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## Illinois Anti-Predatory Lending Database Program

### Certificate of Exemption



Doc#: 1529234072 Fee: \$62.00  
RHSP Fee: \$9.00 RPRF Fee: \$1.00  
Karen A. Yarbrough  
Cook County Recorder of Deeds  
Date: 10/19/2015 02:09 PM Pg: 1 of 13

Report Mortgage Fraud  
800-532-8785

The property identified as: **PIN:** 14-07-401-013-0000

**Address:**

**Street:** 5120 W. Wolcott Avenue

**Street line 2:**

**City:** Chicago

**State:** IL

**ZIP Code:** 60640

**Lender:** Equity Trust Company Custodian FBO Peter Oppegard IRA

**Borrower:** Chicago Housing Investment Properties, LLC

**Loan / Mortgage Amount:** \$97,100.00

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:** C1BAAE0E-986C-44AE-B4AF-E491752C2662

**Execution date:** 10/16/2015

COPIED REVIEWED

THE SIGNATURES OF THE PARTIES EXECUTING THIS DOCUMENT  
ARE COPIES AND ARE NOT ORIGINAL SIGNATURES.

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## SECURITY AGREEMENT

This Security Agreement (the "Security Agreement") is made and effective as of May 7, 2014, by and between Chicago Housing Investment Properties, LLC, a limited liability company organized under the laws of the State of Florida with an address of 300 South Point Drive, #907, Miami Beach, Florida ("Borrower") and Equity Trust Company Custodian FBO Peter Oppgaard IRA, with an address of One Equity Way, Westlake OH 44145 ("Lender", and together with the Borrower, "Parties").

**WHEREAS**, the Borrower is indebted to the Lender in the amount of of Ninety-seven Thousand One Hundred and no/100 Dollars (\$97,100.00) ("Loan"). The Loan is evidenced by a promissory note of even date herewith ("Note"), a copy of which is attached hereto and made a part of hereof as Exhibit A. The Note and this Security Agreement are sometimes collectively referred to as "Loan Documents," and each is a "Loan Document"; and

**WHEREAS**, in order to induce the Lender to continue to extend credit to the Borrower in the form of the Loan as evidenced by the Note, the Borrower desires to enter into this Security Agreement;

**NOW THEREFORE**, in consideration of the foregoing, the Parties hereby agree as follows:

### 1. INDEBTEDNESS.

This Security Agreement is made to secure payment when due, whether by stated maturity, demand, acceleration, or otherwise, of all existing and future indebtedness of the Borrower to the Lender under the Note (the "Indebtedness"). The indebtedness includes without limitation any and all obligations or liabilities of the Borrower to the Lender under the Note, whether absolute or contingent, direct or indirect, voluntary or involuntary, liquidated or unliquidated, joint or several, known or unknown; any and all obligations or liabilities for which the Borrower would otherwise be liable to the Lender were it not for the invalidity or unenforceability of them by reason of any bankruptcy, insolvency, or other law, or for any other reason; any and all amendments, modifications, renewals, and/or extensions of any of the above; all costs incurred by the Lender in establishing, determining, continuing, or defending the validity or priority of its security interest, or in pursuing its rights and remedies under this Security Agreement or under any other Loan Document or in connection with any proceeding involving the Lender as a result of any financial accommodation to the Borrower; and all other costs of collecting the Indebtedness, including, without limitation, attorneys' fees. The Borrower agrees to reimburse the Lender for all such costs, immediately on demand, and until paid all costs shall bear interest at the highest per annum rate applicable to any of the Indebtedness; provided, however, that in no event shall that rate be in excess of the maximum rate permitted by law. Any reference in this Security Agreement to attorneys' fees shall be deemed a reference to fees, costs and expenses of both in-house and outside counsel and paralegals, whether or not a suit or action is instituted, and to court costs if a suit or action is instituted, and whether attorneys' fees or court costs are incurred at the trial court level, on appeal, in a bankruptcy, administrative or probate proceeding or otherwise.

### 2. REAFFIRMATION OF LOAN

The Borrower hereby reaffirms its obligation for the prompt, full, and punctual payment and performance of the Note and all other obligations of the Borrower under the Note and other Loan Documents.

