

MORTGAGE (ILLINOIS)

For Use With Note Form No. 1447

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09017463

THIS AGREEMENT, made September 13 1999, between  
ROBERT R. RICHTER and DOLORES J. RICHTER,

his wife

1424 Birch Drive, Mt. Prospect, IL. 60056

(No. and Street) (City) (State)

herein referred to as "Mortgagors," and The Village of Mount Prospect, A Municipal Corporation

100 S. Emerson Street, Mt. Prospect, IL. 60056,

(No. and Street) (City) (State)

herein referred to as "Mortgagee," witnesseth:

THAT WHEREAS the Mortgagors are justly indebted to the Mortgagee upon the installment note of even date herewith, in the principal sum of Twelve Thousand Forty Five and 50/100 DOLLARS

(\$ 12,045.50), payable to the order of and delivered to the Mortgagee, in and by which note the Mortgagors promise to pay the said principal sum and interest at the rate and in installments provided in

~~said note~~ with a final payment of the balance due on the SEE Page 4

~~note~~ Said principal shall be 12,045.50, ~~and~~ ~~any~~ ~~of~~ ~~said~~ ~~principal~~ ~~and~~ ~~interest~~ ~~thereon~~ payable at such place as the holders of the note may, from time to time, in writing appoint, and in absence of such appointment, then at the office of the Mortgagee at The Village of Mt. Prospect, 100 S. Emerson St., Mt. Prospect, IL. 60056

NOW, THEREFORE, the Mortgagors to secure the payment of the said principal sum of money and said interest in accordance with the terms, provisions and limitations of this mortgage, and the performance of the covenants and agreements herein contained, by the Mortgagors to be performed, and also in consideration of the sum of One Dollar in hand paid, the receipt whereof is hereby acknowledged, do by these presents CONVEY AND WARRANT unto the Mortgagee and the Mortgagee's successors and assigns, the following described Real Estate and all of their estate, right, title and interest therein, situate, lying and being in the

Village of Mt. Prospect, COUNTY OF Cook

IN STATE OF ILLINOIS, to wit:

Lot 116 in Elk Ridge Villa, Unit #3, being a Subdivision in the SW 1/4 of Section 14 and in the SE 1/4 of Section 15, all in Township 41 North, Range 11, East of the Third Principal Meridian according to the plat thereof registered in the Office of the Registrar of Titles of Cook County, Illinois on August 30, 1962, as Document #20522946 in Cook County, Illinois.

which, with the property hereinafter described, is referred to herein as the "premises,"

Permanent Real Estate Index Number(s): 08-14-306-022

Address(es) of Real Estate: 1424 Birch Drive, Mt. Prospect, Illinois 60056

TOGETHER with all improvements, tenements, easements, fixtures, and appurtenances thereto belonging, and all rents, issues and profits thereof for so long and during all such times as Mortgagors may be entitled thereto (which are pledged primarily and on a parity with said real estate and not secondarily) and all apparatus, equipment or articles now or hereafter therein or thereon used to supply heat, gas, air conditioning, water, light, power, refrigeration (whether single units or centrally controlled), and ventilation, including (without restricting the foregoing), screens, window shades, storm doors and windows, floor coverings, inador beds, awnings, stoves and water heaters. All of the foregoing are declared to be a part of said real estate whether physically attached thereto or not, and it is agreed that all similar apparatus, equipment or articles hereafter placed in the premises by Mortgagors or their successors or assigns shall be considered as constituting part of the real estate.

8/3/99

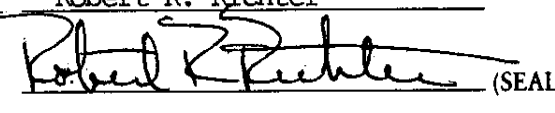
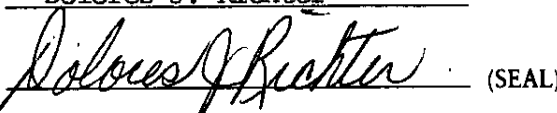
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TO HAVE AND TO HOLD the premises unto the Mortgagee, and the Mortgagee's successors and assigns, forever, for the purposes, and upon the uses herein set forth, free from all rights and benefits under and by virtue of the Homestead Exemption Laws of the State of Illinois, which said rights and benefits the Mortgagors do hereby expressly release and waive.

The name of a record owner is: Robert R. Richter and Dolores J. Richter, husband and wife

This mortgage consists of four pages. The covenants, conditions and provisions appearing on pages 3 and 4 are incorporated herein by reference and are a part hereof and shall be binding on Mortgagors, their heirs, successors and assigns.

