

Illinois Anti-Predatory
Lending Database
Program

Certificate of Exemption



Doc#: 1113846066 Fee: \$56.25
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 05/18/2011 01:37 PM Pg: 1 of 10

Report Mortgage Fraud
800-532-8785

10-1999-1

The property identified as: PIN: 02-15-303-056-1032

Address:

Street: 455 W. WOOD UNIT 404

Street line 2:

City: PALATINE

State: IL

ZIP Code: 60067

10

Lender: MICHAEL & MARGARET KLINGENBERG

Borrower: ERIK W. KLINGENBERG AND NIKKI CAIAFA

Loan / Mortgage Amount: \$98,000.00

This property is located within the program area 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: 41F71002-74BA-4117-ACAE-7CE88999CBAB

Execution date: 04/29/2011

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This Document was prepared by
and should be mailed to:

Kenneth E. Kaiser
502 N. Plum Grove Rd.
Palatine, IL 60067

MORTGAGE

10-1999-1
This FIRST MORTGAGE made this 29th day of April, 2011, Erik W. Klingenberg and Nikki Caiafa of 455 Wood Street, Palatine, Illinois 60067 (hereinafter referred to as "Mortgagor") and Michael W. and Margaret A. Klingenberg, their successors and /or assigns of 3910 Ridge Rd., Spring Grove, Illinois 60081, (hereinafter referred to as "Mortgagee").

WHEREAS, Mortgagor is indebted to Mortgagee in the principal sum of Ninety-eight Thousand and NO / 100 Dollars (\$98,000) which indebtedness is evidenced by Mortgagor's PROMISSORY NOTE dated April 29, 2011, (hereinafter referred to as the "Note"); and

WHEREAS, the Note provides for interest to be charged at "0" interest so long as the Borrower takes such action as is required of Borrower to prevent the Lender from being required by the IRS to calculate imputed interest on this Note. Such action includes the Borrower to not earn more than \$1,000 per year in "investment income" as defined by the IRS for this purpose. If Borrower causes the Lender to be required by the IRS to calculate imputed interest on this Note, then the interest rate on this Note shall revert from "0" to the rate that is required to be imputed on this Note from time-to-time.

WHEREAS, the Note provides that principal and interest, if any, shall be paid in monthly installments due on the first of each month commencing on June 1, 2011;

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NOW, THEREFORE, the Mortgagor, to secure the payment of the Note with interest thereon, the payment of all other sums with interest thereon advanced in accordance herewith to protect the security of this Mortgage, and the performance of the covenants and agreements of the Mortgagor herein contained, the Mortgagor does hereby mortgage, grant, and convey to Mortgagee the following described real estate located in the County of Cook, State of Illinois:

SEE ATTACHED LEGAL

Permanent Index Number: 02-15-303-056-1032

Which has the address commonly known as: 455 Wood Street, Palatine, IL 60067 (herein referred to as "Property Address").

TOGETHER with all the improvements now and hereafter erected on or attached to the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water, water rights, and all fixtures now or hereafter attached to the property, all of which including replacements and additions thereto, shall be deemed to be and remain part of the property covered by this Mortgage and all of the foregoing together with said property are herein referred to as the "Premises".

Mortgagor covenants that Mortgagor is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Premises, that the Premises is unencumbered and Mortgagor will warrant and defend generally the title to the Premises against all claims and demands, subject to any declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Mortgagor's interest in the Premises.

