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Lending Database
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Certificate of Exemption

③

Report Mortgage Fraud
800-532-8785



Doc#: 0932005164 Fee: \$64.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 11/16/2009 03:20 PM Pg: 1 of 15

The property identified as: PIN: 14-18-323-010-0000

Address:

Street: 2335 W Belle Plaine, Unit 509

Street line 2:

City: Chicago

State: IL

ZIP Code: 60618

Lender: St. Pauls United Church of Christ

Borrower: Thomas R Henry and Colleen S Henry

Loan / Mortgage Amount: \$160,000.00

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.

Attorneys' Title Guaranty Fund, Inc.
1 S. Wacker Rd., STE 2400
Chicago, IL 60606-4650
Attn: Search Department

Certificate number: 98D49722-0B2A-47D7-8134-3043FD127E66

Execution date: 11/05/2009

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15

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This document was prepared by:
 Ronald M. DeHaan, Esq.
 Kelly, Olson, Michod,
 DeHaan & Richter, L.L.C.
 30 South Wacker Drive,
 Suite 2300
 Chicago, Illinois 60606

After recording, return to:
 Financial Secretary
 St. Pauls United Church of
 Christ
 2335 North Orchard Street
 Chicago, Illinois 60614

[This space reserved for Recorders use only.]

Property Address:

2335 West Belle Plaine Avenue, Unit 509
 Chicago, Illinois 60618

MORTGAGE

THIS MORTGAGE ("Mortgage") is dated as of this 5th day of November, 2009, and is made by and between Thomas R. Henry and Colleen S. Henry, jointly and severally, as borrowers, (collectively hereinafter referred to as the "Mortgagor") and St. Pauls United Church of Christ, an Illinois not-for-profit corporation (hereinafter called the "Mortgagee").

Definitions

Words used in multiple sections of this document are defined below, and other words are defined in §§3, 8, 14, and 17. Certain rules regarding the usage of words used in this document are also provided in §13.

(A) "Note" means the promissory note dated November 5, 2009 in the principal amount of One Hundred Sixty Thousand and 00/100 Dollars (\$160,000.00) executed by Mortgagor and made payable to the order of Mortgagee, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for such promissory note. Mortgagor has promised to repay the Note in accordance with the terms of the Shared Appreciation Loan Agreement.

(B) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(C) "Loan" means the debt evidenced by the Note, plus interest due under the Note, and all sums due under this Mortgage, plus interest.

(D) "Shared Appreciation Loan Agreement" means that certain Shared Appreciation Loan Agreement dated as of November 5, 2009, as amended from time to time, between the Mortgagor and the Mortgagee.

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EXHIBIT A

Legal Description

PARCEL 1:

DWELLING UNIT NUMBER 509 IN 2335 W. BELLE PLAINE CONDOMINIUM, AS DELINEATED ON A SURVEY OF THE FOLLOWING DESCRIBED TRACT OF LAND: LOT 5 IN NORTH CENTER RESUBDIVISION OF LOT 2 AND PART OF LOTS 1, 3 AND 4, ALL IN BLOCK 8, IN W.B. OGDEN'S SUBDIVISION OF PART OF THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 49 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS; WHICH SURVEY IS ATTACHED AS EXHIBIT "C" TO THE DECLARATION OF CONDOMINIUM OWNERSHIP FOR 2335 W. BELLE PLAINE CONDOMINIUM RECORDED AS DOCUMENT NO. 814822043 ("DECLARATION"), TOGETHER WITH ITS UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS IN COOK COUNTY, ILLINOIS.

PARCEL 2:

THE EXCLUSIVE RIGHT TO THE USE OF PARKING SPACE G-15, A LIMITED COMMON ELEMENT, AS DELINEATED ON THE SURVEY ATTACHED TO THE DECLARATION AFORESAID, RECORDED AS DOCUMENT NO. 814822043.

PARCEL 3:

THE EXCLUSIVE RIGHT TO THE USE OF STORAGE AREA 86, A LIMITED COMMON ELEMENT, AS DELINEATED ON THE SURVEY ATTACHED TO THE DECLARATION AFORESAID, RECORDED AS DOCUMENT NO. 814822043.