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### 3. SECURED PROPERTY.

"Secured Property" means all of the Borrower's right, title, and interest in CHIP Keystone II, LLC as to its interest in the properties identified as 5120 W. Wolcott Ave., Chicago IL 60640 and 5831 N. Winthrop Ave., Chicago IL 60660, together with all additions and substitutions to such property.

### 4. GRANT OF SECURITY INTEREST IN SECURED PROPERTY.

The Borrower hereby pledges and grants to the Lender a continuing security interest in and to the Secured Property in order to secure the full and timely payment of the Indebtedness and the performance of all other obligations of the Borrower to and for the Lender as and when due.

### 5. BORROWER'S REPRESENTATIONS AND WARRANTIES.

The Borrower represents and warrants to the Lender, and agrees, as follows:

- (a) The Borrower is authorized and empowered to enter into this Security Agreement, and to pledge the Secured Property to the Lender in accordance with the terms and conditions of this Security Agreement;
- (b) The Borrower will be bound by the obligations of this Security Agreement and this Security Agreement is enforceable against the Borrower in accordance with its terms;
- (c) The Secured Property is and will at all times remain free and clear of all liens, security interests, unpaid charges, taxes, pledges, and encumbrances, other than the rights of the Lender created by this Security Agreement;
- (d) The Lender's security interest in the Secured Property is first and senior to any and all other security interests in, or pledges of, the Secured Property;
- (e) The Borrower will execute and deliver to the Lender any financing statement or other documents, and pay the cost of filing the same in all public offices, and will do such acts and things as the Lender may at any time reasonably request or as may be necessary or appropriate to establish and maintain a perfected security interest in the Secured Property as security for the Indebtedness;
- (f) The Borrower will defend the Lender's interest in the Secured Property against the claims and demands of all other persons; and
- (g) The Borrower will not sell, assign, transfer, pledge, gift, or otherwise dispose of or encumber any Secured Property while this Secured Agreement is in effect without the prior written consent of the Lender, which consent may be withheld or given in the Lender's sole discretion.

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## 6. EVENTS OF DEFAULT.

The Borrower will be in default under this Security Agreement if any of the following events or conditions occurs:

- (a) A default in the payment of the Indebtedness or any of the obligations, covenants, or liabilities contained or referred to herein or in any of the Loan Documents;
- (b) Any warranty, representation, or statement made or furnished to the Lender by the Borrower (or on its behalf) proving to have been false in any material respect when made or furnished;
- (c) Loss, theft, substantial damage, or destruction, or any sale or encumbrance to which the Lender did not consent in writing, to any of the Secured Property, or the making of any levy, seizure, or attachment thereon; or
- (d) The occurrence of an Event of Default, as such term is defined in the Note.

## 7. REMEDIES FOR EVENTS OF DEFAULT.

On the occurrence of any one or more Events of Default (as defined in Section 6) and at any time thereafter, the Lender may declare the Indebtedness immediately due and payable. In addition, the Lender will have each and all of the remedies set forth below, which remedies shall be cumulative, such that the Lender may exercise one or more or all of such remedies until the Indebtedness is indefeasibly paid in full without right of reinstatement, disgorgement or repayment by reason of a preference, other creditor action, or by operation of law:

- (a) The Lender may cause all or any portion of the Secured Property to be registered in its name or the name of its nominee, designee or assignee;
- (b) The Lender shall have the exclusive right to receive all distributions, of any kind, with respect to the Secured Property;
- (c) The Lender may sell, transfer, or otherwise dispose of all or any part of the Secured Property, at private or public sale, without advertisement of the time or place of the sale (or any adjournment thereof), free and clear of any right of redemption by the Borrower or the Borrower's successors and assigns (such right of redemption being expressly waived by the Borrower), whether for cash or credit or other property, at such prices and in such manner and to such purchaser (including the Lender) as the Lender may determine in its sole discretion; it being understood that the proceeds thereof will be applied to the Indebtedness and the expenses of sale (it being understood by the Borrower that the Borrower will remain liable for any and all deficiencies); and/or
- (d) The Lender may exercise any and all other rights and remedies expressly set forth in or arising pursuant to this Security Agreement or under applicable law.