Witness the hand . . . and seal . . . of Mortgagors the day and year first above written.

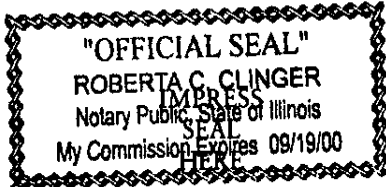
	_____(SEAL)	_____(SEAL)
PLEASE PRINT OR TYPE NAME(S) BELOW SIGNATURE(S)	<u>Robert R. Richter</u>	<u>Dolores J. Richter</u>
	 (SEAL)	 (SEAL)

State of Illinois, County of Cook ss.

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that \_\_\_\_\_

Robert R. Richter and Dolores R. Richter, husband and wife

personally known to me to be the same person s whose name s are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that t h ey signed, sealed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of the right of homestead.

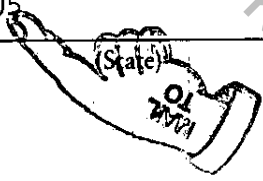


Given under my hand and official seal, this 13th day of SEPTEMBER 1999  
Commission expires SEPTEMBER 19 2000 Roberta C. Clinger  
NOTARY PUBLIC

This instrument was prepared by Michael J. Moran, 121 S. Wilke, #201, Arlington Heights, IL. 60005  
(Name and Address)

Mail this instrument to Michael J. Moran, 121 S. Wilke Road, Suite 201  
(Name and Address)  
Arlington Heights, IL. 60005  
(City) (State) (Zip Code)

OR RECORDER'S OFFICE BOX NO. \_\_\_\_\_



## THE COVENANTS, CONDITIONS AND PROVISIONS REFERRED TO ON PAGE 2.

1. Mortgagors shall (1) promptly repair, restore or rebuild any buildings or improvements now or hereafter on the premises which may become damaged or be destroyed; (2) keep said premises in good condition and repair, without waste, and free from mechanic's or other liens or claims for lien not expressly subordinated to the lien thereof; (3) pay when due any indebtedness which may be secured by a lien or charge on the premises superior to the lien hereof, and upon request exhibit satisfactory evidence of the discharge of such prior lien to the Mortgagee; (4) complete within a reasonable time any building or buildings now or at any time in process of erection upon said premises; (5) comply with all requirements of law or municipal ordinances with respect to the premises and the use thereof; (6) make no material alterations in said premises except as required by law or municipal ordinance.
2. Mortgagors shall pay before any penalty attaches all general taxes, and shall pay special taxes, special assessments, water charges, sewer service charges, and other charges against the premises when due, and shall, upon written request, furnish to the Mortgagee duplicate receipts therefor. To prevent default hereunder Mortgagors shall pay in full under protest, in the manner provided by statute, any tax or assessment which Mortgagors may desire to contest.
3. In the event of the enactment after this date of any law of Illinois deducting from the value of land for the purpose of taxation any lien thereon, or imposing upon the Mortgagee the payment of the whole or any part of the taxes or assessments or charges or liens herein required to be paid by Mortgagors, or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or the mortgagee's interest in the property, or the manner of collection of taxes, so as to affect this mortgage or the debt secured hereby or the holder thereof, then and in any such event, the Mortgagors, upon demand by the Mortgagee, shall pay such taxes or assessments, or reimburse the Mortgagee therefor; provided, however, that if in the opinion of counsel for the Mortgagee (a) it might be unlawful to require Mortgagors to make such payment or (b) the making of such payment might result in the imposition of interest beyond the maximum amount permitted by law, then and in such event, the Mortgagee may elect, by notice in writing given to Mortgagors, to declare all of the indebtedness secured hereby to be and become due and payable sixty (60) days from the giving of such notice.
4. If, by the laws of the United States of America or of any state having jurisdiction in the premises, any tax is due or becomes due in respect of the issuance of the note hereby secured, the Mortgagors covenant and agree to pay such tax in the manner required by any such law. The Mortgagors further covenant to hold harmless and agree to indemnify the Mortgagee, and the Mortgagee's successors or assigns, against any liability incurred by reason of the imposition of any tax on the issuance of the note secured hereby.
5. At such time as the Mortgagors are not in default either under the terms of the note secured hereby or under the terms of this mortgage, the Mortgagors shall have such privilege of making prepayments on the principal of said note (in addition to the required payments) as may be provided in said note.
6. Mortgagors shall keep all buildings and improvements now or hereafter situated on said premises insured against loss or damage by fire, lightning and windstorm under policies providing for payment by the insurance companies of moneys sufficient either to pay the cost of replacing or repairing the same or to pay in full the indebtedness secured hereby, all in companies satisfactory to the Mortgagee, under insurance policies payable, in case of loss or damage, to Mortgagee, such rights to be evidenced by the standard mortgage clause to be attached to each policy, and shall deliver all policies, including additional and renewal policies, to the Mortgagee, and in case of insurance about to expire, shall deliver renewal policies not less than ten days prior to the respective dates of expiration.
7. In case of default therein, Mortgagee may, but need not, make any payment or perform any act hereinbefore required of Mortgagors in any form and manner deemed expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting said premises or contest any tax or assessment. All moneys paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorney's fees, and any other moneys advanced by Mortgagee to protect the mortgaged premises and the lien hereof, shall be so much additional indebtedness secured hereby and shall become immediately due and payable without notice and with interest thereon at the highest rate now permitted by Illinois law. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to the Mortgagee on account of any default hereunder on the part of the Mortgagors.
8. The Mortgagee making any payment hereby authorized relating to taxes or assessments, may do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof.
9. Mortgagors shall pay each item of indebtedness herein mentioned, both principal and interest, when due according to the terms hereof. At the option of the Mortgagee and without notice to Mortgagors, all unpaid indebtedness secured by this mortgage shall, notwithstanding anything in the note or in this mortgage to the contrary, become due and payable (a) immediately in the case of default in making payment of any installment of principal or interest on the note, or (b) when default shall occur and continue for three days in the performance of any other agreement of the Mortgagors herein contained.
10. When the indebtedness hereby shall become due whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereof. In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and 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, Torrens certificates, and similar data and assurances with respect to title as Mortgagee may deem to be reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the premises. All expenditures and expenses of the nature in this paragraph mentioned shall become so much additional indebtedness secured hereby and immediately due and payable, with interest thereon at the highest rate now permitted by Illinois law, when paid or incurred by Mortgagee in connection with (a) any proceeding, including probate and bankruptcy proceedings, to which the Mortgagee shall be a party, either as plaintiff, claimant or defendant, by reason of this mortgage or any indebtedness hereby secured; or (b) preparations for the commencement of any suit for the foreclosure hereof after accrual of such right to foreclose whether or not actually commenced; or (c) preparations for the defense of any actual or threatened suit or proceeding which might affect the premises or the security hereof.

