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Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



Doc#: 1434444080 Fee: \$70.00
RHSP Fee: \$9.00 RPRF Fee: \$1.00
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 12/10/2014 03:31 PM Pg: 1 of 17

Report Mortgage Fraud
800-532-8785

The property identified as: PIN: 20-17-202-016-0000

Address:

Street: 5537 Aberdeen St

Street line 2:

City: Chicago

State: IL

ZIP Code: 60621

Lender: COMMUNITY MALE EMPOWERMENT PROJECT

Borrower: ESCROW SECURITY JLD-MRB LLC

Loan / Mortgage Amount: \$27,550.00

This property is located within the program area and is exempt from the requirements of 765 ILCS 77/70 et seq. because it is not owner-occupied.

Certificate number: 5DC2D0D0-831C-468E-8A6B-45787E42D9D5

Execution date: 02/26/2014

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This instrument prepared by
and when recorded return ☒.

Housing Initiative Clinic
Edwin F. Mandel Legal Aid Clinic
6020 S. University Ave.
Chicago, Illinois 60637
Attention: Jeff Leslie

MORTGAGE AND RECAPTURE AGREEMENT

THIS MORTGAGE AND RECAPTURE AGREEMENT (the "Agreement") dated as of February 26, 2014, is made between the **COMMUNITY MALE EMPOWERMENT PROJECT**, an Illinois not-for-profit corporation ("CMEP") and **ESCROW SECURITY JLD-MRB LLC**, an Indiana Limited Liability Company ("Buyer"). Capitalized terms not otherwise defined herein have the meaning set forth in Section 1, or in that certain Purchase Agreement dated as of February 26, 2014 (the "**Purchase Agreement**"), which is incorporated by reference.

RECITALS

1. CMEP, by resolution adopted 12 / 26 / 2012, established the Acquisition and Conveyance of Affordable Properties Program ("the **Program**"), under which CMEP receives property from various sources to facilitate the construction or rehabilitation of single family housing within Chicago which shall be affordable to low or moderate income families.
2. The Buyer is purchasing from CMEP and will be the holder of legal title to certain real property 5537 S Aberdeen Chicago, IL 60621 (the "**Property**"), legally described in **Exhibit A** attached to and made a part of this Agreement.

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3. When CMEP received the Property, the Property had a fair market value of approximately Twenty Seven Thousand Five Hundred Fifty Dollars (\$27,550.00) (the "**Property Fair Market Value**").
4. In order to further the Program's goals, CMEP has reduced the Purchase Price of the Property below the Property Fair Market Value. As a result of the reduced Purchase Price, the Buyer has been given the opportunity to buy the Property and to become a homeowner.
5. Pursuant to the Purchase Agreement and the Program, and subject to the terms of this Agreement, CMEP conveyed the Property to the Buyer for Ten Thousand Dollars (\$10,000.00) (the "**Purchase Price**").
6. Buyer has covenanted to CMEP herein and CMEP has determined upon reasonable inquiry that Buyer meets the income eligibility requirements laid out by this Agreement and is purchasing the Property to live in as Buyer's principal residence.
7. Now, to secure the performance and observance by Buyer of all the terms, covenants and conditions described herein, and in order to charge the properties, interest and rights hereinafter described with such consideration, Buyer has executed and delivered the Agreement and does hereby grant, convey, assign, mortgage, grant a security interest in, and confirm unto CMEP and its successors and assigns forever, all of the following described Property:
 - (a) The land underlying the Property (the "**Land**");
 - (b) All structures and improvements of every nature whatsoever now or hereafter situated on the Land, all fixtures of every kind and nature whatsoever which are or shall be attached to said buildings, structures or improvements, and now or hereafter owned by the Buyer, including all extensions, additions, improvements, betterments, renewals and replacements of any of the foregoing ("**improvements**");
 - (c) All rents and issues of the Land and Improvements from time to time and all of the estate, right, title, interest, property, possession, claim and demand at law, as well as in equity of Buyer, in and to the same;

TO HAVE AND TO HOLD the Property and all parts thereof unto CMEP, its successors and assigns, to its own proper use, benefit and advantage forever, subject, however, to the terms, covenants and conditions herein;

WITHOUT limitation of the foregoing, Buyer hereby further grants unto CMEP, pursuant to the provisions of the Uniform Commercial Code of the State of Illinois, a security interest in all of the above-described property, which are or are to become fixtures.

