Property, or against any one or more of them, at the sole discretion of Lender, (c) may be exercised as often as occasion therefor shall arise, it being agreed by Borrower that the exercise or failure to exercise any of same shall in no event be construed as a waiver or release thereof or of any other right, remedy or recourse and (d) are intended to be, and shall be, nonexclusive. All the conditions, covenants, provisions, and obligations herein contained, and all rights hereunder shall run with the land hereby mortgaged and shall extend to, be binding upon, and inure for the benefit of the heirs, executors, administrators, successors, and assigns of the respective parties hereto. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or

acquiescence therein, and every such right and power may be exercised at any time from time to time as often as and when deemed by Lender to be expedient or appropriate. A delay or failure in one or more instances of invoking any right, remedy or recourse shall not constitute a waiver thereof, and any such failure shall apply to the particular instance or instances and at the particular time or times only, and even if such delay or failure shall be deemed a waiver with regard to the particular instance, such delay or failure shall not be deemed to constitute a waiver with respect to any subsequent instance or event; but all of the terms, covenants, conditions and other provisions of this Mortgage, the Note, and the other Loan Documents shall survive and continue to remain in full force and effect. No change, amendment, modification, cancellation or discharge hereof, or any part thereof, shall be valid unless in writing and signed by the parties hereto or their respective successors and assigns. No action for the enforcement of the lien or any provision 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.

5.5 No Conditions Precedent to Exercise of Remedies: Neither Borrower nor Guarantor shall be relieved of any of the Obligations or Indebtedness hereunder by reason of (a) the failure of Lender to comply with any request of Borrower or any Guarantor to foreclose the lien of this Mortgage or to enforce any provisions of the other Loan Documents; or (b) the full or partial release whether voluntarily or by operation of law, regardless of the adequacy of consideration, of the Property or any portion thereof or the addition of any other property to the Property (other than release upon the repayment in full of the Indebtedness); or (c) any agreement or stipulation extending, renewing, rearranging or in any other way modifying the terms of the Loan Documents without first having obtained the consent of, without first having given notice to or without first having paid any consideration to Borrower or any Guarantor, and in such event Borrower and each Guarantor shall continue to be liable to make payment according to the terms of any such extension or modification agreement unless expressly released and discharged in writing by Lender; or (d) by any other act or occurrence save and except the complete payment of the Indebtedness and the complete fulfillment of all of the Obligations.

5.6 Release of and Resort to Collateral: Lender may release, regardless of consideration, any part of the Property without, as to the remainder, in any way impairing, affecting, subordinating or releasing the lien or security interests created in or evidenced by the Loan Documents or

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their stature as a first priority lien and security interest in and to the Property. For payment of the Indebtedness, Lender may resort to any other security therefor held by Lender in such order and manner as Lender may elect.

5.7 Discontinuance of Proceedings: In case Lender shall have proceeded to invoke any right, remedy or recourse permitted under the Loan Documents and shall thereafter elect to discontinue or abandon same for any reason, Lender shall have the unqualified right so to do and, in such event, Borrower and Lender shall be restored to their former positions with respect to the Indebtedness, the Obligations, the Loan Documents, the Property and otherwise, and the rights, remedies, recourses and powers of Lender shall continue as if same had never been invoked.

5.8 Expenses of Litigation: Borrower further expressly covenants and agrees that, in case of foreclosure of this Mortgage in any court of law or equity, or the commencement of foreclosure proceedings or preparation therefor, or exercise of Lender's power of sale hereunder, all expenses of every kind paid or incurred by the Lender in or about the enforcement, protection, or collection of this security, including all costs, attorneys' fees, and stenographer's fees of the complainant in such proceeding or preparation therefor, and also all outlays for documentary evidence and the cost of title insurance, minutes of foreclosure, or of any abstract of title to the Property, and for an examination or opinion of title for the purpose of such foreclosure, shall be paid by the Borrower, and that all similar fees, costs, charges, and expenses paid or incurred by the Lender in any other suit or legal proceeding in which it shall be or be made a party by reason of this Mortgage or in connection with the Indebtedness or in protection of its security, including without limitation, any appeals, bankruptcy or insolvency proceedings, or proceedings in which Lender may in its discretion intervene in order to protect its security, shall also be paid by the Borrower and that all such fees, costs, charges and expenses shall constitute so much additional indebtedness secured by this Mortgage, regardless of whether the same may cause the Indebtedness secured hereby to exceed the principal amount of the Note, and shall become immediately due and payable when incurred, with interest accruing thereon at the Default Rate, and shall be allowed in any decree of foreclosure thereof. No proceeding to foreclose this Mortgage, whether decree of foreclosure shall have been entered therein or not, shall be dismissed, nor shall a release of this Mortgage be given until all such expenses, charges, and costs of suit, including attorneys', and stenographer's fees shall have been paid.