## 8. TERMINATION.

This Security Agreement and all rights of the Lender under and pursuant to this Security Agreement will terminate at such time as the Lender is satisfied that the Indebtedness and all other obligations of the Borrower under the Note and other Loan Documents are indefeasibly paid

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and performed in full without reinstatement, disgorgement, or repayment by reason of a preference, other creditor action or by operation of law.

## 9. NO IMPLIED WAIVER.

The Lender's failure to exercise any right or remedy provided in this Security Agreement or in the Loan Documents shall not be construed as a waiver of any future exercise of that right or exercise of any other right or remedy to which the Lender may be entitled.

## 10. INCONSISTENCIES.

If any provision of this Security Agreement is inconsistent with any provision in the Note, the provision of the Note shall control.

## 11. SUCCESSORS AND ASSIGNS.

All references in this Security Agreement to the Parties shall be deemed to include, as applicable, a reference to their respective successors and assigns. The provisions of this Security Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties.

## 12. ENTIRE AGREEMENT.

This Security Agreement and the Loan Agreements constitute the final, complete and exclusive statement of the agreement of the Parties with respect to the subject matter hereof, and supersede any and all other prior and contemporaneous agreements and understandings, both written and oral, between the Parties.

## 13. NOTICE.

Any notice or other communication provided for herein or given hereunder to a Party hereto shall be in writing and shall be given in person, by overnight courier, or by mail (registered or certified mail, postage prepaid, return receipt requested) to the respective Party at the address in the first paragraph.

## 14. GOVERNING LAW.

This Security Agreement shall be governed as to validity, interpretation, construction, effect, and in all other respects by the laws and decisions of the State of Illinois, without regards to its conflict-of-law provisions. The Borrower hereby irrevocably consents to the jurisdiction of the courts of Cook County, Illinois with respect to any matter arising under this Security Agreement, and further irrevocably consents to service of process by hand delivery to the address listed above for the Borrower.

## 15. SEVERABILITY.

If one or more of the provisions of this Security Agreement shall be declared or held to be invalid, illegal or unenforceable in any respect in any jurisdiction, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby and any such declaration or holding shall not invalidate or render unenforceable such provision in any other jurisdiction.

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**16. COUNTERPARTS/ELECTRONIC SIGNATURES.**

This Security Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument. For purposes of this Security Agreement, use of a facsimile, e-mail or other electronic medium shall have the same force and effect as an original signature.

**17. HEADINGS.**

Headings used in this Security Agreement are provided for convenience only and shall not be used to construe meaning or intent.

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IN WITNESS WHEREOF, the Parties have executed this Security Agreement as of the date first above written.

**Borrower: Chicago Housing Investment Properties, LLC**

By: JMG Strategies, LLC

Its: Managing Member



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By: Mark Glode

Its: Managing Member

**Lender: Equity Trust Company Custodian FBO Peter Oppgard IRA**



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By: Peter Oppgard

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## EXHIBIT TO SECURITY AGREEMENT

### SECURED PROPERTY

5120 W. Wolcott Ave., Chicago IL 60640

Legal Description: The south 22 feet of Lot 8 and Lot 9 (except the south 42 feet) in Block 2 in Clybourn's Addition to Ravenswood in the northwest 1/4 of the southeast 1/4 of Section 7, Township 40 north, Range 14, east of the third principal meridian in Cook County, Illinois.

P.I.N.: 14-07-401-013-0000

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[Redacted]

## EXHIBIT A

[Redacted]

[Redacted]

[Redacted]

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## NOTE

\$97,100.00

May 7, 2014

This Note ("Note") is by and between Chicago Housing Investment Properties, LLC, a limited liability company organized under the laws of the State of Florida with an address of 300 South Point Drive, #907, Miami Beach, Florida ("Borrower") and Equity Trust Company Custodian FBO Peter Oppgard IRA, with an address of One Equity Way, Westlake OH 44145 ("Lender").