THIS AGREEMENT IS EXECUTED TO SECURE:

- (a) payment of all recapture amounts described herein,
- (b) performance of residency, transfer and financing covenants described herein, and
- (c) the payment and performance of all other obligations, covenants, conditions and agreements contained herein and in any other agreement, document or instrument to which reference is expressly made in the Agreement.

Section 1. DEFINITIONS.

The recitals set forth above constitute an integral part of this Agreement and are hereby incorporated herein by this reference with the same force and effect as if set forth herein as

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agreements of the parties. As used herein, the following capitalized terms shall be defined as follows:

"Affordability Period" means the five (5) year period commencing on the Purchase Date and ending on the fifth anniversary of the Purchase Date.

"Income Qualified Family" means a single person, family or unrelated persons living together whose adjusted income is less than or equal to one hundred twenty percent (120%) of the Median Income.

"Land" means the land underlying the Property.

"Median Income" means the median income of the metropolitan statistical area of Chicago, adjusted for family size, as such adjusted income and median income for the area are determined from time to time by the United States Department of Housing and Urban Development for purposes of Section 8 of the United States Housing Act of 1937.

"Monthly Burn Off" means the monthly pro rata rate at which the Recapture Amount decreases, as calculated under Section 4.2 hereof.

"Owner" shall mean the Buyer and any successor to or transferee of the Buyer who takes title to the Property during the Affordability Period.

"Permitted Refinancing" means a refinancing that lowers the interest rate of the first mortgage loan on the Property, decreases its term or lowers the monthly payment of the loan; it does **not** include a refinancing that increases the outstanding balance of the first mortgage loan, increases the interest rate on the loan or allows the Buyer or its successors to receive money as a result of the refinancing.

"Property" means the real estate described in Exhibit A.

"Property Fair Market Value" means the value of the Property as of the signing of this Agreement, as set forth in Recital 3 above, which may be based on such indicators as: the deduction amount claimed by the donor when the Property was donated or conveyed by bargain sale to CMEP, as applicable; the donor's 8283 tax forms; an appraisal or a broker price opinion; the valuation made by Cook County Assessor's office in its most recent assessment of the Property; or real estate evaluation websites, such as Zillow.com or Trulia.com; or as the parties might otherwise agree.

"Purchase Price" means the amount set forth in Recital 5, which is the purchase price for which CMEP sold the Property to the Buyer, after giving effect to the reduced pricing described herein.

"Purchase Date" means the date on which the Buyer purchased the Property, which shall be deemed to be the date on which this Agreement is recorded.

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"Recapture Amount" means an amount, determined as of any applicable determination date, which shall initially equal the Subsidy Value, but which shall decline proportionately (e.g. by twenty percent (20%) of the original amount) on the first, second, third, fourth and fifth anniversary dates of the Purchase Date, and after such fifth anniversary date, shall equal zero dollars (\$0.00).

"Recapture Default" means an event of default triggering the Buyer's obligation to repay the Recapture Amount to CMEP.

"Rental Unit" means housing unit (e.g. an apartment, house, duplex, condominium, or room) in the Property not occupied by the Buyer, rented to a tenant to live in.

"Senior Lender" means the holder of the Senior Mortgage.

"Senior Mortgage" means that senior mortgage that might apply in the event that Buyer secures financing to purchase the Property.

"Subsidy Value" means an amount equal to the Property Fair Market Value minus the Purchase Price.

"Termination Date" means the 5th anniversary of the Purchase Date, or such earlier date as the parties might agree.

"Time Remaining" means the number of months left in the Affordability Period when the Recapture Event occurs.

Section 2. GENERAL COVENANTS, REPRESENTATIONS AND WARRANTIES.

