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Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



Doc#: 0925339008 Fee: \$54.25
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 09/10/2009 09:57 AM Pg: 1 of 9

Report Mortgage Fraud
800-532-8785

The property identified as: PIN: 13-36-214-025-1025 and 13-36-214-025-1052

Address: 2161 North California,
Street: Unit 307
Street line 2:
City: Chicago State: IL ZIP Code: 60647

Lender: Frank Mayer and Marion Mayer

Borrower: David A. Bishaf

Loan / Mortgage Amount: \$270,000.00

This property is located within Cook County and the transaction is exempt from the requirements of 765 ILCS 77/70 et seq. because the application was taken by an exempt entity.

Certificate number: 0A91E2EF-D50A-4F43-89ED-D18823C333DA

Execution date: 01/02/2009

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9/10-02
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WHEN RECORDED MAIL TO:
Nelson Law Offices, P.C.
129 West Willow Avenue
Wheaton, IL 60187



This Mortgage Prepared by: Daniel M. Nelson
Nelson Law Offices, P.C.
129 West Willow Avenue
Wheaton IL 60187

MORTGAGE

THIS MORTGAGE is dated April 13, 2009, between DAVID A. BISHAF, whose address is 2161 North California, Unit 307, Chicago, IL 60647 (referred to below as "Borrower") and FRANK MAYER and MARION MAYER, whose address is 908 West Argyle, Apt. 435, Chicago, IL 60640 (referred to below as "Lender").

GRANT OF MORTGAGE. For valuable consideration, Borrower hereby grants a Mortgage in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures, all easements, rights of way and appurtenances, all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation rights), and all other rights, royalties and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters located in Cook County, State of Illinois (the "Real Property").

UNIT 307 AND P-25 IN ST. GEORGE LOFTS CONDOMINIUM DESCRIBED AS FOLLOWS: LOTS 17, 18, 19 AND 20 IN W.O. COLE'S SUBDIVISION OF LOTS 22 TO 25 INCLUSIVE AND LOTS 30 TO 35 INCLUSIVE IN BLOCK 2 IN L. STAVE'S SUBDIVISION OF THAT PART OF THE NORTHEAST ¼ SECTION 36, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, WHICH SURVEY IS ATTACHED AS EXHIBIT TO THE DECLARATION OF CONDOMINIUM RECORDED AS DOCUMENT NUMBER 99898177 TOGETHER WITH ITS UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS, IN COOK COUNTY, ILLINOIS.

The Real Property or its address is commonly known as 2161 North California, Unit 307, Chicago, IL 60647. The Real Property tax identification numbers are 13-36-214-025-1025 and 13-36-214-025-1052.

Borrower presently assigns to Lender a Mortgage security interest in and to the Property and all improvements thereon.

5.21
P. 8
yes
3/10 of 50
[Signature]

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DEFINITIONS. The following words shall have the following meanings when used in this Mortgage. Terms not otherwise defined in this Mortgage shall have the meanings attributed to such terms in the Uniform Commercial Code. All references to dollar amounts shall mean amounts in lawful money of the United States of America.

Borrower. The word "Borrower" means DAVID A. BISHAF. The Borrower is the mortgagor under this Mortgage.

Improvements. The word "Improvements" means and includes, without limitation, all existing and future improvements, buildings and structures affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal and interest payable under the Loan Agreement and any amounts expended or advanced by Lender to discharge obligations of Borrower or expenses incurred by Lender to enforce obligations of Borrower under this Mortgage, together with interest on such amounts as provided in this Mortgage. At no time shall the principal amount of Indebtedness secured by the Mortgage, not including sums advanced to protect the security of the Mortgage, exceed the Loan Agreement amount of \$270,000.00.

Lender. The word "Lender" means FRANK MAYER and MARION MAYER, their successors and assigns. The Lender is the mortgagee under this Mortgage.

Mortgage. The word "Mortgage" mean this Mortgage between Borrower and Lender.

Note. The word "Note" means the Loan Agreement dated April 13, 2009, in the principal amount not to exceed \$270,000.00 from Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of and substitutions for the Loan Agreement. The interest rate on the Loan Agreement is 5.5%.

Real Property. The words "Real Property" mean the property, interests and rights described above in the "Grant of Mortgage" Section.

Related Documents. The words "Related Documents" mean the Loan Agreement.

