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2002-10-31 15:33:01
Cook County Recorder 48.00



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RETURN TO BOX 183

Project Number: 0718400074

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**JUNIOR MORTGAGE
HOME INVESTMENT PARTNERSHIPS PROGRAM**

THIS JUNIOR MORTGAGE is given on October 31, 2002. The mortgagor is Oak Forest Horizon Limited Partnership, an Illinois limited partnership, whose address is 4200 W. Peterson, Chicago, Illinois 60646 ("Borrower"). This Junior Mortgage is given by the Borrower to the County of Cook, Illinois, a body politic and corporate which is organized and existing under the laws of Illinois, and whose address is 69 West Washington, Department of Planning and Development, Suite 2900, Chicago, Illinois 60602 ("Lender"). Borrower owes Lender the initial principal sum of Two Million and no/100 U.S. Dollars (\$2,000,000.00), and for any additional principal loan amount advanced under the HOME Investment Partnerships Loan Agreement ("Loan Agreement") bearing the same date as this Junior Mortgage.

This debt is evidenced by Borrower's Note ("Note") dated the same date as this Junior Mortgage, which provides for monthly payments, with the full debt, if not paid earlier, due and payable on the sale, transfer, or alienation of the Property mortgaged by this Junior Mortgage. This Junior Mortgage secures to Lender: (a) the repayment of the debt evidenced by the Note and the Loan Agreement, with interest and all renewals,

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extensions and modifications of the Note and the Loan Agreement; (b) the payment of all other sums, with interest, advanced to protect the security of this Junior Mortgage; (c) the performance of Borrower's covenants and agreements under this Junior Mortgage, the Note and the Loan Agreement and other related loan documents; and (d) Borrower's compliance with the provisions of the HOME Investment Partnerships Program, 24 CFR, Part 92, as amended, ("HOME Program") and all applicable laws, ordinances, rules, regulations, Office of Management and Budget circulars and executive orders applicable to the HOME Program. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the real property located at the corner of 149th and Cicero Avenue in Oak Forest, Cook County, Illinois legally described in Exhibit A attached hereto and made a part hereof.

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, claims or demands with respect to insurance, any and all awards made for the taking by eminent domain, water rights and stock and all fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Junior Mortgage. All of the foregoing is referred to in this Junior Mortgage as the "Property".

BORROWER COVENANTS that Borrower 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. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record. There is a senior mortgage from Borrower to the Illinois Housing Development Authority (through its Risk Sharing Program), whose address is 401 North Michigan Avenue, Suite 900, Chicago, Illinois 60611 ("Senior Lender") dated as of October 31, 2002 and recorded 0021206087 as Document Number _____, to which this Junior Mortgage is at all times subject and subordinate and this Junior Mortgage may not be subordinated to any other liens. There is also a junior mortgage: ("Third Mortgage") from Borrower to the Illinois Housing Development Authority (through its Trust Fund Program), whose address is 401 North Michigan Avenue, Suite 900, Chicago, Illinois 60611 ("Third Lender") dated as of October 31, 2002 and recorded _____ as Document Number _____. There is additional funding in the amount of \$150,000, from the Alden Foundation "Alden AHP Funding," whose address is 4200 W. Peterson, Chicago, Illinois 60646, to the Borrower. The Third Mortgage and the Alden AHP Funding are permitted exceptions.

COVENANTS. Borrower and Lender covenant and agree as follows:

1. **Payment of Principal and Interest.** Borrower shall promptly pay when due the principal and interest on the debt evidenced by the Note and the Loan Agreement.

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2. Application of Payments. All payments received by Lender shall be applied first to interest, then to other charges, and then to principal.

3. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property, and leasehold payments or ground rents, if any. Upon Lender's request, Borrower shall make these payments directly, and upon Lender's request, promptly furnish to Lender receipts evidencing the payments.

Borrower shall pay, or cause to be paid, when due and payable all taxes, assessments, water charges, sewer charges, license fees and other charges against or in connection with the Property and shall, upon request, promptly furnish to Lender duplicate receipts.