# UNOFFICIAL COPY

11. The proceeds of any foreclosure sale of the premises shall be distributed and applied in the following order of priority: First, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in the preceding paragraph hereof; second, all other items which under the terms hereof constitute secured indebtedness additional to that evidenced by the note, with interest thereon as herein provided; third, all principal and interest remaining unpaid on the note; fourth, any overplus to Mortgagors, their heirs, legal representatives or assigns, as their rights may appear.

12. Upon or any time after the filing of a complaint to foreclose this mortgage the court in which such complaint is filed may appoint receiver of said premises. Such appointment may be made either before or after the sale, without notice, without regard to the solvency or insolvency of Mortgagors at the time of application for such receiver and without regard to the then value of the premises or whether the same shall be then occupied as a homestead or not, and the Mortgagee may be appointed as such receiver. Such receiver shall have power to collect the rents, issues and profits of said premises during the pendency of such foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, whether there be redemption or not, as well as during any further times when Mortgagors, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the premises during the whole of said period. The Court from time to time may authorize the receiver to apply the net income in his hands in payment in whole or in part of: (1) The indebtedness secured hereby, or by any decree foreclosing this mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to foreclosure sale; (2) the deficiency in case of a sale and deficiency.

13. No action on the enforcement of the lien or of 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 hereby secured.

14. The Mortgagee shall have the right to inspect the premises at all reasonable times and access thereto shall be permitted for that purpose.

15. The Mortgagors shall periodically deposit with the Mortgagee such sums as the Mortgagee may reasonably require for payment of taxes and assessments on the premises. No such deposit shall bear any interest.

16. If the payment of said indebtedness or any part thereof be extended or varied or if any part of the security be released, all persons now or at any time hereafter liable therefor, or interested in said premises, shall be held to assent to such extension, variation or release, and their liability and the lien and all provisions hereof shall continue in full force, the right of recourse against all such persons being expressly reserved by the Mortgagee, notwithstanding such extension, variation or release.

17. Mortgagee shall release this mortgage and lien thereof by proper instrument upon payment and discharge of all indebtedness secured hereby and payment of a reasonable fee to Mortgagee for the execution of such release.