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ARTICLE VI

CONDEMNATION

6.1 General: If all or any material part of the Premises (which determination shall be made by Lender in its sole judgment) shall be damaged or taken through condemnation (which term, when used in this Mortgage, shall include any damage or taking by any governmental authority and any transfer by private sale in lieu thereof), either temporarily or permanently, the entire indebtedness secured hereby shall, at the option of the Lender, become immediately due and payable. The Lender shall be entitled to all compensation, awards and other payments of relief therefor and is hereby authorized, at its option, to commence, appear in and prosecute, in its own or in Borrower's name, any action or proceeding relating to any condemnation, and to settle or compromise any claim in connection therewith. Any such compensation, awards, damages, claims, rights, actions and proceedings, and the right thereto, are hereby assigned by Borrower to Lender and Borrower agrees to execute such further assignments of any compensations, awards, damages, claims, rights, actions and proceedings as the Lender may require. The Lender shall not be held responsible for any failure to collect any amount in connection with any such proceeding regardless of the cause of such failure. After deducting from said condemnation proceeds all of its expenses incurred in the collection and administration of such sums, including attorneys' fees, the Lender shall apply the net proceeds or any part thereof, as a credit on the Indebtedness secured hereby, whether then matures or to mature in the future, without affecting the lien of this Mortgage, and if the same are insufficient to pay such amount in full, then Lender shall have the right and option to declare the entire balance of the Indebtedness remaining unpaid to be immediately due and payable without liability for any prepayment fee.

ARTICLE VII

MISCELLANEOUS

7.1 Future Advances. This Mortgage is given to secure payment of the Note, whether the entire amount thereof shall have been advanced to the Borrower at the date hereof, or at a later date, and to secure the payment and performance of all other liabilities and obligations of Borrower under the Note or the Loan Documents and other Loan Documents, and any other amount of amounts that may be added to the Indebtedness

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secured hereby under the terms of this Mortgage, all of which Indebtedness being equally secured with and having the same priority as any amounts advanced at the date hereof. It is agreed that any future advances made by Lender to or for the benefit of Borrower from time to time under this Mortgage or the Loan Documents and whether or not such advances are obligatory or are made at the option of Lender, or otherwise, made at any time from the date of this Mortgage, and all interest accruing thereon, shall be equally secured by this Mortgage and have the same priority as all amounts, if any, advanced as of the date hereof and be subject to all of the terms and provisions of this Mortgage. The total amount of indebtedness that may be so secured may increase or decrease from time to time, but the total unpaid balance so secured at any one time, plus interest thereon, plus any disbursements made for the payment of taxes, levies, insurance or other liens, charges or encumbrances on the Property, plus interest on such disbursements at the Default Rate, shall not exceed Five Hundred Percent (500%) of the face amount of the Note.

7.2 Notice. Any notice, demand, request or other communication to be given or required pursuant to the terms hereof shall be in writing and shall be delivered by personal service or sent by registered or certified mail, return receipt requested, postage prepaid, addressed as follows or to such other address as the parties hereto may designate in writing from time to time:

BORROWER: Cole Taylor Bank/Main as
Trustee under Trust Number 87-181
350 E. Dundee Road
Wheeling, IL 60090

COPY TO: Sung H. Song and Moon S. Song
2257 Ashbury Court
Arlington Heights, IL 60004

LENDER: Addison State Bank
1100 W. Lake Street
Addison, IL 60101

COPY TO: Levato & Kotche
350 S. Schmale Road
Carol Stream, IL 60188
Attn: Keith J. Kotche

Any such notice, demand, request or other communication shall be deemed given when mailed to the office of the Payee or maker or of any other office which shall have been designated by the addressee by notice in writing to the other party.