Owner covenants and agrees with CMEP that:

2.1 Taxes and Assessments.

- (a) Owner shall pay when due all general taxes and assessments, special assessments, water charges and all of the charges against the Property and shall, upon written request, furnish to CMEP receipts evidencing payment thereof, provided that the Owner, in good faith and with reasonable diligence, may contest the validity or amount of any such taxes, assessments or charges, provided that during any such contest the enforcement of the lien of such taxes, assessments or charges is stayed.
- (b) Owner shall not suffer (unless bonded or insured over) any mechanic's, laborer's, materialmen's, or statutory lien to remain outstanding upon any of the Property. The Owner may contest such lien, provided that the Owner shall first post a bond in the amount of the contested lien, or provide title insurance over such contested lien, and further provided that the Owner shall diligently prosecute the contested lien and cause the removal of the same.

2.2 Insurance.

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Owner shall keep the Property continuously insured in such amounts and against such risks as required of the Owner by the Senior Lender, paying the premiums for said insurance as they become due. If there is no Senior Lender, the policies required shall include property insurance in the amount of the replacement cost of the Property, and liability insurance in the amount of at least \$100,000. Policies of insurance shall name CMEP as an additional insured. All policies of insurance shall provide that the same shall not be canceled, except upon thirty (30) days prior written notice to CMEP.

2.3 Maintenance of the Property.

- (a) The Owner shall preserve and maintain the Property in good condition and repair, shall not commit or suffer any waste thereof, and shall keep the same in a clean, orderly and attractive condition. Owner shall not do or suffer to be done anything which will increase the risk of fire or other hazard to the Property or any part thereof.
- (b) If the Property or any part thereof is damaged by fire or any other cause, the Owner shall immediately give written notice of the same to CMEP.
- (c) CMEP or its representatives shall have the right to inspect the Property to assure compliance with the terms of this Agreement.
- (d) The Owner shall promptly comply, and cause the Property to comply, with all present and future laws, ordinances, orders, rules and regulations and other requirements of any governmental authority affecting the Property or any part thereof and with all instruments and documents of record or otherwise affecting the Property or any part thereof.
- (e) If all or any part of the Property shall be damaged by fire or other casualty, the Owner, subject to the rights of co-insurer, shall promptly restore the Property to the equivalent of its condition prior to the casualty, to the extent of any insurance proceeds made available to the Owner for that purpose.

2.4 Subordination.

This Agreement shall also be subordinate to the Senior Mortgage, if any, or to any subsequent mortgage that refinances the Senior Mortgage, so long as such refinancing is not in an original principal amount greater than the original Senior Mortgage, or unless CMEP, in CMEP's sole discretion, agrees to senior financing in a greater amount.

2.5 Owner's Income Eligibility

The Buyer covenants to CMEP, and each subsequent Owner also so covenants, that:

- (a) As of the Purchase Date, Owner meets the income eligibility requirements established by CMEP in order to participate as an initial homebuyer of the Property, in that Owner is an Income Qualified Family..
- (b) Owner shall own the Property and shall utilize the Property as his or her primary residence.
- (c) Owner shall not directly or indirectly sell or otherwise transfer the Property, or execute a deed in lieu of foreclosure.
- (d) Owner shall not refinance the Property, except to refinance the Senior Mortgage in an amount not greater than the original Senior Mortgage, if any, or except as otherwise consented to by the CMEP, in CMEP's sole discretion. **THIS REFINANCING RESTRICTION MEANS THAT THE OWNER IS RESTRICTED FROM USING THE PROPERTY AS COLLATERAL FOR GETTING ADDITIONAL LOANS,**

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INCLUDING, WITHOUT LIMITATION, LOANS TO REPAY CREDIT CARD DEBT, LOANS TO PURCHASE AUTOMOBILES, HOME EQUITY LOANS, DEBT CONSOLIDATION LOANS OR LOANS TO FINANCE THE PURCHASE OF OTHER PERSONAL OR REAL PROPERTY, UNLESS SUCH LOANS MEET THE REFINANCING REQUIREMENTS OF THE PREVIOUS SENTENCE. IF OWNER DESIRES TO GET A HOME IMPROVEMENT LOAN THAT WILL USE THE PROPERTY AS COLLATERAL, AND IF CMEP CONSENTS TO SUCH LOAN, SUCH CONSENT WILL BE AT CMEP'S SOLE DISCRETION.

