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Cook County Recorder 37.00

THIS INSTRUMENT PREPARED BY
AND AFTER RECORDING MAIL
TO:



Chicago Community Loan Fund
111 W. Washington Street
Suite 1221
Chicago, IL 60602

209777

THIS MORTGAGE ("Security Instrument") is given on June 14, 2001. The mortgagors are JEROME GREEN and JENNIFER GREEN, husband and wife, (individually and collectively, "Mortgagor"). This Security Instrument is given to Chicago Community Loan Fund, which is organized and existing under the laws of the State of Illinois and whose address is 111 West Washington Street, Suite 1221, Chicago, IL 60602 ("Lender").

THIS SECURITY INSTRUMENT secures to Lender: (a) the repayment of the debt evidenced by the Promissory Note dated June 14, 2001 evidencing debt of \$15,820.34 ("Note"), with interest, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 4 to protect the security of this Security Instrument; and (c) the payment and performance of all other obligations of Borrower and Mortgagor under this Security Instrument and the Note and the other Loan Documents. For this purpose, Mortgagor does hereby mortgage, grant and convey to Lender the following described property located in Cook County, Illinois, **hereby releasing and waiving all rights under and by virtue of the homestead exemption laws of the State of Illinois:**

THE WEST 30 FEET OF THE EAST 35 FEET OF LOT 2 IN LAFLIN'S SUBDIVISION OF LOTS B, C, D, E AND F IN HIGGINS, LAFLIN AND FURBERS SUBDIVISION OF THAT PART WEST OF VINCENNES AVENUE OF THE NORTH HALF OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

which has the address of 445 EAST 42ND STREET, CHICAGO, Illinois 60653 ("Property Address");

TOGETHER WITH all improvements now or hereafter situated on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

MORTGAGOR COVENANTS that Mortgagor is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property, and that the Property is unencumbered, except for encumbrances of record on the date hereof. Mortgagor warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record on the date hereof.

Box 430

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COVENANTS. Mortgagor and Lender covenant and agree as follows:

1. **Charges; Liens.** Mortgagor shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument. Mortgagor shall pay these obligations in the manner provided in the First Mortgage (as such term is herein after defined), or if not paid in that manner, Mortgagor shall pay them on time directly to the person owed payment. Mortgagor shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. Mortgagor shall promptly furnish to Lender receipts evidencing the payments.

Mortgagor shall promptly discharge any lien which has priority over this Security Instrument (other than the First Mortgage (as such term is hereinafter defined)) unless Mortgagor: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument (other than the First Mortgage (as such term is hereinafter defined)), Lender may give Mortgagor notice identifying the lien. Mortgagor shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

2. **Hazard or Property Insurance.** Mortgagor shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Mortgagor subject to Lender's approval which shall not be unreasonably withheld. If Mortgagor fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 4.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause in favor of Lender. Lender shall have the right to hold the policies and renewals. If Lender requires, Mortgagor shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Mortgagor shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Mortgagor.

Unless Lender and Mortgagor otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Mortgagor. If Mortgagor abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

If under the Property is acquired by Lender pursuant to the enforcement of Lender's rights hereunder, Mortgagor's right to any insurance policies and proceeds resulting from damage to the

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Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

Unless Mortgagor provides Lender with evidence reasonably satisfactory to Lender of the insurance coverage required by this Security Instrument, Lender may purchase insurance at Mortgagor's expense to protect Lender's interest in the Property. This insurance may, but need not, protect Mortgagor's interest in the Property. The coverage purchased by Lender may not pay any claim made by Mortgagor or any claim made against Mortgagor in connection with the Property. Mortgagor may later cancel any insurance purchased by Lender, but only after providing Lender with evidence reasonably satisfactory to Lender that Mortgagor has obtained insurance as required by this Security Instrument. If Lender purchases insurance for the Property, Mortgagor will be responsible for the costs of that insurance and any other charges imposed by Lender in connection with the placement of insurance, until the effective date of the cancellation or expiration of such insurance. The costs of insurance shall be secured by this Security Instrument. It is understood and agreed that the costs of insurance obtained by Lender may be more than the costs of insurance Mortgagor may be able to obtain on its own.

The provisions of this paragraph 2 are subject to the rights of holder of the First Mortgage (as such term is hereinafter defined).

3. **Occupancy, Preservation, Maintenance and Protection of the Property.** Mortgagor shall occupy the Property as Mortgagor's principal residence, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Mortgagor's control. Mortgagor shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property.