PARCEL 4:

THE EXCLUSIVE RIGHT TO THE USE OF BALCONY, A LIMITED COMMON ELEMENT, ATTACHED TO AND APPURTENANT TO UNIT 509, AS DELINEATED ON THE SURVEY ATTACHED TO THE DECLARATION AFORESAID, RECORDED AS DOCUMENT NO. 814822043.

PARCEL 5:

EASEMENT FOR THE BENEFIT OF PARCEL 1 AS SHOWN ON THE PLAT OF SUBDIVISION RECORDED AS DOCUMENT 0529845072 FOR INGRESS AND EGRESS OVER PORTIONS OF LOTS 1, 2 AND 6 IN AFORESAID SUBDIVISION AS MORE SPECIFICALLY DEPICTED THEREON.

Permanent Index Number: 14-18-323-010

Commonly known as: 2335 West Belle Plaine Avenue, Unit 509
Chicago, Illinois 60618

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(E) "Applicable Law" means all controlling applicable federal, state, and local statutes; regulations, ordinances, and administrative rules and orders (that have the effect of law); as well as all applicable final, non-appealable judicial opinions.

(F) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments, and other charges that are imposed on Mortgagor or the Property by a condominium association or similar organization.

(G) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in §4 below) for (1) damage to, or destruction of, the Property; (2) condemnation or other taking of all or any part of the Property; (3) conveyance in lieu of condemnation; or (4) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(H) "Successor in Interest of Mortgagor" means any party that has taken title to the Property, whether or not that party has assumed Mortgagor's obligations under the Note and/or this Mortgage.

Transfer of Rights in the Property

This Mortgage secures to Mortgagee (1) the repayment of the Loan and all renewals, extensions, and modifications of the Note, and (2) the performance of Mortgagor's covenants and agreements under this Mortgage and the Note. For this purpose, Mortgagor does hereby mortgage, grant, and convey to Mortgagee and Mortgagee's successors and assigns the following described property located in the County of Cook, and State of Illinois, legally described on attached Exhibit A and made part hereof. TOGETHER WITH all the improvements now or hereafter erected or installed on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property, all replacements and additions shall also be covered by this Mortgage. All of the foregoing is referred to in this Mortgage as the "Property."

Mortgagor covenants that Mortgagor is lawfully seised 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. Mortgagor warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

Mortgagor and Mortgagee covenant and agree as follows:

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Mortgagor shall pay when due the principal of the debt evidenced by the Note in accordance with the terms of the Shared Appreciation Loan Agreement. Payments due under the Note and this Mortgage shall be made in U.S. currency.

Payments are deemed received by Mortgagee when received at the location designated in the Note or at such other location as may be designated by Mortgagee in accordance with the notice provisions in §12 below. No offset or claim that Mortgagor might have now or in the future against Mortgagee shall relieve Mortgagor from making payments due under the Note and this Mortgage or performing the covenants and agreements secured by this Mortgage.

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2. Application of Payments or Proceeds. All payments accepted and applied by Mortgagee shall be applied in the manner set forth in the Shared Appreciation Loan Agreement.

3. Charges; Liens. Mortgagor shall pay directly, when and where payable, the amounts due for any amounts due for (a) taxes, assessments, charges, fines, impositions and other items attributable to the Property that can attain priority over this Mortgage as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Mortgagee under §4 below; and (d) Community Association Dues, Fees, and Assessments, if any, collectively (a)-(d) shall be referred to herein as the "Amounts Due". If required by Mortgagee, Mortgagor shall furnish to Mortgagee receipts evidencing payment of the Amounts Due within such time period as Mortgagee may require. Mortgagor's obligation to pay the Amounts Due and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Mortgage, as the phrase "covenant and agreement" is used in §7 below. If Mortgagor fails to pay the Amounts Due, Mortgagee may exercise its rights under §7 and pay the Amounts Due and Mortgagor shall then be obligated under §7 to repay to Mortgagee any such amount.