FOR VALUE RECEIVED, the Borrower promises to pay to the order of the Lender at the address noted above or such other place as the Lender may from time to time designate in writing, in legal tender of the United States of America, in immediately available funds, the principal sum of Ninety-seven Thousand One Hundred and no/100 Dollars (\$97,100.00) with interest calculated at 25% per annum on a simple interest basis on the then outstanding balance. Such amount may be advanced in two or more installments as agreed by the Borrower and the Lender.

1. Security. This Note is secured by the Borrower's interest in CHIP Keystone II, LLC as to its interest in the properties identified as 5120 W. Wolcott Ave., Chicago IL 60640 and 5831 N. Winthrop Ave., Chicago IL 60660 (each a "Property").
2. Maturity Date. This Note shall be due and payable pursuant to the terms of this Note on the date the Borrower actually receives the proceeds from the sale of a Property. In no event shall the loan term exceed June 7, 2015 ("Maturity Date").
3. Default. The entire unpaid amount of the Note, including interest, shall be immediately due and payable if any of the following events occur (each an "Event of Default"):
  - (a) The Borrower fails to pay the principal on the Maturity Date;
  - (b) The Borrower shall (i) apply for or consent to the appointment of a receiver, trustee or liquidator of itself or any material portion of its property, (ii) make a general assignment for the benefit of creditors, or (iii) file a voluntary petition in bankruptcy or a petition or an answer seeking or consenting to reorganization or an arrangement with creditors or to take advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution or liquidation law or statute, or an answer admitting the material allegations of a petition filed against it in any proceeding under any such law, or take corporate action for the purpose of effecting any of the foregoing;
  - (c) An order for relief shall be entered in any involuntary case brought against the Borrower under the Bankruptcy Code and shall not be dismissed within ninety (90) days after the filing of the petition, or an order, judgment or decree under any other law is entered by any court of competent jurisdiction or by any other governmental authority on the application of a governmental authority or of a person other than the Borrower (i) adjudicating the Borrower bankrupt or insolvent, (ii) appointing a receiver, trustee or liquidator of the Borrower or of a material portion of the Borrower's assets, or (iii) enjoining, prohibiting or otherwise limiting the operation of a material portion of Borrower's business or the use or disposition of a material portion of the Borrower's assets, and such order, judgment or decree continues unstayed and in effect for a period of ninety (90) days from the date entered; or
  - (d) The Borrower shall liquidate, dissolve or terminate its existence.

If this Note is not paid in full following the occurrence of an Event of Default, Lender thereafter shall be entitled to recover from the Borrower all reasonable costs or expenses incurred by the Lender in connection with the enforcement or collection of this Note, including reasonable attorneys' fees.

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The Borrower waives demand, protest, presentation, and all notice of protest and non-payment. The Borrower agrees that the Lender, at any time or times, without notice to it or its consent, may grant extensions of time, without limit as to the number of the aggregate period of such extensions, for the payment of any amount due hereon.

THE BORROWER AND ANY OTHER PARTY LIABLE HEREON IN ANY CAPACITY, WHETHER AS ENDORSER, SURETY, GUARANTOR, OR OTHERWISE, EACH WAIVES TRIAL BY JURY WITH RESPECT TO ANY ACTION, CLAIM, SUIT OR PROCEEDING IN RESPECT OF OR ARISING OUT OF THE LOAN EVIDENCED HEREBY AND/OR THE CONDUCT OF THE RELATIONSHIP BETWEEN THE LENDER, THE BORROWER AND/OR ANY OTHER PARTY LIABLE HEREON IN ANY CAPACITY, WHETHER AS ENDORSER, SURETY, GUARANTOR, OR OTHERWISE.