4. **Protection of Lender's Rights in the Property.** If Mortgagor fails to perform the covenants and agreements contained in this Security Instrument, or there is a default under the First Mortgage (as such term is hereinafter defined), or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations or an action to foreclose the lien of the First Mortgage (as such term is hereinafter defined)), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by the First Mortgage (as such term is hereinafter defined), any other lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 4, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 4 shall become additional indebtedness secured by this Security Instrument. Unless Mortgagor and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement and shall be payable, with interest, upon notice from Lender to Mortgagor requesting payment.

5. **Inspection.** Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Mortgagor notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

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6. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a taking (whether partial or total) of the Property, unless Mortgagor and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Mortgagor.

If the Property is abandoned by Mortgagor, or if, after notice by Lender to Mortgagor that the condemnor offers to make an award or settle a claim for damages, Mortgagor fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

The provisions of this paragraph 6 are subject to the rights of holder of the First Mortgage (as such term is hereinafter defined).

7. **Waivers and Agreements.** To the extent permitted by applicable law, Mortgagor hereby waives: (a) presentment for payment, demand, protest, notices of default, non-payment or partial payments, and notice thereof as to any instrument, prosecution of collection or remedies against Borrower or against any security or collateral, and all other notices and demands to which Mortgagor might be entitled, including notice of any of the following: the acceptance of this Security Instrument; the creation, existence or acquisition of any obligations secured hereby; the amount of the obligations secured hereby from time to time outstanding; any adverse change in Borrower's financial position; any other fact which might increase the risk of Lender's exercise of remedies hereunder; any default, partial payment or non-payment of the obligations secured hereby; and any and all agreements and arrangements between Lender and Borrower, and any changes, modifications or extensions thereof; (b) any right to require Lender to institute suit against, or to exhaust its rights and remedies against, Borrower or any other person, or to proceed against any property, real, personal or mixed, tangible or intangible, which secures all of or any part of the obligations secured hereby, or to exercise any right of offset or other right with respect to any reserves or credits held by Lender, or to exercise any other right or power, or pursue any other remedy Lender may have; (c) any defense arising by reason of any disability or other defense of any endorser, co-maker or other person; and (d) any and all present and future rights of subrogation, reimbursement, indemnification, exoneration, contribution or any other claim which it may now or hereafter have against Borrower or any other person or entity directly or contingently liable for any of the obligations secured hereby, or against, or with respect to, Borrower's property, arising from the existence or enforcement of this Security Instrument or relating to any claim which could now or hereafter cause Mortgagor to be deemed a "creditor" of Borrower or any such other person or entity within the meaning of Section 101(9) of the Bankruptcy Code, 11 U.S.C. § 101, *et. seq.*, as the same may from time to time be amended or replaced in whole or in part.

Mortgagor hereby consents and agrees that, without notice to Mortgagor and without affecting or impairing in any way the obligations of Mortgagor hereunder, Lender may do any one or more of the following in Lender's sole and absolute discretion: (a) accelerate, accept partial payments of, compromise or settle, renew, extend the time for the payment, discharge, refuse to enforce, and release all or any parties to, any or all of the obligations secured hereby; (b) grant any other indulgence to Borrower

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or any other person in respect of any or all of the obligations secured hereby, or any other matter; (c) accept, release, waive, surrender, enforce, exchange, modify, impair or extend the time for the performance, discharge or payment of the obligations secured hereby or any property, real, personal or mixed, tangible or intangible, securing any or all of the obligations secured hereby, or any guaranty of any or all of the obligations secured hereby, or refuse to enforce its rights or make any compromise or settlement or agreement therefor in respect of any or all of such property; (d) release, substitute or add any endorser of all or any part of the obligations secured hereby; (e) amend, alter or change in any respect whatsoever any term or provision relating to any or all of the obligations secured hereby; (f) apply any sums received from any party to any obligations secured hereby whatsoever in any order; and (g) exercise or refrain from exercising any right or remedy it may have with respect to any or all of the obligations secured hereby or any property, real, personal or mixed, tangible or intangible, securing any or all of the obligations secured hereby or any guaranty thereof, including but not limited to judicial foreclosure, exercise of a power of sale, and taking a deed, assignment or transfer in lieu of foreclosure as to any such property, and no such action or proceeding shall affect the liability of Mortgagor hereunder notwithstanding the effect of any such action or proceeding upon any of Mortgagor's rights of subrogation against Borrower, whether by operation of law or statute or otherwise. Mortgagor consents and agrees that Lender shall be under no obligation to marshal any assets in favor of Mortgagor, or against or in payment of any or all of the obligations secured hereby.

