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Illinois Anti-Predatory  
Lending Database  
Program



Doc#: 1613329038 Fee: \$66.00  
RHSP Fee:\$9.00 RPRF Fee: \$1.00  
Karen A. Yarbrough  
Cook County Recorder of Deeds  
Date: 05/12/2016 11:28 AM Pg: 1 of 15

Certificate of Exemption

Report Mortgage Fraud  
800-532-8785

The property identified as: **PIN:** 25-01-102-019-0000

**Address:**

**Street:** 8754 S. Cornell Avenue

**Street line 2:**

**City:** Chicago

**State:** IL

**ZIP Code:** 60617

**Lender:** Saroj Kanda

**Borrower:** J.R.S. Re Investments Inc

**Loan / Mortgage Amount:** \$40,000.00

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:** E134545A-FE53-4281-A5F6-84B01754C731

**Execution date:** 5/11/2016

JK

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## MORTGAGE

**THIS MORTGAGE** is made this 1st day of October, 2015, between the Mortgagor, J.R.S. RE INVESTMENTS INC., an Illinois Corporation (herein "Borrower"), and the Mortgagee, SAROJ KANDA, of 6920 N. Crawford Ave., Lincolnwood, IL 60712 (herein "Lender").

**WHEREAS**, Borrower is indebted to Lender in the principal sum of U.S. \$40,000.00 which indebtedness is evidenced by Borrower's note dated September 1st, 2015, and extensions and renewals thereof (herein "Note"), providing for monthly installments of principal and interest, with the balance of indebtedness, if not sooner paid, due and payable on July 31, 2050.

**TO SECURE** to Lender the repayment of the indebtedness evidenced by 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 Borrower herein contained, Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of Cook, State of Illinois:

(SEE ATTACHED LEGAL DESCRIPTION)

**PERMANENT INDEX NUMBER: 25-01-102-019-0000**

which has the address of: 8754 S. Cornell Ave Chicago, IL 60617 (herein "Property Address.");

**TOGETHER** with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances and rents all of which shall be deemed to be and remain part of the property covered by this Mortgage; and all of the foregoing, together with said property (or the leasehold estate if this Mortgage is on a leasehold) 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 encumbrances of record. Borrower covenants that Borrower warrants and will defend generally the title to the property against all claims and demands, subject to encumbrances of record.

**UNIFORM COVENANTS.** Borrower and Lender covenant and agree as follows:

**1. Payment of Principal and Interest.** Borrower shall promptly pay when due the principal and interest indebtedness evidenced by the Note and late charges as provided in the Note.

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2. **Funds for Taxes and Insurance.** Subject to applicable law, upon written demand by Lender, Borrower shall pay to Lender on the day monthly payments of principal and interest are payable under the Note, until the Note is paid in full a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments (including condominium and planned unit development assessments, if any) which may attain priority over this Mortgage and ground rents on the Property, if any, plus one-twelfth of yearly premium installments for hazard insurance, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof. Borrower shall not be obligated to make such payments of Funds to Lender to the extent that Borrower makes such payments to the holder of a prior mortgage or deed of trust if such holder is an institutional lender.

If Borrower pays Funds to Lender, the Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a Federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds, if any, to pay said taxes, assessments, insurance premiums and ground rents. Lender may not charge for so holding and applying the Funds, analyzing said account or verifying and compiling said assessments and bills, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing at the time of execution of this Mortgage that interest on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires such interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Mortgage.

If the amount of the Funds held by Lender, together with the future monthly installments of Funds payable prior to the due dates of taxes, assessments, insurance premiums and ground rents, shall exceed the amount required to pay said taxes, assessments, insurance premiums and ground rents as they fall due, such excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly installments of Funds. If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as Lender may require.

Upon payment in full of all sums secured by this Mortgage, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 17 hereof the Property is sold or the Property is otherwise acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Mortgage.

3. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under the Note and paragraphs 1 and 2 hereof shall be applied by Lender first in payment of amounts payable to Lender by Borrower under paragraph 2 hereof, then to any costs of collection or other amounts due from Borrower to Lender, then interest payable on the Note, and then to the principal of the Note.