THIS MORTGAGE IS GIVEN TO SECURE (1) PAYMENT OF THE INDEBTEDNESS AND (2) PERFORMANCE OF ALL OBLIGATIONS OF BORROWER UNDER THIS MORTGAGE AND THE RELATED DOCUMENTS. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Mortgage, Borrower shall pay to Lender all amounts secured by this Mortgage as they become due and shall strictly perform all of Borrower's obligations under this Mortgage.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Borrower agrees that Borrower's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Borrower shall maintain possession and use of the Property unless an event of default occurs in the Mortgage or related documents.

Hazardous Substances. Borrower shall comply with all applicable laws, statutes and ordinances relevant to storage, disposal and handling of hazardous waste and hazardous substances as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended. Borrower shall indemnify and hold Lender harmless with respect to any and all violations resulting from improper handling, storage or disposal of hazardous waste or hazardous

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substances. Borrower shall further verify and require compliance with this Paragraph by all contractors and sub-contractors performing work on the subject Property.

Lender's Right to Inspect. Lender and its agents and representatives may enter upon the Real Property at reasonable business hours for the purpose of inspecting the Property, verifying construction progress and verifying allocation of funds drawn pursuant to the Loan Agreement.

Duty to Protect. Borrower agrees neither to abandon nor leave unattended the Property. Borrower shall do all other acts, in addition to those acts set forth above in this Section, which from the character and use of the Property, are reasonably necessary to protect and preserve the Property.

DUE ON SALE – CONSENT BY LENDER. Lender may, at its option, declare immediately due and payable, all loans secured by this Mortgage upon the sale or transfer, without the Lender's prior written consent, of all or any part of the Real Property or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest therein, whether legal, beneficial or equitable, whether voluntary or involuntary, whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment or transfer of any beneficial interest in or to any land trust holding title to the Real Property or by any other method of conveyance of Real Property interest. If any Borrower is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five (25%) Percent of the voting stock, partnership interests or limited liability company interests, as the case may be, of Borrower. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Illinois law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are a part of this Mortgage.

Payment. Borrower shall pay when due (and in all events prior to delinquency), all taxes, payroll taxes, special taxes, assessments, water charges and sewer service charges levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Borrower shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Mortgage, except for the lien of taxes and assessments not due and except as otherwise provided in the following Paragraph.

Right to Contest. Borrower may withhold payment of any tax, assessment or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Borrower shall, within fifteen (15) days after the lien arises, or, if a lien is filed, within fifteen (15) days after Borrower has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien, plus any costs and attorneys' fees or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Borrower shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Borrower shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Borrower shall, upon demand, furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time, a written statement of the taxes and assessments against the Property.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Mortgage:

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Maintenance of Insurance. Borrower shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause and with a standard mortgagee clause in favor of Lender. Borrower shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request, with Lender being named as additional insured in such liability insurance policies. Additionally, Borrower shall maintain such other insurance, including but not limited to, hazard, business interruption and boiler insurance as Lender may require. Policies shall be written by such insurance companies and in such form as may be reasonably acceptable to Lender. Borrower shall deliver to Lender certificates of coverage from each insurer containing a notice to Lender and not containing any disclaimer of the insurer's liability for failure to give such notice. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Borrower or any other person. Should the Real Property at any time become located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Borrower agrees to obtain and maintain Federal Flood Insurance for the full unpaid principal balance of the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

Application of Proceeds. Borrower shall utilize all insurance proceeds payable as a result of any loss or damage for reconstruction or replacement purposes only. In the event of total destruction and in the event Borrower elects not to replace the Property, the proceeds shall be applied first to payment of the Mortgage indebtedness to Lender as recited herein and any additional sums shall be paid to Borrower.

Borrower's Report on Insurance. Upon request of Lender, however not more than once a year, Borrower shall furnish to Lender a report on each existing policy of insurance showing: (a) the name of the insurer; (b) the risks insured; (c) the amount of the policy; (d) the property insured, the then current replacement value of such property and the manner of determining that value; and (e) the expiration date of the policy. Borrower shall, upon request of Lender, have an independent appraiser satisfactory to Lender, determine the cash value replacement cost of the Property.