- (e) Notwithstanding the above, the Owner may, at any time, sell the Property to a subsequent homeowner
- i) who is an Income Qualified Family; and
 - ii) who pays an affordable purchase price, provided such purchaser assumes the then-remaining obligations of the Owner under this Agreement. In such event, no Recapture Event shall exist and no Recapture Amounts shall be due and payable, provided that such successor homebuyer assumes the executor obligations of the Owner under this Agreement in writing. For purposes of this subparagraph (ii), an "affordable purchase price" means a purchase price determined by CMEP based on the criteria that monthly housing costs of the purchaser, which include principal and interest payments of all mortgage loans originated to finance the Property, property taxes, and insurance, shall not exceed 30% of purchaser's monthly income. Owner shall provide CMEP with documentation evidencing compliance with this subparagraph (ii), including proof of sales price, purchaser income and mortgage financing terms, as applicable, at least 15 days prior to closing on any sale of the Property.

2.6 Income Eligibility of Households Which Rent the Rental Unit.

- (a) Upon CMEP's approval, the Owner may rent a housing unit ("**Rental Unit**") which is not occupied by the Owner. The Owner hereby covenants that during the Affordability Period, each household occupying the Rental Unit shall be an Income Qualified Family, and the annual rental charge shall not exceed 30% of the annual income of an Income Qualified Family earning the maximum qualifying income. For example, if renting to an Income Qualified Family of two persons, and the maximum income for an Income Qualified Family of two persons is \$72,750, the maximum annual rental would be $(.30) * 72,750 = \$21,825$.
- (b) Prior to the commencement of the initial occupancy of the Rental Unit, the Owner shall deliver to CMEP an affidavit attesting to the monthly rent of the Rental Unit, the lease term, and containing a statement that the tenants of the Rental Unit qualify as an Income Qualified Family. This affidavit shall thereafter be delivered to CMEP on an annual basis during the Affordability Period.

2.7 Foreclosure of Senior Mortgage.

- (a) In the event of a transfer of title of the Property through foreclosure or recording of deed in lieu of foreclosure to the Senior Lender pursuant to the Senior Mortgage, CMEP acknowledges and agrees that the residency, transfer and financing covenants contained herein restricting the sale and occupancy of the Property to buyers or occupants which meet the income eligibility requirements of the Program shall be released and shall have

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no further force or effect; provided, however, that all such covenants and affordability restrictions shall be revived according to the original terms if, during the applicable Affordability Period, the Owner or any member of Owner's household or family reacquires an ownership interest in the Property. Any other person (including the successors and/or assigns of Senior Lender) receiving title to the Property through a foreclosure or deed in lieu of foreclosure of the Senior Mortgage shall also receive title to the Property free and clear of such restrictions, but only if such transfer of title pursuant to such foreclosure or deed in lieu of foreclosure did not involve collusion between the Senior Lender and the Owner for the purpose of avoiding low-income affordability restrictions pertaining to the Property or of avoiding payment of the Recapture Amount due under this Agreement.

- (b) Further, if Senior Lender acquires title to the Property pursuant to a deed in lieu of foreclosure, the lien of this Agreement and the restrictions contained herein shall automatically terminate upon the Senior Lender's acquisition of title to the Property, provided that:
- i) the Senior Lender has given written notice to the Owner of a default under the Senior Mortgage in accordance with its terms,
 - ii) the Owner shall not have cured the default under the Senior Mortgage within any applicable cure period(s) provided for therein;
 - iii) any proceeds from any subsequent sale of the Property, if any, which CMEP is entitled to receive after payment of all amounts due pursuant to the Senior Mortgage and pursuant to this Agreement, are paid to CMEP, and
 - iv) such acquisition of title by the Senior Lender did not involve collusion between the Senior Lender and the Owner for the purpose of avoiding low-income affordability restrictions pertaining to the Property or of avoiding payment of the Recapture Amount due under this Agreement.