Mortgagor shall promptly discharge any lien that has priority over this Mortgage unless Mortgagor (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Mortgagee, but only so long as Mortgagor is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings that in Mortgagee's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Mortgagee subordinating the lien to this Mortgage. If Mortgagee determines that any part of the Property is subject to a lien that can attain priority over this Mortgage, Mortgagee may give Mortgagor a notice identifying the lien. Within 10 days of the date on which that notice is given, Mortgagor shall satisfy the lien or take one or more of the actions set forth above in this §5.

4. Property Insurance. Mortgagor shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not limited to, earthquakes and floods, in which Mortgagee requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Mortgagee requires. What Mortgagee requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Mortgagor subject to Mortgagee's right to disapprove Mortgagor's choice, which right shall not be exercised unreasonably.

If Mortgagor fails to maintain any of the coverages described above, Mortgagee may obtain insurance coverage, at Mortgagee's option and Mortgagor's expense. Mortgagee is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Mortgagee, but might or might not protect Mortgagor, Mortgagor's equity in the Property, or the contents of the Property, against any risk, hazard, or liability and might provide greater or lesser coverage than was previously in effect. Mortgagor acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Mortgagor could have obtained. Any amounts disbursed by Mortgagee under this §4 shall become additional debt of Mortgagor secured by this Mortgage. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Mortgagee to Mortgagor requesting payment.

All insurance policies required by Mortgagee and renewals of such policies shall be subject to Mortgagee's right to disapprove such policies, shall include a standard mortgage clause, and shall name

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Mortgagee as mortgagee and/or as an additional loss payee. Mortgagee shall have the right to hold the policies and renewal certificates. If Mortgagee requires, Mortgagor shall promptly give to Mortgagee all receipts of paid premiums and renewal notices. If Mortgagor obtains any form of insurance coverage, not otherwise required by Mortgagee, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Mortgagee as mortgagee and/or as an additional loss payee.

In the event of loss, Mortgagor shall give prompt notice to the insurance carrier and Mortgagee. Mortgagee may make proof of loss if not made promptly by Mortgagor. Unless Mortgagee and Mortgagor otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Mortgagee, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Mortgagee's security is not lessened. During such repair and restoration period, Mortgagee shall have the right to hold such insurance proceeds until Mortgagee has had an opportunity to inspect such Property to ensure the work has been completed to Mortgagee's satisfaction, provided that such inspection shall be undertaken promptly. Mortgagee may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Mortgagee shall not be required to pay Mortgagor any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Mortgagor shall not be paid out of the insurance proceeds and shall be the sole obligation of Mortgagor. If the restoration or repair is not economically feasible or Mortgagee's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Mortgage, whether or not then due, with the excess, if any, paid to Mortgagor. Such insurance proceeds shall be applied in the order provided for in §2 above.

If Mortgagor abandons the Property, Mortgagee may file, negotiate, and settle any available insurance claim and related matters. If Mortgagor does not respond within 30 days to a notice from Mortgagee that the insurance carrier has offered to settle a claim, then Mortgagee may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Mortgagee acquires the Property under §18 or otherwise, Mortgagor hereby assigns to Mortgagee (a) Mortgagor's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Mortgage, and (b) any other of Mortgagor's rights (other than the right to any refund of unearned premiums paid by Mortgagor) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Mortgagee may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Mortgage, whether or not then due.

5. Occupancy. Mortgagor shall occupy, establish, and use the Property as Mortgagor's principal residence after the execution of this Mortgage and shall continue to occupy the Property as Mortgagor's principal residence, unless Mortgagee otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist that are beyond Mortgagor's control.

6. Preservation, Maintenance, and Protection of the Property; Inspections. Mortgagor shall not destroy, damage, or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Mortgagor is residing in the Property, Mortgagor shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to §4 above that repair or restoration is not economically feasible, Mortgagor shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Mortgagor shall be responsible for repairing or restoring the Property only if Mortgagee has released proceeds for such purposes. Mortgagee may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not

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sufficient to repair or restore the Property, Mortgagor is not relieved of Mortgagor's obligation for the completion of such repair or restoration.

Mortgagee or its agent may make reasonable entries on and inspections of the Property. If it has reasonable cause, Mortgagee may inspect the interior of the improvements on the Property. Mortgagee shall give Mortgagor notice at the time of or prior to such an interior inspection specifying such reasonable cause.