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7.3 Successors and Assigns Bound; Joint and Several Liability; Agents; Captions. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower. All covenants and agreements of Borrower shall be joint and several. In exercising any rights hereunder or taking any actions provided for herein, Lender may act through its employees, agents or independent contractors as authorized by Lender. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

7.4 Governing Law; Venue; Severability. This Mortgage shall, at Lender's option, be governed by the laws of the State of Illinois or the laws of the jurisdiction in which the Property is located. Venue for all disputes and claims arising from this Mortgage shall, at Lender's option, be in Cook County, Illinois. In the event that any provisions of this Mortgage or the Note conflict with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provisions, and to this end the provisions of this Mortgage and Note are declared to be severable. In the event that any applicable law limiting the amount of interest or other charges permitted to be collected from Borrower is interpreted so that any charge provided for in this Mortgage or in the Note, whether considered separately or together with other charges levied in connection with this Mortgage and the Note, violates such law, and Borrower is entitled to the benefit of such law, such charge is hereby reduced to the extent necessary to eliminate such violation. The amounts, if any, previously paid to Lender in excess of the amounts payable to Lender pursuant to such charges as reduced shall be applied by Lender to reduce the principal of the indebtedness evidenced by the Note (in which case no prepayment penalty shall be applicable) or, at Lender's option, shall be refunded to the Borrower. For the purpose of determining whether any applicable law limiting the amount of interest or other charges permitted to be collected from Borrower has been violated, all indebtedness which is secured by this Mortgage or evidenced by the Note and which constitutes interest, as well as all other charges levied in connection with such indebtedness which constitute interest, shall at Lender's option be deemed to be allocated and spread over the stated term of the Note. Unless otherwise required by applicable law, such allocation and spreading shall be effected in such a manner that the rate of interest computed thereby is uniform throughout the stated term of the Note.

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- 7.5 Waiver of Statute of Limitations. Borrower hereby waives the right to assert any statute of limitations as a bar to the enforcement of the lien of this Mortgage or to any action to enforce the Note or any other obligation secured by this Mortgage.
- 7.6 Waiver of Marshalling. Notwithstanding the existence of any other security interests in the Property held by Lender or by any other party, Lender shall have the right to determine the order in which any or all of the Property shall be subjected to the remedies provided herein. Lender shall have the right to determine the order in which any or all portions of the indebtedness secured hereby are satisfied from the proceeds realized upon the exercise of the remedies provided herein. Borrower, any party who consents to this Mortgage and any party who now or hereafter acquires a security interest in the Property and who has actual or constructive notice hereof hereby waives any and all right to require the marshalling of assets in connection with the exercise of any of the remedies permitted by applicable law or provided herein.
- 7.7 Waiver of Homestead and Redemption. Borrower hereby waives all right of Homestead exemption in the Property. Borrower hereby waives all right of redemption or equity of redemption on behalf of all other persons acquiring any interest or title in the Property subsequent to the date of this Mortgage.
- 7.8 Business Loan. The Borrower represent and warrants that the loan evidenced by the Note and secured hereby is a business loan within the purview of Section 6-404 of Chapter 110 of the Illinois Revised Statutes (or any substitute, amended or replacement statutes or equivalent or similar statutes of such other state law as may be applicable) transacted solely for the purpose of carrying on or acquiring the business of the beneficiaries of the Borrower, and that the loan is exempt from the provisions of the Federal Truth in Lending Act and Regulation Z (or any substitute, amended, or replacement statutes or regulations).
- 7.9 Indemnification. Borrower agrees to indemnify and hold Lender harmless from any and all claims, demands, losses, liabilities, actions, lawsuits and other proceedings, judgments, awards, decrees, costs and expenses (including reasonable attorney's fees), arising directly or indirectly, in whole or in part, out of the acts and omissions whether negligent, willful or otherwise, of Borrower, or any of its officers, directors, agents, subagents, or employees, in connection with this Mortgage or as a result of: A. ownership of the Property or any interest therein or receipt of any rent or other sum therefrom; B. any accident, injury

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to or death of persons or loss of or damage to property occurring in, on or about the Property or any part thereof or on the adjoining sidewalks, curbs, vaults and vault space, if any, adjacent parking areas, streets or ways; C. any use, non-use or condition of the Property or any part thereof or the adjoining sidewalks, curbs, vaults and vault space, if any, the adjacent parking areas, streets or ways; D. any failure on the part of the Borrower to perform or comply with any of the terms of this Mortgage; or E. the performance of any labor or services or the furnishing of any materials or other property with respect to the Property or any part thereof. The obligations of the Borrower under this Paragraph shall survive any termination or satisfaction of this Mortgage.