In addition the Mortgagor agrees that:

1. **Payments**: Mortgagor shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, and late charges as provided in the Note, and the principal of and interest on any future advances secured by this Mortgage.
2. **Maintenance**: Mortgagor shall maintain the property including:
 - a) Promptly repair, restore or rebuild any improvement now or hereafter on the property which may become damaged or destroyed;
 - b) Pay immediately when due and payable all general taxes, special taxes, special assessments, water charges, sewer service charges and other taxes and charges against the property, including those heretofore due, and to furnish Mortgagee, upon request, with the original and duplicate receipts therefor, and all such items extended against

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said property shall be conclusively deemed for the purpose of this requirement;

- c) Keep the improvements now existing or hereafter erected on the property insured against loss or damage by fire, lightning, wind storm or such other hazards as the Mortgagee may reasonable require to be insured against under policies providing for payment by the insurance companies or monies sufficient either to pay the cost of replacing or repairing the same or to pay in full the indebtedness secured hereby, in such companies through such agents or brokers and in such form as shall be satisfactory to the Mortgagee, until said indebtedness is fully paid, or in the case of foreclosure, until the expiration of the period of redemption. Such insurance policies, including additional and renewal policies shall be delivered to and kept by the Mortgagee and shall contain a clause satisfactory to the Mortgagee making them payable to the Mortgagee, as its interest may appear, and in case of loss under such policies the Mortgagee is authorized to adjust, collect and compromise, in its discretion, all claims thereunder and the Mortgagor agrees to sign upon demand, all receipts, vouchers and releases required of him by the insurance companies. Application by the Mortgagee of any of the proceeds of such insurance to the indebtedness hereby secured shall not excuse the Mortgagor from making all monthly payments until such indebtedness is paid in full. In the event of a loss, Mortgagor shall give prompt notice to the insurance carrier and the Mortgagee. Mortgagee may make proof of loss if proof of loss is not made promptly by Mortgagor. All renewal policies shall be delivered at least ten (10) days before such insurance shall expire. All policies shall provide further that Mortgagee shall receive ten (10) days notice prior to cancellation;
- d) Complete within a reasonable time any buildings or improvements now or at any time in process of erection upon said property;
- e) Keep said Premises in good condition and repair without waste and free from mechanics or other lien or claim of lien not expressly subordinated to the lien hereof;
- f) Not suffer or permit any unlawful use of or any nuisance to exist on said Premises nor to diminish nor impair its value by any act or omission to act;
- g) Comply with all requirements of law or municipal ordinances with respect to the Premises and the use thereof;
- h) Comply with the provisions, regulations and By-Laws of the Homeowners Association governing the condominium;

3. **Sale or Transfer**: Any sale, conveyance, or transfer of any right, title or interest in the Premises of any portion thereof or any sale, transfer or assignment of all or any part of the beneficial interest in any trust holding title to the Premises without the prior written approval of the Mortgagee shall, at the option of the Mortgagee, constitute a default hereunder on account of which the holder of the Note secured hereby may declare the entire indebtedness evidenced by said Note to be immediately

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due and payable and foreclose this Mortgage immediately or at any time such default occurs.

4. **Failure to Perform**: In the case of a failure to perform any of the covenants herein, or if any action or proceeding is commenced which materially affects the Mortgagee's interest in the property, including but not limited to eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, the Mortgagee may do on the Mortgagor's behalf everything so covenanted. The Mortgagee may also do any act it may deem necessary to protect the lien hereof. The Mortgagor will repay on demand any monies paid or disbursed including reasonable attorney's fees and expenses by the Mortgagee for any of the above purposes. Such monies together with interest thereon at the stated rate of the Note shall become so much additional indebtedness hereby secured and may be included in any decree foreclosing this mortgage and be paid out of rents or proceeds of sale of said Premise if not otherwise paid. It shall not be obligatory upon the Mortgagee to inquire into the validity of any lien encumbrance or claim in advancing monies as above authorized. Nothing herein contained shall be construed as requiring the Mortgagee to advance any monies for any purpose nor to do any act hereunder, and the Mortgagee shall not incur any personal liability because of anything it may do or omit to do hereunder nor shall any acts of Mortgagee act as a waiver of Mortgagee's right to accelerate the maturity of the indebtedness secured by this Mortgage or to proceed to foreclose this Mortgage.
5. **Default**: Time is of the essence hereof, and if default be made in performance of any covenant herein contained or contained in the Note or in making any payment under said Note or obligation or any extension or renewal thereof or if proceedings instituted to enforce any other lien of charge upon any of the Premises or upon the filing of a proceeding in bankruptcy by or against the Mortgagor or the Mortgagee shall make an assignment for the benefit of his creditors or if his property be placed under control of or in custody of any court or officer of the government or if the Mortgagor abandons the Premises or fails to pay when due any charge or assessment (whether for insurance premiums, maintenance, taxes, capital improvements, purchase of another unit or otherwise) imposed by the condominium's Homeowners association, then and in any of said events, the Mortgagee is hereby authorized and empowered, as its option and without affecting the lien hereby created or the priority of said lien or any right of the Mortgagee hereunder, to declare, with thirty (30) days written notice, all sums secured hereby immediately due and payable, whether or not such default be remedied by Mortgagor, and apply toward the payment of said Mortgage indebtedness any monies of the Mortgagor held by the Mortgagee. Said Mortgagee may also immediately proceed to foreclose this Mortgage, and in any foreclosure a sale may be made of the Premises en masse without offering of the several parts separately.
6. **Foreclosure**: Upon commencement of any foreclosure proceeding hereunder, the court in which such bill is filed may at any time, either before or after sale, and with thirty (30) days written notice to the Mortgagor, and without regard to the solvency of the Mortgagor or the then value of said Premises, or whether the same shall then be