18. This mortgage and all provisions hereof, shall extend to and be binding upon Mortgagors and all persons claiming under or through Mortgagors, and the word "Mortgagors" when used herein shall include all such persons and all persons liable for the payment of the indebtedness or any part thereof, whether or not such persons shall have executed the note or this mortgage. The word "Mortgagee" when used herein shall include the successors and assigns of the Mortgagee named herein and the holder or holders, from time to time, of the note secured hereby.

\* to the Village of Mount Prospect according to its terms. The mortgage is given to secure a loan made to the mortgagor by the Village of Mount Prospect under its housing Rehabilitation Program, pursuant to a certain Loan Agreement of even date herewith entered into between Mortgagor and the Village, the terms and conditions of which are incorporated herein and made a part hereof by reference. The principal sum of \$12,045.50 without interest is payable upon transfer of the property and upon such other terms as described in the applicable Promissory Note and Loan Agreement.

Prepared By:

Michael J. Moran  
121 S. Wilke Road  
Suite 201  
Arlington Heights, IL. 60005



EXHIBIT A  
VILLAGE OF MOUNT PROSPECT  
HOUSING REHABILITATION LOAN PROGRAM  
LOAN AGREEMENT

This Agreement dated this 13th day of September, 1999, entered into by and between the VILLAGE OF MOUNT PROSPECT, an Illinois Municipal corporation (hereinafter referred to as the "Village") and ROBERT R. RICHTER and DOLORES J. RICHTER, his wife, who reside at 1424 Birch Drive, in the Village of Mount Prospect, Illinois, (hereinafter referred to as the "Owners"):

WITNESSETH as follows:

A. Pursuant to its home rule powers, the Village has established a Housing Rehabilitation Loan Program for the purpose of providing financial assistance in the form of deferred payment, non-interest bearing loans to homeowners with certain income levels to allow damaged or deteriorated residence dwellings within the Village to be restored to the standards established by the Federal and Village building codes.

B. The Owners have made an application for a loan in the amount of \$12,045.50 under the said Housing Rehabilitation Loan Program and have submitted statements and information to the Village in support of eligibility under the Program as to the following:

1. That the Owners own and occupy a dwelling unit (either single family, duplex, or townhouse) at the address hereinabove set forth, and that such property has been owned by said Owners for at least one year prior to submission of the application herein.

2. That the household income attributable to said Owners from all sources, including wages and tips, pensions, alimony (but not child support), interest, dividends, net rental income, public assistance and social security, earned by the Owners and spouse (if any) plus regular contributions made by other adult members of the Owners' household (if any) during the calendar year preceding the date of said application is within the income limits established by the U. S. Department of Housing and Urban Development (80% of the SMSA median).

3. That the subject dwelling structure is damaged or deteriorated to a point where it no longer meets the applicable building code requirements in force and effect in the Village; said building code being collectively comprised on the U. S. Department of Housing and Urban Development Section 8 - Housing Quality Standards, the BOCA One and Two Family Dwelling Code, the Mount Prospect Property Maintenance Code, and applicable building provisions of the Village Code of Mount Prospect.

4. That the Owners are entering into a contract with a contractor, approved by the Village, to bring the subject dwelling structure into compliance with said codes, at a contract price which does not exceed the amount of the loan provided for herein.

5. That the full amount of the loan applied for shall be applied toward the subject contract for correction of existing or anticipated building code violations, and no more than ten percent of said loan amount shall be used for additional general home improvements.

6. That the loan applied for herein does not exceed the sum of \$25,000.00.

C. The said Housing Rehabilitation Loan Program shall be funded from time to time by Federal grant funds under the Community Development Block Grant Program or other similar grant-in-aid programs, and the parties hereto shall abide by and comply with such Federal standards, guidelines or regulations as may be established from time to time with respect to the use of such Federal funds.

D. Based upon the information submitted to it by the Owners, the Village has determined that the Owners are eligible to participate in the said Housing Rehabilitation Program and to enter into this loan Agreement.

WHEREFORE, upon the considerations hereinabove set forth and for other good and valuable considerations, the parties do hereby agree:

1. A loan in the amount of \$11,800.00 shall be made by the Village to the Owners pursuant to requirements of the said Housing Rehabilitation Loan Program for the purpose of rehabilitation and restoring the Owners' dwelling structure.