7. Protection of Mortgagee's Interest in the Property and Rights Under this Mortgage. If (a) Mortgagor fails to perform the covenants and agreements contained in this Mortgage, (b) there is a legal proceeding that might significantly affect Mortgagee's interest in the Property and/or rights under this Mortgage (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Mortgage or to enforce laws or regulations), or (c) Mortgagor has abandoned the Property, then Mortgagee may do and pay for whatever is reasonable or appropriate to protect Mortgagee's interest in the Property and rights under this Mortgage, including protecting and/or assessing the value of the Property and securing and/or repairing the Property. Mortgagee's actions can include, but are not limited to (a) paying any sums secured by a lien that has priority over this Mortgage, (b) appearing in court, and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Mortgage, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Mortgagee may take action under this §7, Mortgagee does not have to do so and is not under any duty or obligation to do so. It is agreed that Mortgagee incurs no liability for not taking any or all actions authorized under this §7.

Any amounts disbursed by Mortgagee under this §7 shall become additional debt of Mortgagor secured by this Mortgage. These amounts shall bear interest at a rate per annum equal to eighteen percent (18.0%) and shall be payable, with such interest, upon notice from Mortgagee to Mortgagor requesting payment.

8. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds (other than insurance proceeds paid under the coverages described in §4) are hereby assigned to and shall be paid to Mortgagee.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Mortgagee's security is not lessened. During such repair and restoration period, Mortgagee shall have the right to hold such Miscellaneous Proceeds until Mortgagee has had an opportunity to inspect such Property to ensure the work has been completed to Mortgagee's satisfaction, provided that such inspection shall be undertaken promptly. Mortgagee may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Mortgagee shall not be required to pay Mortgagor any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Mortgagee's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Mortgage, whether or not then due, with the excess, if any, paid to Mortgagor. Such Miscellaneous Proceeds shall be applied in the order provided for in §2 above.

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In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Mortgage, whether or not then due, with the excess, if any, paid to Mortgagor.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Mortgage immediately before the partial taking, destruction, or loss in value, unless Mortgagor and Mortgagee otherwise agree in writing, the sums secured by this Mortgage shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided; by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Mortgagor.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Mortgagor and Mortgagee otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Mortgage whether or not the sums are then due.

If the Property is abandoned by Mortgagor, or if, after notice by Mortgagee to Mortgagor that the Opposing Party (as defined below) offers to make an award to settle a claim for damages, Mortgagor fails to respond to Mortgagee within 30 days after the date the notice is given, Mortgagee is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Mortgage, whether or not then due. "Opposing Party" means the third party that owes Mortgagor Miscellaneous Proceeds or the party against whom Mortgagor has a right of action in regard to Miscellaneous Proceeds.

Mortgagor shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Mortgagee's judgment, could result in forfeiture of the Property or other material impairment of Mortgagee's interest in the Property or rights under this Mortgage. Mortgagor can cure such a default and, if acceleration has occurred, reinstate as provided in §15 below, by causing the action or proceeding to be dismissed with a ruling that, in Mortgagee's judgment, precludes forfeiture of the Property or other material impairment of Mortgagee's interest in the Property or rights under this Mortgage. The proceeds of any award or claim for damages that are attributable to the impairment of Mortgagee's interest in the Property are hereby assigned and shall be paid to Mortgagee.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in §2 above.

9. Mortgagor Not Released; Forbearance by Mortgagee Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Mortgagee to Mortgagor or any Successor in Interest of Mortgagor shall not operate to release the liability of Mortgagor or any Successors in Interest of Mortgagor. Mortgagee shall not be required to commence proceedings against any Successor in Interest of Mortgagor or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Mortgagor or any Successors in Interest of Mortgagor. Any forbearance by Mortgagee in exercising any right or remedy including, without limitation, Mortgagee's acceptance of payments from third persons, entities, or Successors in Interest of Mortgagor or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

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10. Joint and Several Liability; Cosigners; Successors and Assigns Bound. Mortgagor covenants and agrees that Mortgagor's obligations and liability shall be joint and several. Subject to the provisions of §14 below, any Successor in Interest of Mortgagor who assumes Mortgagor's obligations under this Mortgage in writing and is approved by Mortgagee shall obtain all of Mortgagor's rights and benefits under this Mortgage. Mortgagor shall not be released from Mortgagor's obligations and liability under this Mortgage unless Mortgagee agrees to such release in writing. The covenants and agreements of this Mortgage shall bind and benefit the successors and assigns of Mortgagee.