7.10 Exculpation. This Mortgage is executed by Main Bank of Wheeling, not personally, but as Trustee as aforesaid, in the exercise of the power and authority conferred upon and fixed in it as such Trustee, and it is expressly understood and agreed that nothing herein contained shall be constituted as creating any liability on said institution as Trustee as aforesaid, or on said institution personally to pay said Note or any interest that may accrue thereon or any indebtedness accruing hereunder, or to perform any covenant either express or implied herein contained, all such liability, if any, being expressly waived by the Mortgagee and by every person now or hereafter claiming any right or security hereunder, and that so far as the institution as Trustee as aforesaid, and its successors and the institution, personally is concerned the Mortgagee and the holder or holders of the Note and the owner or owners of the indebtedness accruing hereunder shall look solely to any one or more of (a) the Property hereby conveyed for the payment thereof by the enforcement of the lien hereby created in the manner herein and in the Note provided, or (b) action to enforce the personal liability of any obligor, guarantor or co-maker or (c) enforcement of any other security or collateral securing the Indebtedness Hereby Secured.

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IN WITNESS WHEREOF, Borrower has executed this Mortgage or has caused the same to be executed by its representatives thereunto duly authorized as of the day and year first above written.

This Mortgage is executed by the undersigned, not personally but as Trustee as aforesaid in the exercise of the power and authority conferred upon and vested in it as such Trustee (and the undersigned thereby warrants that it possesses full power and authority to execute this instrument), and it is expressly understood and agreed that nothing herein or in said Note contained shall be construed as creating any liability on the undersigned personally to pay the said Note or any interest that may accrue thereon, or any indebtedness accruing hereunder, or to perform any covenant either express or implied herein contained, all such liability, if any, being expressly waived by the Mortgagee and by every person now or hereafter claiming any right or security hereunder, and that so far as the undersigned and its successors personally are concerned, the legal holder or holders of said Note and the owner or owners of any indebtedness accruing hereunder shall look solely to the premises hereby conveyed for the payment thereof, by the enforcement of the lien hereby created, in the manner herein and in said Note provided, or by action to enforce the personal liability of the guarantor, if any.

IN WITNESS WHEREOF, COLE TAYLOR BANK/MAIN, not personally but as trustee as aforesaid, has caused this to be signed by its Vice President, _____ 20th _____ day of _____ June _____ 88 and its corporate seal to be hereunto affixed and attested by its Assistant Secretary, the _____

COLE TAYLOR BANK/MAIN as Trustee as aforesaid and not personally

By Carol L. Ennis Vice President

Attest Phyllis Lindstrom Assistant Secretary

STATE OF ILLINOIS }
COUNTY OF Cook } SS

I, the undersigned _____
a Notary Public to and for said County, in the State aforesaid, DO HEREBY CERTIFY that _____
Carol L. Ennis Vice President of
COLE TAYLOR BANK/MAIN, and Phyllis Lindstrom Assistant Secretary

of said Bank, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such officers appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said Bank, as Trustee as aforesaid, for the uses and purposes therein set forth; and the said Assistant Secretary then and there acknowledged that said Assistant Secretary as custodian of the corporate seal of said Bank, did affix the corporate seal of said Bank to said instrument as said Assistant Secretary's own free and voluntary act and as the free and voluntary act of said Bank, as Trustee as aforesaid, for the uses and purposes therein set forth.

Given under my hand and Notarial Seal the _____ 20th _____ day of _____ June _____ 1988.

Erma Fabian
Notary Public

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Property of Cook County Clerks Office

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Submitted by	Address	City	State	Zip
5711 1/2 S	5711 1/2 S	CHICAGO	ILL	60637
3725 1/2 S	3725 1/2 S	CHICAGO	ILL	60637
5711 1/2 S	5711 1/2 S	CHICAGO	ILL	60637
3725 1/2 S	3725 1/2 S	CHICAGO	ILL	60637

THE MORTGAGOR COVENANTS:

A. (1) To pay said indebtedness and the interest thereon as herein and in said Note provided, or according to any agreement extending the time of payment thereof; (2) To pay when due, and before any penalty attaches thereto all taxes, special taxes, special assessments, water charges, and sewer service charges against said property (including those hereinafter due), and to furnish Mortgagee, upon request, duplicate receipts therefor, and all such items extended against said property shall be conclusively deemed valid for the purpose of this requirement; (3) To keep the improvements now or hereafter upon said premises insured against damage by fire, and such other hazards as the Mortgagee may require to be insured against, and to provide paid by liability insurance and such other insurance as the Mortgagee may require, until said indebtedness is fully paid, or in case of foreclosure, until expiration of the period of redemption; for the full insurable value thereof, in order to complete and in such form as shall be satisfactory to the Mortgagee, and the insurance policy shall remain with the Mortgagee during said period or periods, and a separate clause and receipt payable to the Mortgagee, and in case of foreclosure sale payable to the owner of the certificate of sale, owner of any deficiency, any receiver or redemptioneer, or any grantee in a Master's or Commissioner's deed, and in case of loss under such policies, the Mortgagee is authorized to adjust, collect and compromise in its discretion all claims thereunder and to execute and deliver on behalf of the Mortgagee all necessary proofs of loss, receipts, vouchers, releases and acquittances required to be signed by the insurance companies, and the Mortgagee agrees to sign, upon demand, all receipts, vouchers and releases required of it to be signed by the Mortgagee for such purpose; and the Mortgagee is authorized to apply the proceeds of any insurance claim to the restoration of the property or upon the indebtedness hereby secured in its discretion, but monthly payments shall continue and said indebtedness is paid in full; (4) Immediately after destruction or damage, to commence and promptly complete the rebuilding or restoration of buildings and improvements now or hereafter on said premises, unless Mortgagee elects to apply on the indebtedness secured hereby by the proceeds of any insurance covering an interest in, or damage to, the property; (5) To keep said premises in good condition and repair, without waste, and free from any use, habit, or other lien or claim of lien not expressly subordinated to the benefit of, (6) To comply with the covenants of any lease if this Mortgage is on a leasehold; (7) To perform all obligations under any declaration, covenant, by-laws, regulations, and consistent documents governing said premises if the Mortgage is on a condominium of a planned unit development; (8) Not to make, suffer or permit any unlawful use of or any nuisance to exist on said property nor to diminish or impair its value by any act or omission to act; (9) To comply with all requirements of law with respect to mortgaged premises and the use thereof; (10) Not to make, suffer or permit, without the written permission of the Mortgagee, any change of first and obtained; (a) any use of the property for any purpose other than that for which it is now used, (b) any alterations, additions, demolition, removal or sale of any improvements, apparatus, appliances, fixtures or equipment now or hereafter upon said property, (c) any purchase on conditional sale, lease or agreement under which title is reserved in the vendor, or any apparatus, fixtures or equipment to be placed in or upon any buildings or improvements on said property, (d) any sale, assignment or transfer of any right title or interest in any part of any part thereof; (11) Not to accept or acknowledge without the written consent of the Mortgagee being first had and obtained any claim or claim of lien not expressly subordinated to the benefit of the above numbered trust; (12) To complete within a reasonable time any building or improvements now or at any time in process of erection upon the said premises; (13) To appear in and defend any proceeding which in the opinion of the Mortgagee affects its security hereunder, and to pay all costs, expenses and attorney's fees incurred or paid by the Mortgagee in any proceeding in which it may be made a party defendant by reason of this mortgage.

B. That in case of failure to perform any of the covenants herein, Mortgagee may do on Mortgagee's behalf everything so authorized, that said Mortgagee may also do any act it may deem necessary to protect the lien hereof; that Mortgagee will repay upon demand any moneys paid or disbursed by Mortgagee for any of the above purposes and such moneys together with interest thereon at eight per cent (8%) per annum shall become so much additional indebtedness secured by this Mortgage with the same priority as the original indebtedness and may be recovered by any decree for closing this Mortgage and be paid out of the rents or proceeds of sale of said premises if not otherwise paid; that it shall not be obligatory upon the Mortgagee to open into the validity of any lien, encumbrance or claim in advancing moneys as above authorized, but nothing here contained shall be construed as requiring the Mortgagee to advance any moneys for any purpose not directly or indirectly, and the Mortgagee shall not incur any personal liability because of anything it may do or omit to do hereunder.

C. That it is the intent hereof to secure payment of said Note whether the entire amount shall have been advanced to the Mortgagee at the date hereof or a later date, or having been advanced, shall have been repaid in part and further advances made at a later date.

D. That in the event the ownership of said property or any part thereof becomes vested in a person other than the Mortgagee, the Mortgagee may, without notice to the Mortgagee, deal with such successors in interest with reference to this Mortgage and the debt hereby secured in the same manner as with the Mortgagee, and may forbear to sue, or may extend time for payment of the debt, secured hereby, without discharging or in any way affecting the liability of the Mortgagee hereunder or upon the debt hereby secured.