2. Said loan shall be a deferred payment, non-interest bearing loan and shall be payable, in full, to the Village, at such time as the title to or interest in the real estate, which is the subject of said loan, shall be transferred, by sale, assignment, or by operation of law upon the death of the Owners, or upon the expiration of a term of twenty years from the date of this Agreement, whichever occurs first. The loan may be prepaid in full or in part at any time. Notwithstanding the foregoing provisions, if title or interest in the subject real estate is transferred by sale, mortgage, or assignment of the Owners within three years from the date of this Agreement there shall be paid to the Village, in addition to the entire loan balance due, an amount equal to 10% of the loan amount; which payment may be waived by the Village, in its discretion, in cases of extenuating circumstances.

3. As evidence of said loan, the Owners shall execute a Promissory Note made a part of this Agreement by reference; which Note and the loan to which it refers shall be secured by a Mortgage upon the real estate which is the subject of the loan executed by the Owners and all other person having title to said real estate, on the form of Mortgage attached hereto, and made a part of this Agreement by reference.

4. The administration of this Housing Rehabilitation Loan Program and the disbursement of loan proceeds thereunder shall be handled by the Village of Mount Prospect at a cost of \$245.50 which will include title and credit examination costs, recording costs, contractor statement and lien waiver examination costs and the costs of preparing and processing the loan documents. This administrative cost shall be included in the amount of the loan and shall be paid to the Village at the time the loan becomes due. In the event that the Owners withdraw their application prior to the execution of this Loan Agreement, but after the village has completed the title and credit examination, then the administrative costs shall be due and payable to the Village by the Owners at the time of withdrawal of the application.

5. Loan proceeds shall be disbursed directly to the contractor pursuant to a contract entered into with the Owners, the residential real estate which is the subject of this loan, and under the following conditions:

A. Proceeds shall be paid to the contractor upon completion of the improvements contracted for and upon acceptance thereof by the Village, as complying with Federal and Village building code requirements relating to said dwelling improvement.

B. Partial payment of loan proceeds in the form of progress payments will be made only with regard to contracts that exceed \$7,500.00 in cost, and such payments shall be made pursuant to provisions therefore in the contract, and shall, in the aggregate, not exceed 90% of the entire contract price.

C. No loan proceeds shall be disbursed unless and until there has been submitted to the Village by the contractor, a sworn contractor's statement covering the cost of the contract improvements and itemizing therein the various subcontractor, labor, and material costs, and the pertinent waivers of mechanic's and materialman's liens on such forms as are satisfactory to the Village.

D. Commensurate with the final disbursement of loan proceeds, the contractor shall submit to the Village its written guarantee to repair or replace defective workmanship and materials occurring the said improvements

within the period of one year from the date of completion and acceptance thereof by the Village, including workmanship and materials which fail to comply with the requirements on the contract documents.

E. Final disbursement of the loan proceeds to the contractor shall be made by the Village no later than ten (10) days after completion of the work and Village acceptance thereof, following written notification by its Bureau of Code Enforcement that the work has been completed in accordance with the contract and all applicable building codes.

6. That actual amount of such loan to be paid by the Owners to the Village shall be derived of the actual amount of money paid to the contractor for residential rehabilitation improvement work pursuant to the contract and all change orders issued thereunder, and the administration costs incurred by the Village of Mount Prospect.


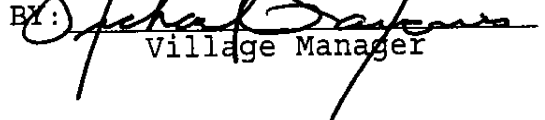
7. Should it become necessary to incur other additional and unforeseen costs relative to the rehabilitation improvements undertaken herein in order to bring the real estate in questions into compliance with Federal and Village building codes and regulations, then said amount shall be added to and become a part of the loan proceeds to be paid to the Village by the Owners and the Owners shall execute such other documents as are deemed necessary to authorize this loan and ensure the Village's security interest in the repayment thereof.

8. Throughout the term of this Loan, the Owners shall maintain the mortgaged real estate in good condition and repair and shall pay all taxes and assessments levied or assessed thereon and shall keep the same insured against fire and extended perils and provided for in the terms and conditions of the mortgage.

9. In the event of a default in the terms of this Loan Agreement of the Note and mortgage provided hereunder, the Village shall have the right, at its option, to declare the Loan to be immediately due and payable and to take such steps as are deemed necessary to collect the same, which right shall be in addition to any other right or remedy available to the Village under the laws of the State of Illinois.

  
ROBERT R. RICHTER

  
DOLORES J. RICHTER

VILLAGE OF MOUNT PROSPECT  
  
BY:   
Village Manager