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Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



1333633002

Doc#: 1333633002 Fee: \$58.00
RHSP Fee: \$9.00 RPRF Fee: \$1.00
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 12/02/2013 08:49 AM Pg: 1 of 11

Report Mortgage Fraud
800-532-8785

The property identified as: **PI#:** 10-24-209-014-0000

Address:

Street: 1109 DARROW AVE

Street line 2:

City: EVANSTON

State: IL

ZIP Code: 60202

Lender: CITY OF EVANSTON

Borrower: COMMUNITY PARTNERS FOR AFFORDABLE HOUSING

Loan / Mortgage Amount: \$133,985.00

This property is located within the program area and the transaction is exempt from the requirements of 735 ILCS 77/70 et seq. because the application was taken by an exempt entity.

SU
P 11
S N
SC 4
INT 10

Certificate number: A9AD643D-C3EB-4149-AD82-8DCCA67C78F5

Execution date: 10/25/2013

BOX 333-CTD

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CT

ST5.14543456
201356499 3/3

This document prepared by
and when recorded mail to:

Mary Ellen Poole, Housing Planner
City of Evanston
2100 Ridge Avenue, Room 3304
Evanston, IL 60201-2798

Property of Cook County Clerk's Office

CITY OF EVANSTON
HOME PROGRAM
MORTGAGE

Name and Address of Borrower:

Community Partners for Affordable Housing
400 Central Ave. #111
Highland Park, IL 60035

\$ 133,985.00

Date: October 22, 2013

This Junior Mortgage is made by and between Community Partners for Affordable Housing (CPAH), a nonprofit organization (the "Borrower") and the City of Evanston, a municipal corporation in the State of Illinois acting through its Community Development Department with mailing address at 2100 Ridge Avenue, Evanston, Illinois 60201 (the "Lender").

I. BACKGROUND AND GRANTING CLAUSE

Borrower is indebted to Lender in the principal sum of \$133,985.00 (One Hundred and Thirty-Three Thousand, Nine Hundred and Eighty-Five Dollars and no/100) (the "Loan") which indebtedness is evidenced by Borrower's promissory note (the "Note"), providing for the repayment of the Loan under certain conditions and providing for other conditions of the Loan. The loan is provided from the Lender to the Borrower under the HOME Investment Partnership Program and the regulations issued thereunder and Title II, the Cranston-Gonzalez National Affordable Housing Act, Public Law No. 101-625 104 Stat. 4079 (1990), 24 C.F.R. Part 92 ("the HOME Program") subject to the conditions and covenants set forth herein.

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TO SECURE to Lender the repayment under the Note and the performance of the covenants and agreements of Borrower contained in this Mortgage, Borrower does hereby mortgage, grant, and convey to Lender, the following described real property located in the County of Cook:

Property Address: 1109 Darrow, Evanston IL 60202 (the "Property Address"), as more particularly described on Exhibit A attached hereto;

PIN: 10-24-209-014-0000

TOGETHER with all the buildings and improvements now or hereafter erected on such real property, and all fixtures, easements, rights, licenses, appurtenances and rents, all of which shall be deemed and remain a part of the property covered by this Mortgage; and all of the foregoing, together with all real property are hereinafter referred to as the "Property".

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for any other mortgages known to and consented to by Lender. Borrower warrants and covenants to defend at its own expense the title of the Property against all claims and demands, subject to encumbrances of record.

2. COVENANTS

Borrower covenants and agrees as follows:

1. **Payment of Principal and Interest**
Borrower shall promptly pay when due the principal evidenced by the Note and late charges as provided in the Note.
2. **Condition of Property**
Borrower shall ensure that prior to full occupancy of the renovated building; Borrower shall abate or mitigate any and all currently identified health and safety defects and lead-based paint hazards, as applicable, at the Property. Borrower shall also remedy or cause to be remedied any violation of the housing quality standards set forth in the regulations of the United States Department of Housing and Urban Development at 24 CFR §882.109 or any successor regulations and the City of Evanston Rehabilitation Standards. Lender shall have the right pursuant to paragraph 7 below, to inspect the Property from time to time to verify compliance by Borrower with the foregoing.
3. **Other Mortgages; Charges; Liens**
This Mortgage shall not be subject and subordinate to any subsequent mortgage executed by Borrower (the "Senior Mortgage") unless the Lender gives its written consent, which shall not be unreasonably withheld, to such subordination. Borrower shall perform all of Borrower's obligations under any Senior Mortgage, including Borrower's covenants to make payments when due. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage and leasehold payments or ground rents, if any.
4. **Hazard Insurance**
Borrower shall keep improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included with the term "extended coverage," subject to the terms and conditions of the Senior Mortgage.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender;