EXPENDITURES BY LENDER. If Borrower fails to comply with any provision of this Mortgage or if any action or proceeding is commenced that would materially affect Lender's interests in the Property, Lender, on Borrower's behalf may, but shall not be required to, take any action that Lender deems appropriate. Any amount that Lender expends in so doing will bear interest at the rate provided for in the Loan Agreement from the date incurred or paid by Lender to the date of repayment by Borrower. All such expenses, at Lender's option, will (a) be payable on demand; (b) be added to the balance of the Loan Agreement and be apportioned among and be payable with any installment payments to become due during either (i) the term of any applicable insurance policy or (ii) the remaining term of the Loan Agreement or (c) be treated as a balloon payment which will be due and payable at the Loan Agreement's maturity. This Mortgage also will secure payment of these amounts. The rights provided for in this Paragraph shall be in addition to any other rights or any remedies to which Lender may be entitled on account of the default. Any such action by Lender shall not be construed as curing the default so as to bar Lender from any remedy that it otherwise would have had.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Mortgage:

Title. Borrower warrants that: (a) Borrower holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances, other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Mortgage, and (b) Borrower has the full right, power and authority to execute and deliver this Mortgage to Lender.

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Defense of Title. Subject to the exception in the Paragraph above, Borrower warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Borrower's title or the interest of Lender under this Mortgage, Borrower shall defend the action at Borrower's expense. Borrower may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice and Borrower will deliver or cause to be delivered to Lender, such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Borrower warrants that the Property and Borrower's use of the Property complies with all existing applicable laws, ordinances and regulations of governmental authorities.

CONDEMNATION. The following provisions relating to condemnation of the Property are a part of this Mortgage:

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may require that any remaining proceeds be applied to the Indebtedness.

Proceedings. If any proceeding in condemnation is filed, Borrower shall promptly notify Lender in writing and Borrower shall promptly take such steps as may be necessary to defend the action and obtain the award. Borrower may be the nominal party in such proceeding but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice and Borrower will deliver or cause to be delivered to Lender, such instruments as may be requested by it from time to time to permit such participation.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Mortgage:

Current Taxes, Fees and Charges. Upon request by Lender, Borrower shall execute such documents in addition to this Mortgage and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Borrower shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Mortgage, including, without limitation, all taxes, fees, documentary stamps and other charges for recording or registering this Mortgage.

Taxes. The following shall constitute taxes to which this Section applies: (a) a specific tax upon this type of Mortgage or upon all or any part of the Indebtedness secured by this Mortgage; (b) a specific tax on Borrower which Borrower is authorized or required to deduct from payments on the Indebtedness secured by this type of Mortgage; (c) a tax on this type of Mortgage chargeable against the Lender or the holder of the Loan Agreement; and (d) a specific tax on all or any portion of the Indebtedness or on payments of principal and interest made by Borrower.

Subsequent Taxes. If any tax to which this Section applies is enacted subsequent to the date of this Mortgage, this event shall have the same effect as an Event of Default (as defined below) and Lender may exercise any or all of its available remedies for an Event of Default as provided below, unless Borrower either (a) pays the tax before it becomes delinquent or (b) contests the tax as provided above in the Taxes and Liens Section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

FULL PERFORMANCE. If Borrower pays all of the Indebtedness when due and otherwise performs all of the obligations imposed by Borrower under this Mortgage, Lender shall execute and deliver to Borrower a suitable satisfaction of this Mortgage.

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DEFAULT. Each of the following, at the option of Lender, shall constitute an event of default ("Event of Default") under this Mortgage.

Default on Indebtedness. Failure of Borrower to make any payment when due on the Indebtedness.

Default on Other Payments. Failure of Borrower within the time required by this Mortgage to make any payment for taxes or insurance or any other payment necessary to prevent filing of or to effect discharge of any lien.

Compliance Default. Failure of Borrower to comply with any other term, obligation, covenant or condition contained in this Mortgage or in any of the Related Documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by or on behalf of Borrower under this Mortgage or Related Documents is false or misleading in any material respect, either now or at the time made or furnished.

Defective Collateralization. This Mortgage or any of the Related Documents ceases to be in full force and effect (including failure of any collateral documents to create a valid and perfected security interest or lien) at any time and for any reason.