Borrower may, in good faith and with due diligence, contest the validity or amount of any such taxes or assessments, provided that (a) Borrower shall notify Lender in writing of the intention of Borrower to contest the same before any tax or assessment has been increased by any interest, penalties or costs, (b) Borrower shall first make all contested payments, under protest if Borrower desires, unless such contest shall suspend the collection thereof, or obtain full title insurance coverage over such taxes, (c) neither the Property nor any part thereof or interest therein are at any time in any danger of being sold, forfeited, lost or interferred with, and (d) Borrower shall furnish such security as may be required in the contest or as reasonably requested by Lender.

4. Hazard Insurance. Borrower 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 Borrower subject to Lender's approval which shall not be unreasonably withheld. If Borrower 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 6.

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

Unless Lender and Borrower 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, Lender's security is not lessened and Borrower is not in default under this Junior Mortgage, the Note, the Loan Agreement or other related loan documents for any period beyond the date by which Borrower is required to cure such default as set forth in Lender's notice of default to Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance

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proceeds shall be applied to the sums secured by this Junior Mortgage, whether or not then due with any excess paid to Borrower and no such application shall require any prepayment charge or payment. If Borrower 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 Junior Mortgage, whether or not then due. The 30-day period will begin when the notice is given.

If under paragraph 19 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Junior Mortgage immediately prior to the acquisition.

5. Preservation and Maintenance of Property; Construction under Rehabilitation Project; Borrower's Application; Leaseholds. Borrower shall not destroy, damage, substantially change the Property other than as set forth in the Plans and Specifications as defined in the Loan Agreement executed this same date, allow the Property to deteriorate, or commit waste. Borrower shall maintain the Property in compliance with applicable municipal codes and with Property standards under the HOME Investment Partnerships Program, 24 CFR Part 92. §92.251, or as amended. Borrower shall complete on or before the construction deadline contained in the Loan Agreement for the Project any building or buildings now or at any time in process of erection, construction, alteration, repair or rehabilitation upon said Property. Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Junior Mortgage or Lender's security interest. Borrower may cure such a default and reinstate, as provided in paragraph 16, by causing the action or proceeding to be dismissed with a ruling that, in Lender's good faith determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Junior Mortgage or Lender's security interest. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loans evidenced by the Note and Loan Agreement. If this Junior Mortgage is secured by a leasehold interest, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

6. Protection of Lender's Rights in the Property. If Borrower fails to perform the covenants and agreements contained in this Junior Mortgage, the Note, the Loan Agreement or other related loan documents or fails to comply with the provisions of the HOME Program, 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 to enforce laws or regulations), then Lender may do and pay for whatever is necessary to

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protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Junior Mortgage, appearing in court, paying reasonable attorneys' fees, and entering on the Property to make repairs. Although Lender may take action under this paragraph, Lender does not have to do so.

Any amount disbursed by Lender under this paragraph shall become additional debt of Borrower secured by this Junior Mortgage. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

As additional security hereunder the Borrower hereby assigns to Lender the rents of the Property, provided that the Borrower shall, prior to acceleration under this Mortgage hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

7. Inspection. The Lender shall have the right to inspect or may cause the inspection of the Property at all reasonable times upon prior reasonable notice and access thereto shall be permitted for that purpose.

8. Condemnation. Subject to the rights of any Senior Lender, 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 total taking of the Property, the proceeds shall be applied to the sums secured by this Junior Mortgage, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the proceeds shall be paid to the Lender and the sums secured by this Junior Mortgage shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower 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 Junior Mortgage, whether or not then due.

Notwithstanding anything herein to the contrary, unless Lender and Borrower otherwise agree in writing, condemnation proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible, Lender's security is not lessened and Borrower is not in default under this Junior Mortgage, the Note or the Loan Agreement or any other related loan documents for any period beyond the date by which Borrower is required to cure such default as set forth in Lender's notice of default to Borrower. If the restoration or repair is not economically feasible, or Lender's

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security would be lessened, the condemnation proceeds shall be applied to the sums secured by this Junior Mortgage, whether or not then due with any excess paid to Borrower and no such application shall require any prepayment charge or payment.

9. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Junior Mortgage granted by Lender to any successor in interest of the Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Junior Mortgage by reason of any demand made by the original Borrower or Borrower's successors in interest. A waiver in one or more instances of any of the terms, covenants, conditions or provisions hereof, or of the Note, the Loan Agreement, or any other related loan documents or any part thereof, shall apply to the particular instance or instances and at the particular time or times only, and no such waiver shall be deemed a continuing waiver but all of the terms, covenants, conditions and other provisions of this Junior Mortgage and of the Note and Loan Agreement or any other related loan documents shall survive and continue to remain in full force and effect. No waiver shall be asserted against Lender unless in writing signed by Lender.

10. Successors and Assigns Bound; Joint and Several Liability; Co-Signers. The covenants and agreements of this Junior Mortgage shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 15. If there is more than one party as Borrower, each of Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Junior Mortgage but does not execute the Note or Loan Agreement: (a) is co-signing this Junior Mortgage only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Junior Mortgage; (b) is not personally obligated to pay the sums secured by this Junior Mortgage; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Junior Mortgage, the Note or the Loan Agreement without that Borrower's consent. This instrument is nonrecourse against any partner of the Borrower in its capacity as partner.

This instrument is nonrecourse against the Borrower.

11. Loan Charges. If the loan secured by this Junior Mortgage is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower.

Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

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12. Notices. Any notice provided for in this Junior Mortgage shall be deemed to have been given by delivering it or 3 days after mailing it by certified mail, postage prepaid, return receipt requested unless applicable law requires use of another method. The notice shall be directed to the persons/entities set forth in the Loan Agreement or any other address Borrower or Lender designates by notice to the other.

13. Governing Law; Severability. This Junior Mortgage shall be governed by federal law and the law of Illinois. In the event that any provision or clause of this Junior Mortgage or the Note or Loan Agreement or any other related loan documents conflicts with applicable law, such conflict shall not affect other provisions of this Junior Mortgage or the Note or Loan Agreement or any other related loan documents which can be given effect without the conflicting provision. To this end, the provisions of this Junior Mortgage and the Note or Loan Agreement or any other related loan documents are declared to be severable.

14. Assignment by Lender. Lender may assign all or any portion of its interest hereunder and its rights granted herein and in the Note and Loan Agreement to any governmental entity, or to any person, trust, financial institution or corporation as Lender may determine and upon such assignment, such assignee shall thereupon succeed to all the rights, interests, and options of Lender herein and in the Note and Loan Agreement, and Lender shall thereupon have no further obligations or liabilities thereunder.

15. Transfer of the Property or a Beneficial Interest in Borrower; Due on Sale. If all or any part of the Property or any interest in it is sold or transferred or otherwise alienated (or if a beneficial interest in Borrower, except for an interest in limited partner, is sold or transferred) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Junior Mortgage, in accordance with the Note, Security Agreement and all other related loan documents.

If Lender exercises this option, Lender shall give Borrower notice of acceleration if applicable. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Junior Mortgage. If Borrower fails to pay these sums when due, Lender may invoke any remedies permitted by this Junior Mortgage, the Note, the Security Agreement, Loan Agreement and all other related loan documents without further notice or demand on Borrower.

16. Borrower's Right to Reinstate. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Junior Mortgage discontinued at any time prior to the entry of a judgment enforcing this Junior Mortgage. Those conditions are that the Borrower: (a) pays Lender all sums which then would be due under this Junior Mortgage, the Note, the Security Agreement, the Loan Agreement and all other related loan documents had no acceleration occurred; (b) cures any default of any other covenants or agreements or provisions contained in this Junior Mortgage, the Note, the Security Agreement, the Loan Agreement, all other related loan documents or the HOME

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Program; (c) pays all expenses incurred in enforcing this Junior Mortgage, including, but not limited to, attorneys' fees; (d) takes such action as Lender may reasonably require to assure that the lien of this Junior Mortgage, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Junior Mortgage shall continue unchanged; and (e) not use the provision more frequently than once every five years. Upon reinstatement by Borrower, this Junior Mortgage and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraph 15.

17. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower 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 or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower 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 Borrower has actual knowledge. If Borrower 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, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 17, "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 17, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

18. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement or provision in this Junior Mortgage, the Note, the Security Agreement, the Loan Agreement all other related loan documents or the HOME Program (but not prior to acceleration under Paragraph 15 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Junior Mortgage, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate, if applicable, after acceleration and the right to assert in the foreclosure proceeding the nonexistence of a default or any other defense of Borrower to

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acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Junior Mortgage without further demand and may foreclose this Junior Mortgage by judicial proceeding. Lender shall be entitled to collect all expenses incurred in proceedings pursuing the remedies provided in this Paragraph 18 including, but not limited to, attorneys' fees and costs of title evidence.

19. Lender in Possession. Upon acceleration under Paragraph 18 or abandonment of the property and at any time prior to the expiration of any period of redemption following judicial sale, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of, and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Junior Mortgage. Nothing herein contained shall be construed as constituting Lender a mortgagee in possession in the absence of the taking of actual possession of the Property by Lender pursuant to this Paragraph 20. In the exercise of the powers herein granted Lender, no liability shall be asserted or enforced against Lender, all such liability being expressly waived and released by Borrower.

20. Release. Upon payment of all sums secured by this Junior Mortgage, Lender shall release this Junior Mortgage without charge to Borrower. Borrower shall pay all costs of recordation if any.

21. Waiver of Homestead. Borrower waives all right of homestead exemption in the Property.

22. No Offsets by Borrower. No offset or claim that Borrower now has or may have in the future against Lender shall relieve Borrower from paying any amounts due under the Note, the Loan Agreement, the Security Agreement, this Junior Mortgage, all other related loan documents or from performing any other obligations contained therein.

23. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Junior Mortgage, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Junior Mortgage as if the rider(s) were a part of this Junior Mortgage.

24. Incorporation of Note, Security Agreement, Loan Agreement, All Other Related Loan Documents and HOME Investment Partnerships Program. The covenants or agreements of the Loan Agreement, the Note, the Security Agreement and all other related loan documents are incorporated herein. The provisions of the HOME Program, as amended, are incorporated herein as are the laws, ordinances, rules, regulations, Office of Management and Budget circulars and executive orders which are applicable to the HOME Program. A failure to comply with any covenant or agreement or provision of this Junior Mortgage, the Loan Agreement, the Security Agreement, the Note, all other

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related loan documents or the HOME Program is a default. All remedies provided for in this Junior Mortgage, the Loan Agreement or the Note are distinct and cumulative to any other right or remedy under this Junior Mortgage, the Loan Agreement, the Note or afforded by law or equity and may be exercised concurrently, independently, or successively.

25. Acknowledgment of Debt. Borrower shall furnish from time to time within fifteen (15) days after Lender's written request, a written statement, duly acknowledged, setting forth the amount secured by this Junior Mortgage and whether any alleged offsets or defenses exist against the indebtedness secured by this Junior Mortgage.

26. Evidence of Real Estate Tax and Insurance Payments. Lender may or may not require that an escrow for payment of real estate taxes and insurance premiums be maintained. If Lender requires such an escrow be maintained, Lender shall pay real estate taxes and insurance premiums with the funds in the escrow. The Borrower must place funds, within thirty (30) days of receiving notice from the Lender, in an escrow account acceptable to the Lender for the payment of real estate taxes and insurance premiums. The amount to be deposited in such account shall be determined by the Lender on the basis of current data and reasonable estimates of expenditures of future escrow items or otherwise in accordance with applicable law. Also, at the option of the Lender, additional monthly deposits may be required to be made by the Borrower. If the amount of the funds held in escrow at any time is not sufficient to pay the escrow items when due, Borrower shall place in escrow the amount necessary to make up the deficiency. Borrower agrees that all documents and information pertaining to this account will be available to the Lender and HUD upon request.