11. Loan Charges. Mortgagee may charge Mortgagor fees for services performed in connection with Mortgagor's default, for the purpose of protecting Mortgagee's interest in the Property and rights under this Mortgage, including, but not limited to, attorneys' fees, property inspection, and valuation fees. In regard to any other fees, the absence of express authority in this Mortgage to charge a specific fee to Mortgagor shall not be construed as a prohibition on the charging of such fee. Mortgagee may not charge fees that are expressly prohibited by this Mortgage or by Applicable Law.

If the Loan is subject to a law that 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 Mortgagor that exceeded permitted limits will be refunded to Mortgagor. Mortgagee may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Mortgagor. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Mortgagor's acceptance of any such refund made by direct payment to Mortgagor will constitute a waiver of any right of action Mortgagor might have arising out of such overcharge.

12. Notices. All notices given by Mortgagor or Mortgagee in connection with this Mortgage must be in writing. Any notice to Mortgagor in connection with this Mortgage shall be deemed to have been given to Mortgagor when mailed by first-class mail or when actually delivered to Mortgagor's notice address if sent by other means. Notice to any one Mortgagor shall constitute notice to all Mortgagors unless Applicable Law expressly requires otherwise. The notice address shall be the address of the Property unless Mortgagor has designated a substitute notice address by notice to Mortgagee. Mortgagor shall promptly notify Mortgagee of Mortgagor's change of address. If Mortgagee specifies a procedure for reporting Mortgagor's change of address, then Mortgagor shall report a change of address only through that specified procedure. There may be only one designated notice address under this Mortgage at any one time. Any notice to Mortgagee shall be given by delivering it or by mailing it by first-class mail to Mortgagee's address stated herein unless Mortgagee has designated another address by notice to Mortgagor. Any notice in connection with this Mortgage shall not be deemed to have been given to Mortgagee until actually received by Mortgagee. If any notice required by this Mortgage is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Mortgage.

13. Governing Law; Severability; Rules of Construction. This Mortgage shall be governed by the law of the State of Illinois. All rights and obligations contained in this Mortgage are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Mortgage or the Note

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conflicts with Applicable Law, such conflict shall not affect other provisions of this Mortgage or the Note that can be given effect without the conflicting provision.

As used in this Mortgage, (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender, (b) words in the singular shall mean and include the plural and vice versa, and (c) the word "may" gives sole discretion without any obligation to take any action.

14. Transfer of the Property or a Beneficial Interest in Mortgagor. As used in this §14, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract, or escrow agreement, the intent of which is the transfer of title by Mortgagor at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred, Mortgagee may require immediate payment in full of all sums secured by this Mortgage in the manner set forth in the Shared Appreciation Loan Agreement.

If Mortgagor fails to pay all sums secured by this Mortgage in accordance with the terms of the Shared Appreciation Loan Agreement, Mortgagee may invoke any remedies permitted by this Mortgage without further notice or demand on Mortgagor.

15. Mortgagor's Right To Reinstate After Acceleration. If Mortgagor meets certain conditions, Mortgagor shall have the right to have enforcement of this Mortgage discontinued at any time prior to the earliest of (a) five days before sale of the Property pursuant to §18 below of this Mortgage, (b) such other period as Applicable Law might specify for the termination of Mortgagor's right to reinstate, or (c) entry of a judgment enforcing this Mortgage. Those conditions are that Mortgagor (a) pays Mortgagee all sums that then would be due under this Mortgage and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Mortgage, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Mortgagee's interest in the Property and rights under this Mortgage; and (d) takes such action as Mortgagee may reasonably require to assure that Mortgagee's interest in the Property and rights under this Mortgage, and Mortgagor's obligation to pay the sums secured by this Mortgage, shall continue unchanged unless as otherwise provided under Applicable Law. Mortgagee may require that Mortgagor pay such reinstatement sums and expenses in one or more of the following forms, as selected by Mortgagee: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn on an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) electronic funds transfer. Upon reinstatement by Mortgagor, this Mortgage and 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 §18 below.