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provided that such approvals shall not be unreasonably withheld. All insurance policies and renewals thereof shall include a standard mortgage clause in favor of Lender. Lender shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage or other security agreement with a lien which has priority over this Mortgage.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and to Lender. Lender may make proof of loss if not made promptly by Borrower.

If the property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, subject to the rights of the mortgage under the Senior Mortgage, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

5. **Preservation and Maintenance of Property**

Borrower shall keep the property in good repair and shall not commit waste of, or permit impairment or deterioration of the Property. If this Mortgage is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium, the by-laws and regulations of the condominium, and constituent domains.

6. **Protection of Lender's Security**

If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums, including reasonable attorneys' fees and take such actions as are necessary to protect Lender's interest, and any expense so incurred by Lender shall be secured by this Mortgage.

7. **Inspection**

Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection.

8. **Condemnation**

The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation are hereby assigned and shall be paid to Lender, subject to the terms and conditions of the Senior Mortgage.

9. **Borrower Not Released; Forbearance by Lender Not A Waiver**

Extension of the time for payment or modification of the conditions of the terms for payment of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor's refusal 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 Borrower or Borrower's successors in interest. Any forbearance by Lender 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.

10. **Successors and Assigns Bound; Joint and Several Liability; Co-signers**

The Borrower's interest under the Note and this Mortgage and its interest in the Property may not be transferred, assigned, or assumed without the prior written consent of Lender. The Covenants and agreements herein contained shall bind, and the rights hereunder shall inure to the respective successors and assigns of the Lender and Borrower. All covenants and agreements of Borrower shall be joint and several.

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11. Notice

Except for any given notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Mortgage shall be given by delivering or mailing such notice by certified mail addressed to Borrower at its business address as referenced above or to such other address as Borrower may designate to Lender, and (b) any notice to Lender shall be given by hand-delivery or certified mail to Lender's address, below, or to such other address Lender may designate by notice to Borrower as provided herein. Mailed notice shall be deemed given on the third business day after mailing. Notice to Lender: City of Evanston, Director of Community Development, 2100 Ridge Avenue, Evanston IL 60201 with a copy to City of Evanston, Law Department, 2100 Ridge Avenue, Evanston, IL 60201.

12. Governing Law; Severability

This Mortgage shall be governed by the laws of the State of Illinois. The foregoing sentence shall not limit the applicability of Federal law to this Mortgage. In the event that any provision or clause of the Mortgage or Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which shall be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Note are declared to be severable. As used herein "costs", "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

13. Breach; Remedies

Subject to the terms and conditions of the Senior mortgage, upon Borrower's breach of any covenants or agreement of Borrower in the Note or this Mortgage, or the Loan Agreement or other Loan Documents, including the covenant to pay when due any sums secured by this Mortgage, Lender, prior to acceleration, shall give notice to Borrower specifying (1) the breach; (2) the action required to cure such breach; (3) a date by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage and sale of the Property. In the event of a monetary breach, the Borrower shall have at least 10 business days after the date on which the notice is mailed or delivered to the Borrower to cure such breach. In the event of a non-monetary breach, the Borrower shall have at least 30 business days after the date on which the notice is mailed or delivered to the Borrower to cure such breach. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the nonexistence of a default or any other defense of Borrower to acceleration and foreclosure.

If the breach is not cured on or before the date specified in the notice, Lender, at Lender's option, may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, attorneys' fees and costs of documentary evidence, abstracts and title reports and court costs.