Section 3. RECAPTURE DEFAULT.

3.1 Recapture Default.

A Recapture Default, triggering the Owner's obligation to repay to CMEP the Recapture Amount, shall be deemed to occur in one or more of the following events:

- (a) The Owner's breach of one or more of the residency, transfer or financing covenants set forth in this Agreement that is not cured by the Owner within ten (10) days of the Owner's receipt of written notice from CMEP of such breach;
- (b) the Owner sells, leases, conveys or transfers title to the Property for consideration to a person(s) that is not an Income Qualified Family, or for consideration in excess of amounts allowed under Sections 2.5(e) or 2.6(a);
- (c) the Owner refinances the Property in a manner such that it is not a Permitted Refinancing;
- (d) a person(s) other than an Income Qualified Family or Owner obtains a legal or equitable interest in the Property, including, without limitation, a leasehold interest or fee interest.
- (e) Any default continuing beyond all applicable cure periods under the Senior Mortgage that permits the Senior Lender to foreclose its lien thereunder.
- (f) The Owner's breach of any other material term, covenant, condition, or agreement of this Agreement that is not cured by the Owner within thirty (30) days of Owner's receipt of written notice from CMEP of such breach; provided, however, that in the event such

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default cannot reasonably be cured within such thirty (30) day period and if the Owner has commenced efforts to cure, then the time to cure shall be extended so long as said party diligently continues to cure such default.

3.2 Not Recapture Defaults.

The following events are **not** Recapture Defaults:

- (a) a transfer to a spouse of Owner as a result of a divorce (in which case the spouse shall continue to hold such title subject to the terms of this Agreement); and
- (b) a Permitted Refinancing.

Section 4. REMEDIES.

4.1 Repayment of the Recapture Amount.

If a Recapture Default arising from a breach of one or more of the covenants set forth herein occurs during the Affordability Period, the Recapture Amount shall, at CMEP's sole option, become immediately due and payable and subject to recapture without further notice or demand.

4.2 Calculation of the Recapture Amount.

The Recapture Amount shall be calculated as follows:

- (a) Subtract the Purchase Price from the Property Fair Market Value, the difference of which is the Subsidy Value;
- (b) Divide the Subsidy Value by the Affordability Period (measured in months), the quotient of which is the Monthly Burn Off;
- (c) Subtract the number of months elapsed from the Affordability Period, the difference of which is the Time Remaining;
- (d) Multiply the Monthly Burn Off by the amount of Time Remaining.

e.g. assuming a five year Affordability Period, if the Property Fair Market Value is \$22,000, the Purchase Price is \$10,000 and the Recapture Event occurs during the 7th month of the 3rd year of the Affordability Period, the Recapture Amount due to CMEP would be \$5,800.

$$\$22,000 - \$10,000 = \$12,000$$

$$\$12,000 / 60 = \$200$$

$$60 - 31 = 29$$

$$\$200 * (29) = \$5,800$$

4.3 In the Event of Owner's Death.

Notwithstanding the foregoing, a sale or transfer arising from the death of the Owner, which operates to transfer the Owner's interest in the Property to the Owner's heirs or beneficiaries, whether by will, trust or a similar estate planning instrument, or by intestacy, shall not constitute a Recapture Default, but the successor(s) in title to the Owner's interest in the Property shall continue to hold such title subject to the terms of this Agreement.

4.4 Insufficient Funds.

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Notwithstanding the first paragraph of this Section, if a sale or other transfer giving rise to an obligation to repay the Recapture Amount occurs and the gross sales proceeds are insufficient to repay an amount equal to the Recapture Amount due and payable to CMEP under all provisions of this Agreement, the Owner shall pay CMEP an amount equal to the difference between the gross sales proceeds after payment of the Senior Mortgage indebtedness and the Purchase Price.