16. Notice of Grievance. Neither Mortgagor nor Mortgagee may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Mortgage or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Mortgage, until such Mortgagor or Mortgagee has notified the other party (with such notice given in compliance with the requirements of §15 above) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period that must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and

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opportunity to cure given to Mortgagor pursuant to §18 below shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this §16.

17. Hazardous Substances. As used in this §17, (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes 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; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety, or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Mortgagor shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Mortgagor shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law; (b) that creates an Environmental Condition; or (c) that due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. 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 (including, but not limited to, hazardous substances in consumer products).

Mortgagor shall promptly give Mortgagee written notice of (a) any investigation, claim, demand, lawsuit, or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Mortgagor has actual knowledge; (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release, or threat of release of any Hazardous Substance; and (c) any condition caused by the presence, use, or release of a Hazardous Substance that adversely affects the value of the Property. If Mortgagor learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Mortgagor shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Mortgagee for an Environmental Cleanup.

18. Acceleration; Remedies. Mortgagee shall give notice to Mortgagor prior to acceleration following Mortgagor's breach of any covenant or agreement in this Mortgage (but not prior to acceleration under Section 18 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 thirty (30) days from the date the notice is given to Mortgagor, 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 Mortgage, foreclosure by judicial proceeding, and sale of the Property. The notice shall further inform Mortgagor of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the nonexistence of a default or any other defense of Mortgagor to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Mortgagee at its option may require immediate payment in full of all sums secured by this Mortgage without further demand and may foreclose this Mortgage by judicial proceeding. Mortgagee shall be entitled to collect all expenses incurred in pursuing the remedies provided in this §18, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