14. Request for Notice of Default and Foreclosure under Superior and Inferior Mortgages or Deeds of Trust.

Borrower and Lender request the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Mortgage to give Notice to Lender, at Lender's address set forth herein, of any default under the superior encumbrance and of any sale or other foreclosure action. Lender also agrees to give notice to superior lender or its designee of any default under the inferior encumbrance and of any sale or other foreclosure action.

15. Borrower's Right to Reinstate

Notwithstanding Lender's acceleration of the sums secured by this Mortgage due to Borrower's breach, subject to the terms and conditions of the Senior Mortgage, Borrower shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued at any time prior to entry of a judgement enforcing this Mortgage if: (a) Borrower pays lender all sums which would be then due under

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this Mortgage and the Note had no acceleration occurred; (b) Borrower cures all breaches of any covenants or agreements of Borrower contained in the Note and this Mortgage; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Mortgage and in enforcing Lender's remedies as provided in paragraph 13 hereof, including, but not limited to, reasonable attorneys' fees; and (d) Borrower takes such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Borrower, the Note, and this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

16. **Release**

Upon the expiration of the term of the Note or upon proper payment of all sums secured by this Mortgage, Lender shall release this Mortgage without cost to Borrower. Borrower shall pay all cost of recordation, if any.

17. **Payment of Taxes, Insurance Premiums and Utility Charges**

Borrower shall pay when due all real estate taxes, assessments, water rates, sewer, gas or electric charges, insurance premiums and any imposition or lien on the property. If Borrower fails to make any such payment, Lender may, at its option, after the expiration of any applicable cure period and upon reasonable prior notice to Borrower, pay them. The sum or sums so paid by Lender shall be added to the Mortgage Debt and shall bear interest at the Default Rate, as stated in the Note. Lender shall have the right to declare immediately due and payable the amount of any such payment made by Borrower, whether or not such payment has priority over this Mortgage. Borrower shall, upon written request of Lender, furnish to Lender duplicate receipts evidencing payment of taxes and assessments, insurance premiums and utility charges. Notwithstanding the foregoing, Borrower may contest the validity or amount of any real estate taxes in good faith; however, Borrower shall deposit with Lender, subject to the rights of the Senior Lender, an amount deemed reasonably necessary by Lender to pay such taxes should the Borrower's challenge fail.

18. **Rehabilitation Loan Agreement**

Borrower shall fulfill all of Borrower's obligations under any HOME rehabilitation, improvement, repair, or other loan agreement which Borrower enters into with Lender. Lender, at Lender's option, may require Borrower to execute and deliver to Lender, in a form acceptable to Lender, an assignment of any rights, claims or defenses which Borrower may have against parties who supply labor, materials or services in connection with improvements made to the Property.

19. **Transfer of the Property or a Legal or Beneficial Interest in Borrower**

If all or any part of the Property or any interest in it is sold or transferred (or if a legal or beneficial interest in Borrower is sold or transferred or modified without Lender's prior written consent) or if Borrower ceases to exist or fails to remain in good standing as a legal entity with the State of Illinois, Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Mortgage.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Mortgage. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Mortgage without further notice or demand on Borrower.

20. **Subordination of Mortgage**

The rights of the City of Evanston under this Mortgage shall be and are subject and subordinate at all times to the lien of the first mortgage from Northshore Community Bank and Trust its successors and/or assigns

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now or hereafter in force against the real estate, and to all advances made or hereafter to be made upon the security thereof, and the City of Evanston may execute such further instruments subordinating this Mortgage to the lien or liens of mortgages as shall be requested by the Borrower necessary for the rehabilitation or operation of the Property and which meet reasonable credit and security interest standards determined by the City.

21. **Assignment of Rents; Appointment of Receiver**

As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, subject to the rights of any Senior Mortgage, provided that Borrower shall, prior to acceleration under paragraph 13 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

22. **Non-Recourse Loan.** Notwithstanding anything in this Mortgage to the contrary, the Loan is a non-recourse obligation of the Borrower. Except for losses, costs or damages incurred by Lender for fraud or breach of the Environmental Indemnity, neither Mortgagor nor any of its officers shall have any personal liability for repayment of the Loan or any other amounts evidenced or secured by the Loan Documents. The sole recourse of Mortgagee under the Loan Documents for repayment of the Loan shall be the exercise of its rights against the Project and the related security interests.