4.5 Other Remedies.

- (a) If a Recapture Default or any other Event of Default occurs, CMEP shall also be entitled to declare all other amounts secured hereby immediately due and payable without further notice or demand and shall have such rights and remedies as may be available at law or at equity, including, without limitation, and subject to the rights of the Senior Lender, the right to foreclose the lien hereof. The Agreement and the right of foreclosure hereunder shall not (to the extent permitted by law) be impaired or exhausted by any foreclosure of the Senior Mortgage, and may be foreclosed successively and in parts, until all of the Property has been foreclosed against. In any such foreclosure, or upon the enforcement of any other remedy of CMEP hereunder, there shall be allowed and included as additional indebtedness, all expenditures and expenses which may be paid or incurred by or on behalf of CMEP for reasonable attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs involved in title insurance and title examinations. All expenditures and expenses of the nature in this section 4.5(a) mentioned, and such expenses and fees as may be incurred in the protection of the Property and the maintenance of the lien of the Agreement, including the reasonable fees of any attorney employed by CMEP in any litigation or proceeding affecting the Agreement, or the Property, including probate and bankruptcy proceedings, or in preparation for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by Owner, with interest thereon at the lesser of the highest rate permitted by law or fifteen percent (15%) per annum, and shall be secured by the Agreement.
- (b) The proceeds of any foreclosure sale of the Property shall be distributed and applied in the following order of priority:
 - i) on account of all costs and expenses incidental to the foreclosure proceedings, including all such items as are mentioned in this section;
 - ii) repayment of any indebtedness secured by any permitted Senior Mortgage or a permitted refinancing thereof;
 - iii) all recapture amounts and other amounts due under this Agreement; and
 - iv) any remaining amounts due to Owner, its successors or assigns, as their rights may appear.

Section 5. OWNER'S WAIVERS.

Owner shall not and will not apply for or avail itself of any appraisalment, valuation, stay, extension or exemption laws, or any so-called "Moratorium Laws", now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of the Agreement, but hereby waives the benefit of such laws. The Owner, for itself and all who may claim through or under it, waives any and all right to have the property and estates comprising the Property marshaled upon any foreclosure of the lien hereof, and agrees

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that any court having jurisdiction to foreclose such lien may order the Property sold as an entirety. The Owner hereby waives any and all rights of redemption from sale under any order or decree of foreclosure of the Agreement on its behalf and on behalf of each and every person, except decree or judgment creditors of the Owner, acquiring any interest in or title to the Property subsequent to the date of the Agreement.

Section 6. ADDITIONAL CMEP RIGHTS.

6.1 CMEP Rights of Property Maintenance after Default.

Upon any other entering upon or taking of possession of the Property after the occurrence of an Event of Default other than by means of a foreclosure, CMEP, subject to the rights of the Senior Lender, may hold, use, manage and control the Property and, may from time to time:

- a) make all necessary and proper maintenance, repairs, renewals, replacements, additions, betterments and improvements thereto and thereon and purchase or otherwise acquire additional fixtures, personalty and other property required in connection therewith;
- b) insure or keep the Property insured;
- c) manage the Property and exercise all the rights and powers of Owner to the same extent as Owner could in its own name or otherwise with respect to the same;
- d) enter into any and all agreements with respect to the exercise by others of any of the powers herein granted to CMEP, all as CMEP from time to time may reasonably determine to be to its best advantage; and
- e) collect and receive all the rents, issues, profits and revenues of the same, including those past due as well as those accruing thereafter, and, after deducting to the extent reasonable:
 - i) expenses of taking, holding and managing the Property (including compensation for the services of all persons employed for such purposes);
 - ii) the cost of all such maintenance, repairs, renewals, replacements, additions, betterments, improvements and purchases and acquisitions;
 - iii) the cost of such insurance;
 - iv) such taxes, assessments and other similar charges as CMEP may determine to pay;
 - v) other proper charges upon the Property or any part thereof; and
 - vi) the reasonable compensation, expenses and disbursements of the attorneys and agents of CMEP;

CMEP shall apply the remainder of the monies and proceeds so received by CMEP first to payment of accrued interest; and second to the payment of principal. The balance of such funds, if any, after payment in full, of all of the aforesaid amounts (including, without limitation, the entire outstanding principal balance under this Agreement) shall be paid to the Owner.