If, however, Lender does not require such an escrow, notwithstanding any other provision contained within this Junior Mortgage, Borrower, shall, within thirty (30) days prior to expiration of Borrower's insurance policy, submit to Lender evidence of its annual payment renewing all of the insurance required herein. In addition, Borrower shall, upon receipt of its real estate tax bill, immediately forward a copy to Lender. Borrower shall, within ten (10) days from the date that such real estate taxes are due, submit to Lender evidence of full payment of the real estate taxes for that period due. In the event that Borrower obtains tax exempt status for the Property, Borrower shall, each year that the Junior Mortgage is in effect, submit proof of such status with Lender which shall satisfy Borrower's obligation under this paragraph. Borrower's failure to submit evidence of payment of insurance and real estate taxes or evidence of tax exempt status shall constitute a default under the terms of this Junior Mortgage, the Note and the Loan Agreement.

27. Prior Mortgage. Borrower shall not be in default of any provision of any prior mortgage beyond any applicable cure period.

28. Nonrecourse. Notwithstanding anything in this document to the contrary, the Loan is a nonrecourse obligation of Mortgagor. Except for losses, costs or damages incurred by Mortgagee for fraud, misrepresentation, or breach of the Environmental

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Indemnity Agreement, or any other related loan document, neither Mortgagor, nor any of its general or limited partners shall have personal liability for repayment of the Loan or any other amounts evidenced or secured by the Loan Documents. The limited partner of Mortgagor shall have no personal liability under any of the loan documents including the Environmental Indemnity Agreement. The sole recourse of Mortgagee under the Loan Documents shall be the exercise of its rights against the Project and the related security interests including rental proceeds.

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BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Junior Mortgage and in any rider(s) executed by Borrower and recorded with the Junior Mortgage.

Borrower: Oak Forest Horizon Limited Partnership
an Illinois Limited Partnership

By: Oak Forest Horizon, Inc.
an Illinois Corporation
it's General Partner

By: *Randi Schullo*
Randi Schullo

Title: President

Attest: *Anna Goldstein*

Title: Secretary

STATE OF ILLINOIS, Cook County ss:
I, ANNA GOLDSTEIN, a Notary Public in
and for said county and state, DO HEREBY CERTIFY, that Randi Schullo, Vice President
personally known to me to be the same person whose name is subscribed to the foregoing
instrument, appeared before me this day in person and acknowledged that she signed
and delivered said instrument as her free and voluntary act and as the free and
voluntary act of Oak Forest Horizon, Inc., for the uses and purposes therein set forth.

Given under my hand and official seal, this 29 day of
October, 2002.

My Commission expires: 12/29/05

Anna Goldstein

Notary Public

This Document Prepared By:
Margaret M. Smith, Assistant State's Attorney
Office of the State's Attorney of Cook County
500 Richard J. Daley Center
Chicago, Illinois 60602
(312) 603-7949
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EXHIBIT A

LEGAL DESCRIPTION:

Lots 1, 2 and the north half of lot 3 (except the east 17 feet therefrom of said lots) in block 24 in Arthur T. McIntosh's addition to Midlothian Farms, being a subdivision of the southwest quarter of the southeast quarter and the east half of the southeast quarter of section 9 and the west half of the southwest quarter and the west 33/80ths of the east half of the southwest quarter of section 10, township 36 north, range 13, east of the third principal meridian, in Cook County, Illinois.

PERMANENT INDEX NUMBER(S):

28-09-404-015 Vol. 25-2

28-09-404-078 Vol 25-2

COMMON STREET ADDRESS(ES): the Corner of 149th Street and Cicero Avenue, Oak Forest, Illinois

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