Mortgagor is fully aware of the financial condition of Borrower and is executing and delivering this Security Instrument based solely upon Mortgagor's own independent investigation of all matters pertinent hereto and is not relying in any manner upon any representation or statement of Lender. Mortgagor represents and warrants that Mortgagor is in a position to obtain, and Mortgagor hereby assumes full responsibility for obtaining, any additional information concerning Borrower's financial condition and any other matter pertinent to Mortgagor's obligations under this Security Instrument as Mortgagor may desire, and Mortgagor is not relying upon or expecting Lender to furnish to Mortgagor any information now or hereafter in Lender's possession concerning the same or any other matter. By executing this Security Instrument, Mortgagor knowingly acknowledges and accepts the full range of risks encompassed herein. Mortgagor shall have no right to require Lender to obtain or disclose any information with respect to the obligations secured hereby, the financial condition or character of Borrower's ability to pay the obligations secured hereby, the existence of any collateral or security for any or all of the obligations secured hereby, the existence or non-existence of any other guaranties of all or any part of the obligations secured hereby, any action or non-action on the part of Lender, Borrower or any other person, or any other matter, fact or occurrence whatsoever.

Mortgagor hereby acknowledges that: (a) the obligations secured hereby are complex in nature, (b) numerous possible defenses to the enforceability of these obligations may presently exist, and/or may arise hereafter, (c) as part of the consideration for entering into the transaction contemplated by the Note, Lender has specifically bargained for the waiver and relinquishment by Mortgagor of all such defenses, and (d) Mortgagor has had the opportunity to seek and receive legal advice from skilled legal counsel in the area of financial transactions of the type contemplated by the Loan Agreement. Given all of the above, Mortgagor does hereby represent and confirm to Lender that Mortgagor is fully informed regarding, and that Mortgagor does thoroughly understand, (i) the nature of all such possible defenses, (ii) the circumstances under which such defenses may arise, (iii) the benefits which such defenses might confer upon Mortgagor, and (iv) the legal consequences to Mortgagor of waiving such defenses. Mortgagor acknowledges that Mortgagor makes this Security Instrument with the intent that this Security

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Instrument and all of the informed waivers herein shall each and all be fully enforceable by Lender, and that Lender is induced to enter into the transactions contemplated by the Note in material reliance upon the presumed full enforceability thereof.

Mortgagor waives the right to interpose counterclaims or set-offs of any kind and description in any litigation arising out of or relating to this Security Instrument. Lender shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies hereunder and no waiver shall be valid unless in writing, signed by Lender and then only to the extent therein set forth. The waiver by Lender of any right or remedy hereunder on any occasion shall not be construed as a bar to any right or remedy which Lender would otherwise have had on any future occasion.

8. **Successors and Assigns Bound; Joint and Several Liability.** The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Mortgagor, subject to the provisions of paragraph 11. Mortgagor's covenants and agreements shall be joint and several.

9. **Notices.** Any notice to Mortgagor provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Mortgagor designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Mortgagor. Any notice provided for in this Security Instrument shall be deemed to have been given to Mortgagor or Lender when given as provided in this paragraph.

10. **Governing Law; Severability.** This Security Instrument shall be governed by the law of the State of Illinois. In the event that any provision or clause of this Security Instrument conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument are declared to be severable.

11. **Transfer and Encumbrances.** Mortgagor shall not convey, assign, sell, transfer, pledge or further encumber all or any part of the Property or any interest therein without Lender's prior written consent.

12. **Hazardous Substances.** Mortgagor shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Mortgagor shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, storage on the Property of small quantities of Hazardous Substance that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Mortgagor shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Mortgagor has actual knowledge. If Mortgagor learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Mortgagor shall promptly take all necessary remedial actions in accordance with Environmental Law.