6.2 CMEP Right to Receiver.

Subject to the rights of the Senior Lender, if a Recapture Default shall have occurred, CMEP, upon application to a court of competent jurisdiction, shall be entitled to the appointment of a receiver to take possession of and to operate the Property and to collect and apply the rents, issues, profits and revenues thereof. The receiver shall otherwise have all of the rights and powers to the fullest extent permitted by law.

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6.3 Purchase by CMEP.

Upon any foreclosure sale, CMEP may bid for and purchase the Property and shall be entitled to apply all or any part of the indebtedness secured hereby as a credit to the purchase price; provided, however, that the Senior Lender has been paid in full.

6.4 Remedies Cumulative.

No right, power or remedy conferred upon or reserved to CMEP by the Agreement is intended to be exclusive of any other right, power or remedy, but each and every right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or now or hereafter existing at law, in equity or by statute.

6.5 No Waiver By CMEP.

No delay or omission of CMEP or of any holder of this Agreement to exercise any right, power or remedy accruing upon any Recapture Default shall exhaust or impair any such right, power or remedy or shall be construed to be a waiver of any such Recapture Default or acquiescence therein; and every right, power and remedy given by the Agreement to CMEP may be exercised from time to time as often as may be deemed expedient by CMEP. No consent or waiver, expressed or implied, by CMEP to or of any breach or Recapture Default by Owner in the performance of its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or Recapture Default in the performance of the same or any other obligations of Owner hereunder. Failure on the part of CMEP to complain of any act or failure to act or to declare a Recapture Default, irrespective of how long such failure continues, shall not constitute a waiver by CMEP of its rights hereunder or impair any rights, powers or remedies on account of any breach or default by Owner.

Section 7. MISCELLANEOUS PROVISIONS.

7.1 Successors and Assigns.

The Agreement shall inure to the benefit of and be binding upon Owner and CMEP and their respective legal representatives, successors and assigns. Whenever a reference is made in the Agreement to Owner or to CMEP, such reference shall be deemed to include a reference to legal representatives, successors and assigns of Owner or CMEP, as applicable.

7.2 Terminology.

All personal pronouns used in the Agreement, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural, and vice versa. Titles and sections are for convenience only and neither limit nor amplify the provisions of the Agreement, and all references herein to sections shall refer to the corresponding sections of the Agreement unless specific reference is made to such sections of another document or instrument.

7.3 Severability.

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If any provision of the Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of the Agreement and the application of such provision to other persons or circumstances shall not be affected thereby and shall be enforced to the extent permitted by law.

7.4 Security Agreement.

The Agreement shall be construed as a "Security Agreement" within the meaning of and shall create a security interest under the Uniform Commercial Code as adopted by the State of Illinois with respect to any part of the Property which constitutes fixtures. CMEP shall have all the rights with respect to such fixtures afforded to it by said Uniform Commercial Code in addition to, but not in limitation of, the other rights afforded CMEP by the Agreement or any other agreement.

7.5 Modification.

No change, amendment, modification, cancellation or discharge hereof, or of any part hereof, shall be valid unless in writing and signed by the parties hereto or their respective successors and assigns. Owner shall have no right to convey the Property into a land trust without obtaining the prior written consent of CMEP.

7.6 No Merger.

It being the desire and intention of the parties that the Agreement and the lien hereof do not merge in fee simple title to the Property, it is hereby understood and agreed that should CMEP acquire any additional or other interests in or to said property or the ownership thereof, then, unless a contrary interest is manifested by CMEP as evidenced by an appropriate document duly recorded, the Agreement and the lien hereof shall not merge in the fee simple title, toward the end that this Agreement may be foreclosed as if owned by a stranger to the fee simple title.