[SIGNATURES ON FOLLOWING PAGE]

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date(s) recited below.

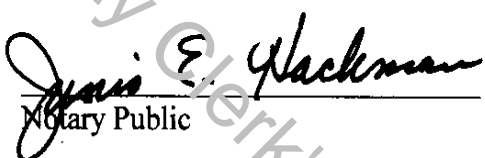
THE CITY OF EVANSTON,
a municipal corporation in the State of Illinois

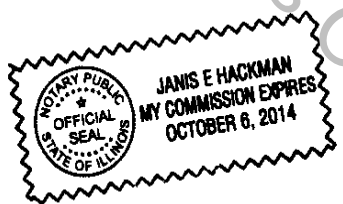
By: 
Mark Muenzer
Title: Director of Community Development

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The undersigned a Notary Public in and for said The City in the State aforesaid, DO HEREBY CERTIFY that Mark Muenzer, of the City of Evanston, a body politic in the State of Illinois, personally known to me to be the Director of the City of Evanston Community Development, appeared before me this day in person, and acknowledged that as Director he signed, sealed and delivered the foregoing instrument as the free and voluntary act of the City of Evanston and as its free and voluntary act for the uses and purposes therein set forth.

Given under my hand and official seal, this 22nd day of October, 2013


Notary Public



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Community Partners for Affordable Housing
an Illinois Nonprofit Organization

By: *Rob Anthony*
Rob Anthony
Title: Executive Director

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The undersigned Notary Public in and for said The City in the State aforesaid DOES HEREBY CERTIFY that Robert Anthony personally known to me to be the Executive Director of Community Partners for Affordable Housing an Illinois limited liability company appeared before me this day in person, and acknowledged that as such they signed, sealed and delivered the foregoing instrument as the free and voluntary act of said corporation and as their free and voluntary act for the uses and purposes therein set forth.

Given under my hand and official seal, this 2nd day of October, 2013.

Amy Kaufman
Notary Public



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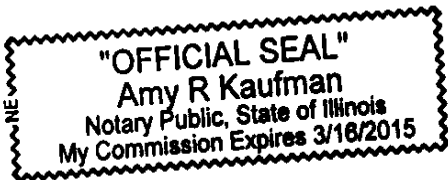
Community Partners for Affordable Housing
an Illinois Nonprofit Organization

By: *Terri Olian*
Terri Olian
Title: Board President

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The undersigned Notary Public in and for said The City in the State aforesaid DOES HEREBY CERTIFY that Terri Olian personally known to me to be the Board President of Community Partners for Affordable Housing an Illinois limited liability company appeared before me this day in person, and acknowledged that as such they signed, sealed and delivered the foregoing instrument as the free and voluntary act of said corporation and as their free and voluntary act for the uses and purposes therein set forth.

Given under my hand and official seal, this 22nd day of October, 2013



Amy Kaufman

Property of Cook County Clerk's Office

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EXHIBIT A - PROPERTY DESCRIPTION

Commonly Known As: 1109 Darrow Avenue, Evanston, IL 60202

Property Identification Number: 10-24-209-014-0000

Legal Description:

LOT 22 IN BLOCK 3 GOLFE'S RESUBDIVISION OF BLOCKS 4, 5, AND 8 IN CHASE AND PITNER'S ADDITION TO EVANSTON, A SUBDIVISION OF THE NORTHWEST ¼ OF THE NORTHEAST ¼ OF SECTION 24, TOWNSHIP 41 NORTH, RANGE 13 AND THE SOUTH ½ OF THE SOUTHWEST ¼ OF THE SOUTHEAST ¼ OF SECTION 13, TOWNSHIP 41 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPT THE NORTH 7 ½ FEET), ALL IN COOK COUNTY, ILLINOIS.

Clerk's Office of Cook County