Insolvency. The dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Foreclosure, Forfeiture, etc. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any of the Property. However, this Subsection shall not apply in the event of a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the foreclosure or forfeiture proceeding, provided that Borrower gives Lender written notice of such claim and furnishes reserves or a surety bond for the claim satisfactory to Lender.

Breach of Other Agreement. Any breach by Borrower under the terms of any other agreement between Borrower and Lender that is not remedied within any grace period provided therein, including, without limitation, any agreement concerning any Indebtedness or other obligation of Borrower to Lender, whether existing now or later.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of any Event of Default and at any time thereafter, Lender, at its option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law.

Accelerate Indebtedness. Lender shall have the right, at its option, without notice to Borrower, to declare the entire Indebtedness immediately due and payable, including any prepayment penalty which Borrower would be required to pay.

Judicial Foreclosure. Lender may obtain a judicial decree foreclosing Borrower's interest in all or any part of the Property.

Deficiency Judgment. If permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the Indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this Section.

Other Remedies. Lender shall have all other rights and remedies provided in this Mortgage available at law or in equity.

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Waiver; Election of Remedies. A waiver by any party of a breach of a provision of this Mortgage shall not constitute a waiver of or prejudice the party's rights otherwise to demand strict compliance with that provision or any other provision. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy and an election to make expenditures or take action to perform an obligation of Borrower under this Mortgage after failure of Borrower to perform shall not affect Lender's right to declare a default and exercise its remedies under this Mortgage.

Attorney's Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Mortgage, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and on any appeal. Whether or not any court action is involved, all reasonable expenses incurred by Lender that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest from the date of expenditure until repaid at the rate provided for in the Loan Agreement. Expenses covered by this Paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports and appraisal fees and title insurance, to the event permitted by applicable law. Borrower also will pay any court costs, in addition to all other sums provided by law.

NOTICES TO BORROWER AND OTHER PARTIES. Any notice under this Mortgage, including without limitation, any notice of default and any notice of sale to Borrower, shall be in writing, may be sent by facsimile (unless otherwise required by law), and shall be effective when actually delivered, or when deposited with a nationally recognized overnight courier, or, if mailed, shall be deemed effective when deposited in the United States Mail first class, certified or registered mail, postage prepaid, directed to the addresses shown near the beginning of this Mortgage. Any party may change its address for notices under this Mortgage by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. All copies of notices of foreclosure from the holder of any lien which has priority over this Mortgage shall be sent to Lender's address, as shown near the beginning of this Mortgage. For notice purposes, Borrower agrees to keep Lender informed at all times of Borrower's current address.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Mortgage:

Amendments. This Mortgage, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Mortgage. No alternation of or amendment to this Mortgage shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alternation or amendment.

Applicable Law. This Mortgage has been delivered to Lender and accepted by Lender in the State of Illinois. This Mortgage shall be governed by and construed in accordance with the laws of the State of Illinois.

Caption Headings. Caption headings in this Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of this Mortgage.

Merger. There shall be no merger of the interest or estate created by this Mortgage with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Severability. If a court of competent jurisdiction finds any provision of this Mortgage to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances. If feasible, any such

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offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of this Mortgage in all other respects shall remain valid and enforceable.

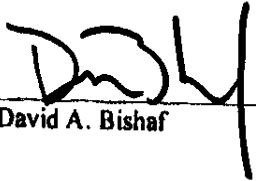
Successors and Assigns. Subject to the limitations stated in this Mortgage on transfer of Borrower's interest, this Mortgage shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Borrower, Lender, without notice to Borrower, may deal with Borrower's successors with reference to this Mortgage and the indebtedness by way of forbearance or extension without releasing Borrower from the obligations of this Mortgage or liability under the indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Mortgage.

Waiver of Homestead Exemption. Borrower hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Illinois as to all indebtedness secured by this Mortgage.

BORROWER ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE AND BORROWER AGREES TO ITS TERMS.

BORROWER:

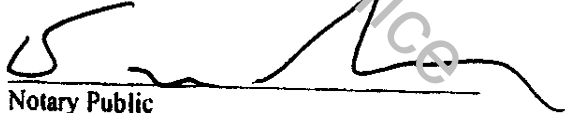


David A. Bishaf

STATE OF ILLINOIS)
)
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that DAVID A. BISHAF is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed and delivered the said instrument as his 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 15th day of APRIL, 2009.



Notary Public