7.7 Applicable Law.

The Agreement shall be interpreted, construed and enforced under the laws of the State of Illinois.

7.8 Release of Agreement.

If: (a) Owner is not then in default under this Agreement and retains ownership of the Property through the Termination Date, or (b) Owner conveys the Property, giving rise to a Recapture Default, and Owner pays CMEP the amount CMEP is entitled to receive pursuant to the provisions of Section 4.2 above, then Owner shall be deemed to have fully complied with the provisions contained in this Agreement. In such event, within thirty (30) days of receipt of a written request from Owner, CMEP shall execute a release of the Agreement. Said release shall be in recordable form.

7.9 Further Assurances, Duty to Cooperate.

Owner, on request of CMEP, from time to time, covenants and agrees to execute and deliver such additional documents, amendments, agreements and undertakings as may be necessary to: correct any scrivener's error contained herein or in any related document; to perfect or to maintain as perfected valid lien(s) upon the Property any lien granted to

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CMEP under this Agreement or any under any other agreement or undertaking; or to more fully and accurately set forth and reflect the affordability requirements of the Program.

7.10 Discretionary Authority.

CMEP, at its sole discretion, may settle any claims. CMEP may, at its sole discretion, determine that a lesser recapture amount may be due, accepting payment of an amount less than the full amount that would otherwise be due and payable under this Agreement, if equitable and necessary or appropriate.

7.11 Covenants to Run with the Land.

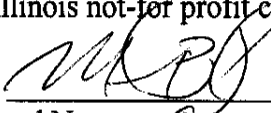
This Agreement shall encumber the Property and be binding on any future owner of the Property and the holder of any legal, equitable or beneficial interest until the Termination Date. Owner hereby covenants and agrees that they will provide in all documents conveying any interest in the Property notification of this Agreement and the restrictions contained herein.

UNOFFICIAL COPY


IN WITNESS WHEREOF, the parties have executed this Agreement.

OWNER:

COMMUNITY MALE EMPOWERMENT PROJECT,
an Illinois not-for-profit corporation

By: 
Printed Name: EXECUTIVE DNE
Title: Melvyn Bailey

BUYER:
ESCROW SECURITY JLD-MRB, LLC

By: 
Printed Name: LEE A. Holliday

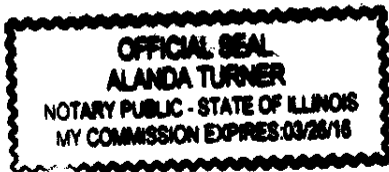
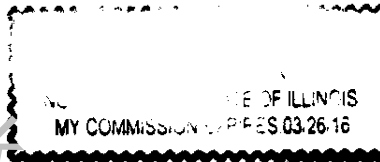
UNOFFICIAL COPY

STATE OF ILLINOIS)
) SS
 COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, certify that Melvin Bailey, personally known to me to be the Executive Director of Community Male Empowerment Project, and 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/she signed and delivered the said instrument in his/her capacity as Executive Director of Community Male Empowerment Project, as his/her free and voluntary act and deed, and as the free and voluntary act and deed of Community Male Empowerment Project, for the uses and purposes therein set forth.

Given under my hand and official seal this 26th day of February, 2014.

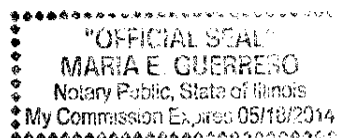
[Signature]
 Notary Public



I, the undersigned, a Notary Public in and for the County and State aforesaid, certify that Lee Holliday, 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/she signed the said instrument, as his/her free and voluntary act and deed, for the uses and purposes therein set forth.

Given under my hand and official seal this 26th day of February, 2014.

[Signature]
 Notary Public



UNOFFICIAL COPY

Exhibit A

Legal Description of the Property

Lot 29 in A.M. Pence's Subdivision of the northeast quarter of the northwest quarter of the northeast quarter of Section 17, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

Common address: 5537 Aberdeen St. Chicago, IL 60621

PIN: 20-17-202-010-0000