UPON THE OCCURRENCE OF A DEFAULT, THE BORROWER AGREES THAT ANY ATTORNEY DESIGNATED BY THE LENDER OR ANY CLERK OF ANY COURT OF RECORD IN THE COUNTY OF COOK, STATE OF ILLINOIS IS HEREBY AUTHORIZED TO ENTER JUDGMENT BY CONFESSION AGAINST THE BORROWER IN FAVOR OF THE HOLDER OF THIS NOTE FOR THE FULL AMOUNT OF THE INDEBTEDNESS DUE HEREUNDER, INTEREST AND COSTS, INCLUDING ATTORNEY'S FEES OF FIFTEEN PERCENT (15%) OF THE AMOUNT THEN DUE HEREUNDER. THE BORROWER HEREBY RELEASES, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ALL ERRORS (EXCEPTING CLERICAL ERRORS IN THE AMOUNT FOR WHICH JUDGMENT IS CONFESSED) AND ALL RIGHTS OF EXEMPTION, STAY OF EXECUTION, INQUISITION, AND OTHER RIGHTS TO WHICH THE BORROWER MAY OTHERWISE BE ENTITLED UNDER THE LAWS OF THE UNITED STATES OF AMERICA OR OF ANY STATE OR POSSESSION OF THE UNITED STATES OF AMERICA NOW IN FORCE AND WHICH MAY HEREAFTER BE ENACTED. THE AUTHORITY AND POWER TO APPEAR FOR AND ENTER JUDGMENT AGAINST THE BORROWER SHALL NOT BE EXHAUSTED BY ONE OR MORE EXERCISES THEREOF OR BY ANY IMPERFECT EXERCISE THEREOF AND SHALL NOT BE EXTINGUISHED BY ANY JUDGMENT PURSUANT THERETO. SUCH AUTHORITY MAY BE EXERCISED ON ONE OR MORE OCCASIONS OR FROM TIME TO TIME IN THE SAME OR DIFFERENT JURISDICTIONS AS OFTEN AS THE LENDER SHALL DEEM NECESSARY OR DESIRABLE, FOR ALL OF WHICH THIS NOTE SHALL BE SUFFICIENT WARRANT. NOTWITHSTANDING THE FOREGOING, THE LENDER ACKNOWLEDGES THAT ATTORNEYS' FEES ARE STATED TO BE FIFTEEN PERCENT (15%) SOLELY FOR THE PURPOSE OF FIXING A SUM CERTAIN FOR WHICH JUDGMENT CAN BE ENTERED BY CONFESSION, AND THE LENDER AGREES THAT IN ENFORCING ANY SUCH JUDGMENT BY CONFESSION, THE LENDER SHALL NOT BE ENTITLED TO COLLECT ANY AMOUNTS IN EXCESS OF THE ACTUAL AMOUNT OF ATTORNEYS' FEES ACTUALLY PAID BY THE LENDER.

The right to confess judgment against the Borrower as aforesaid shall be in addition to all other rights that the Lender may have under applicable law and all rights shall be cumulative.

In the event any one or more provisions contained in this Note shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Note, but this Note shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

This Note may not be changed orally, but only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

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This Note shall be governed in all respects by the laws of the State of Illinois and shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, personal representatives, successors and assigns.

All notices to Borrower hereunder shall be deemed to have been given (i) on the date hand-delivery is made, with written receipt therefore, (ii) on the next business day after being sent via nationally recognized overnight delivery service, or (iii) five (5) business days after deposit in the United States mail, registered or certified, postage prepaid, at the address for Borrower first hereinabove set forth.

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This Note constitutes the complete and exclusive statement of the agreement between the parties hereto. It supersedes all prior written and oral statements, including any prior representation, statement, condition, or warranty and any other document between the parties.

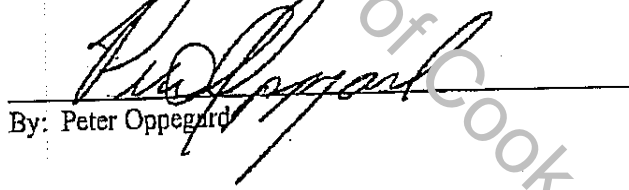
**Borrower: Chicago Housing Investment Properties, LLC**  
By: JMG Strategies, LLC  
Its: Managing Member



By: J. Mark Goode  
Its: Managing Member

Agreed and accepted.

**Lender: Equity Trust Company Custodian FBO Peter Oppegard IRA**



By: Peter Oppegard

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