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occupied by the owner of the equity of redemption as a homestead, appoint a receiver with power to manage and rent and to collect the rents, issues and profits of said Premises during the pendency of such foreclosure suit and the statutory period of redemption. Such rents, issues and profits, when collected, may be applied before as well as after the foreclosure sale, towards the payment of the indebtedness, costs, taxes, insurance or other items necessary for the protection and preservation of the Premises including the expenses of such receivership or on any deficiency decree whether there be a decree therefore in personam or not. If a receiver shall be appointed he shall remain in possession until the expiration of the full period allowed by statute for redemption, whether there be redemption or not, and until the issuance of a deed in case of sale, but if no deed be issued, until the expiration of the statutory period during which it may be issued and no lease of said Premises shall be nullified by the appointment or entry in possession of a receiver but he may elect to terminate any lease junior to the lien hereof. Upon foreclosure of said Premises, there shall be allowed and included as an additional indebtedness in the decree of sale all expenditures and expenses together with interest thereon at the stated rate of the Note which may be paid or incurred by or in behalf of the Mortgagee for attorney's fees, appraiser's fees, court costs and costs (which may be estimated as to include items to be expended after the entry of the decree) and of procuring all such data with respect to title as Mortgagee may reasonably deem necessary either to prosecute such suit or to evidence to bidders at any sale held pursuant to such decree the true title to or value of said Premises. All of which aforesaid amounts together with interest as herein provided shall be immediately due and payable by the Mortgagor in connection with (a) any proceeding, including a probate or bankruptcy proceedings to which either party hereto shall be a party by reason of the Mortgage or the Note hereby secured; or (b) preparations for the commencement of any suit for the foreclosure hereof after accrual of the right to foreclose, whether or not actually commenced; or (c) preparations for the defense of or intervention in any suit or proceeding or any threatened or contemplated suit or proceeding, which might affect the Premises or the security hereof. In the event of a foreclosure sale of said Premises there shall first be paid out of the proceeds thereof all of the aforesaid items, then the entire indebtedness whether due and payable by the terms hereof or not and the interest thereon up to the time of such sale and the over plus, if any, shall be paid to the Mortgagor and the purchaser shall not be obligated to see the application of the purchase money.

7. **Waiver of Rights:** Any forbearance by Mortgagee in exercising any right or remedy hereunder or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Mortgagee shall not be a waiver of Mortgagee's right to accelerate the indebtedness secured by this Mortgage.

8. **Concurrency of Remedies:** All remedies provided in this Mortgage are distinct and

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cumulative to any other right or remedy under this Mortgage or afforded by law or equity and may be exercised concurrently, independently or successively.