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As used in this paragraph 12, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 12, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

13. **Events of Default.** For purposes of this Security Instrument, the occurrence of any one or more of the following shall constitute a "Default" as term is used herein, and any Default which may occur hereunder shall constitute a Default under each of the other Loan Documents:

- a) Any default shall occur in the due and punctual payment of principal on the Note when and as the same becomes due; or any default shall occur in the due and punctual payment of interest on the Note when and as the same shall become due, which default continues for a period of ten (10) days;
- b) Any failure of Borrower for a period of thirty (30) days (except as to Defaults specified elsewhere in this Section or where a longer or shorter period is specified herein or in the other Loan Documents for a particular default) after written notice from Lender to Borrower to observe or perform any of the covenants of Borrower under the terms of this Mortgage or of the other Loan Documents except payment of the Note;

14. **Foreclosure.** When the obligations secured hereby shall become due, whether by acceleration or otherwise, Lender shall have the right to foreclose the lien hereof in accordance with the Illinois Mortgage Foreclosure Act, 735 ILCS 5/15-1101 (the "Act") and to exercise any other remedies of Lender provided in this Security Instrument or any other Loan Document or which Lender may have at law, at equity or otherwise. In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness secured hereby in the decree of sale, all expenditures and expenses which may be paid or incurred by or on behalf of Lender for attorney's fees, appraiser's fees, outlays for documentary and expert evidence, stenographer's charges, publication costs, costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, and similar data and assurance with respect to title as Lender may deem reasonably necessary either to prosecute such suit or to evidence to bidders at sales which may be had pursuant to such decree the true conditions of the title to or the value of the Property, and any other expenses and expenditures which may be paid or incurred by or on behalf of Lender and permitted by the Act to be included in such decree. All expenditures and expenses of the nature mentioned in this paragraph 14, and such other expenses and fees as may be incurred in the protection of the Property and the maintenance of the lien of this Security Instrument, including the fees of any attorney employed by Lender in any litigation or proceedings affecting this Security Instrument or the Property, including probate and bankruptcy proceedings, or in preparation of the commencement or defense of any proceedings or threatened suit or proceeding, or otherwise in dealing specifically therewith, shall be so much additional indebtedness secured hereby and shall be immediately due and payable by Mortgagor.

15. **Application of Foreclosure Sale Proceeds.** Except to the extent otherwise required by the Act, the proceeds of any foreclosure sale of the Property shall be applied to the obligations secured hereby in such order as Lender shall elect, and any surplus shall be paid to Mortgagor and its successors and assigns, as their rights may appear.

16. **Sale of Loans.** Lender may, without notice, sell, assign or transfer all of its right, title and interest as Lender under the Note and the other Loan Documents or all or its right, title and interest in and to the obligations secured hereby at any time, and in such event each and every immediate and successive assignee or transferee of such right, title and interest of Lender shall have the right to enforce this Security Instrument by suit or otherwise for the benefit of such assignee or transferee.

17. **Release.** Upon termination of Lender's commitment under the Note and payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument.

18. **Subordination.** This Security Instrument is subject and subordinate to that certain Mortgage dated March 25, 1999 executed by Mortgagor in favor of First Chicago NBD Mortgage Company (the "First Mortgage"); and to that certain Assignment of Mortgage dated October 2, 1999 in favor of Mortgage Electronic Registration Systems, Inc.; and to that certain Equity Credit Line Mortgage dated October 25, 1995 in favor of The First National Bank of Chicago and subordinated by that certain Subordination Agreement dated April 2, 1999 and modified by that certain Amendment to Mortgage dated April 6, 1999. Lender may, but shall have no obligation to, cure any default or event of default under the First Mortgage. Any sums expended by Lender to cure defaults or events of default under the First Mortgage shall be treated as additional indebtedness secured hereby and shall be payable by Mortgagor upon demand. In addition to and not in lieu of the foregoing, to the extent that any sums are expended by Lender to make any payments or perform any obligations owed by Mortgagor under the First Mortgage, Lender shall be subrogated to all of the rights, claims, liens, titles and interests of the South Shore Bank of Chicago against the Property to secure such payments and such obligations, and those rights, claims, liens, titles and interests shall not be waived but rather shall be continued in full force and effect in favor of Lender and shall be held in addition to the lien and security interest created hereby as cumulative security for the repayment of the indebtedness and the satisfaction of the obligations secured hereby. Mortgagor shall not renew, rearrange, modify, extend or otherwise amend the First Mortgage or attempt to do any of the foregoing without the prior written consent of Lender. Copies of any and all notices of default under the First Mortgage and notice of the exercise by South Shore Bank of Chicago of any remedies relating to such defaults that are delivered to Mortgagor shall be forwarded to Lender at its address for notice hereunder within five (5) days after the receipt thereof.