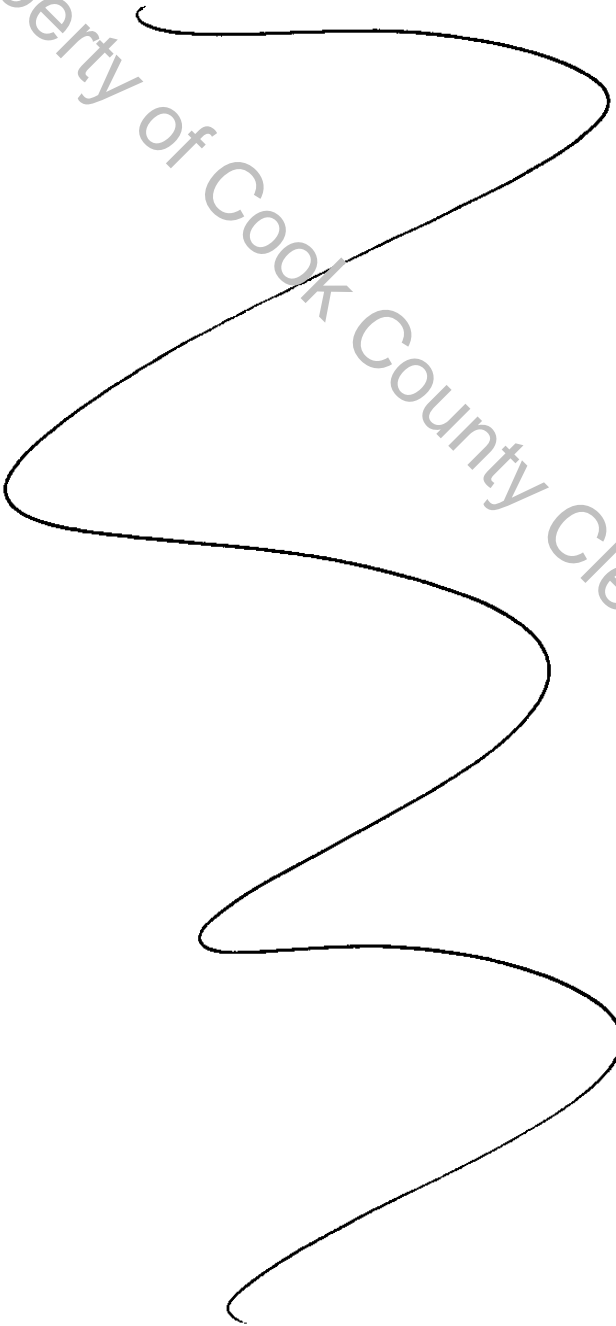
UNOFFICIAL COPY

19. Release. Upon payment of all sums secured by this Mortgage, Mortgagee shall release this Mortgage. Mortgagor shall pay any recordation costs. Mortgagee may charge Mortgagor a fee for releasing this Mortgage, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.

20. Waiver of Homestead. In accordance with Illinois law, the Mortgagor hereby releases and waives all rights under and by virtue of the Illinois homestead exemption laws.

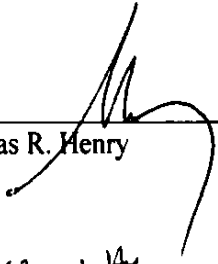
[signatures on the following page]

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BY SIGNING BELOW, Mortgagor accepts and agrees to the terms and covenants contained in this Mortgage.

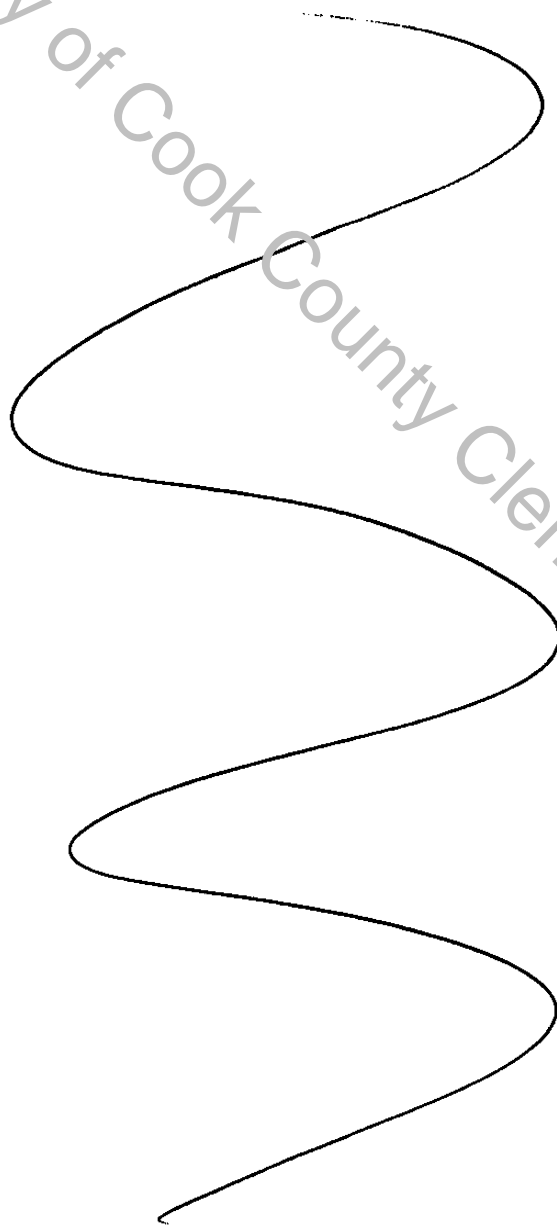


Thomas R. Henry



Colleen S. Henry

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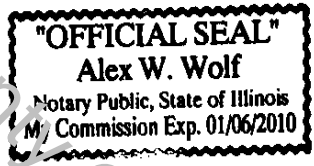
STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Alex Wolf, a Notary Public in and for the County and State aforesaid do hereby certify that Colleen S. Henry personally known to me to be the same person who subscribed to the foregoing instrument, appeared before me this day in person and acknowledged to me that he/she signed and delivered said instrument as his/her own free and voluntary act for the uses and purposes therein set forth.

Given under my hand and notarial seal this 5 day of 11, 2009.

Alex Wolf
NOTARY PUBLIC

My Commission Expires: 11/5/09



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