9. **Succession of Rights and Obligations:** The covenants herein shall bind and the rights hereunder shall inure to the any and all successors and assigns of Mortgagee subject to the provisions of paragraph 3 hereof.
10. **Notices:** Except to the extent any notice shall be required under applicable law to be given in another manner, any notice to Mortgagor shall be given by mailing such notice by certified mail addressed to Mortgagor at the Property Address or at such other address as Mortgagor shall be given by certified mail, return receipt requested to Mortgagee's address stated herein or to such other address as Mortgagee may designate by notice to Mortgagor as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Mortgagor or Mortgagee when given in the manner as designated herein. Notices to the Mortgagor shall be delivered as follows:
- Erik W. Klingenberg and Nikki Caiafa
455 Wood Street
Palatine, IL 60067
- Notices to the Mortgagee shall be delivered as follows:
- Michael W. and Margaret A. Klingenberg
3910 Ridge Rd.
Spring Grove, Illinois 60081
11. **Release:** Upon payment of all sums secured by this Mortgage, Mortgagee shall release Mortgage without charge to Mortgagor. Mortgagee shall pay all costs of recording any documents necessary to release this Mortgage.
12. **Homestead Rights:** Mortgagor hereby waives all right of homestead exemption in the Premises and grants to Mortgagee the right to inspect the Premises at all reasonable times and access thereto shall be permitted for that purpose.
13. **Condemnation:** Mortgagor assigns to Mortgagee and authorizes the Mortgagee to negotiate for and collect any award for condemnation of all or any part of the Premises. The Mortgagee may, in its discretion, apply any such award to amounts due hereunder, or for restoration of the Premises.
14. **Applicable Law:** This Mortgage shall be governed by the laws of the State of Illinois.

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15. **Severability:** In the event one or more of the provisions contained in this Mortgage shall be prohibited or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provision of this Mortgage.
16. **Headings:** Paragraph headings of this Mortgage have been inserted for convenience of reference only and shall not be construed to affect the meaning of this Mortgage.

IN WITNESS WHEREOF, the undersigned have signed this Mortgage on the 29th day of April 2011.


Erik W. Klingenberg


Nikki Caiafa

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STATE OF ILLINOIS)
) S.S.
COUNTY OF COOK)

I, the undersigned, a Notary Public in an for said County, in the State aforesaid, DO
HEREBY CERTIFY THAT: Erik W. Klingenberg, 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
instruments as his free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal, this 29 day of April, 2011.

Lynda A. Noto
NOTARY PUBLIC

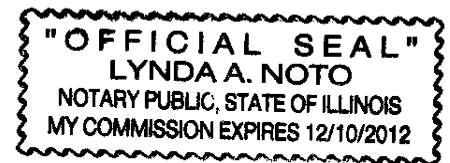


STATE OF ILLINOIS)
) S.S.
COUNTY OF COOK)

I, the undersigned, a Notary Public in an for said County, in the State aforesaid, DO
HEREBY CERTIFY THAT: Nikki Caiafa, personally known to me to be the same
person whose name is subscribed to the foregoing instrument, appeared before me this
day in person and acknowledged that she signed, sealed and delivered the said
instruments as her free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal, this 29 day of April, 2011.

Lynda A. Noto
NOTARY PUBLIC



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5. The land referred to in the **MORTGAGE** is described as follows:

PARCEL 1: UNIT 404 IN THE PRESERVE OF PALATINE CONDOMINIUMS IN SECTION 15, TOWNSHIP 42 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, AS DELINEATED ON A SURVEY ATTACHED AS EXHIBIT "C" TO THE DECLARATION OF CONDOMINIUM RECORDED JUNE 5, 2006, AS DOCUMENT NUMBER 0615634000, AND AS FURTHER AMENDED FROM TIME TO TIME WITH ITS UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS.

PARCEL 2: THE EXCLUSIVE RIGHT TO USE OF LIMITED COMMON ELEMENTS KNOWN AS GARAGE SPACE G-47 AND STORAGE SPACE S-47.

Property of Cook County Clerk's Office