4. **Prior Mortgages and Deeds of Trust; Charges; Liens.** Borrower shall perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement with a lien which has priority over this 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.

5. **Hazard Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as Lender may require and in such amounts and for such periods as Lender may require.

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

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Lender provided, that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of and in a form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage, deed of trust 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 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, 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.

**6. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments.** Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. 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 or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents.

**7. 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 action as is necessary to protect Lender's interest. If Lender required mortgage insurance as a condition of making the loan secured by this Mortgage, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

Any amounts disbursed by Lender pursuant to this paragraph 7 with interest thereon, at the Note rate, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

**8. 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 specifying reasonable cause therefor related to Lender's interest in the Property.

**9. 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 of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

**10. Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization 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 or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower and 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.

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**11. Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 16 hereof. All covenants and agreements of Borrower shall be joint and several. Any Borrower who co-signs this Mortgage, but does not execute the Note, (a) is co-signing this Mortgage only to mortgage, grant and convey that Borrower's interest in the Property to Lender under the terms of this Mortgage, (b) is not personally liable on the Note or under this Mortgage, and (c) agrees that Lender and any other Borrower hereunder may agree to extend, modify, forbear, or make any other accommodations with regard to the terms of this Mortgage or the Note without that Borrower's consent and without releasing that Borrower or modifying this Mortgage as to that Borrower's interest in the Property.

**12. Notice.** Except for any 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 it or by mailing such notice by certified mail addressed to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by certified mail to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

**13. Governing Law; Severability.** The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of Federal law to this Mortgage. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can 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.

**14. Borrower's Copy.** Borrower shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution or after recordation hereof.

**15. 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.

**16. Transfer of the Property.** If Borrower sells or transfers all or any part of the Property or an interest therein, excluding (a) the creation of a lien or encumbrance subordinate to this Mortgage, (b) a transfer by devise, descent, or by operation of law upon the death of a joint tenant, or (c) the grant of any leasehold interest of three years or less not containing an option to purchase, Lender may declare all of the sums secured by this Mortgage to be immediately due and payable. If Lender exercises such option to accelerate, Lender shall mail Borrower notice of acceleration in accordance with paragraph 12 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed or delivered within which Borrower may pay the sums declared due. If Borrower fails to pay such sums prior to the expiration of such period, Lender may, without further notice or demand on Borrower, invoke any remedies permitted by paragraph 17 hereof.

NON-UNIFORM COVENANTS Borrower and Lender further covenant and agree as follows:

**17. Acceleration; Remedies.** Except as provided in paragraph 16 hereof, upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Lender prior to acceleration shall give notice to Borrower as provided in paragraph 12 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not

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less than 10 days from the date the notice is mailed to Borrower, 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, foreclosure by judicial proceeding, and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the nonexistence of a default or any other defense of 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, reasonable attorneys' fees and costs of documentary evidence, abstracts and title reports.

18 **Borrower's Right to Reinstate.** Notwithstanding Lender's acceleration of the sums secured by this Mortgage due to Borrower's breach, 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 judgment enforcing this Mortgage if: (a) Borrower pays Lender all sums which would be then due under this Mortgage and the Note had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in 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 17 hereof, including, but not limited to costs and reasonable attorney's 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, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

19 **Assignment of Rents; Appointment of Receiver.** As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 17 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 17 hereof or abandonment of the Property, Lender shall be entitled to have a receiver appointed by a court to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Mortgage. The receiver shall be liable to account only for those rents actually received.

20 **Release.** Upon payment of all sums secured by this Mortgage, Lender shall release this Mortgage without charge to Borrower. Borrower shall pay all costs of recordation, if any.

21 **Waiver of Homestead.** Borrower hereby waives all right of homestead exemption in the Property.

22 **Deed in lieu of Foreclosure.** Borrower agrees to sign, execute and deliver to Lender a Deed In Lieu of Foreclosure in the event of default of Note and this Mortgage.

**IN WITNESS WHEREOF.** Borrower has executed this Mortgage.  
**J.R.S. RE INVESTMENTS INC.**

BY: 

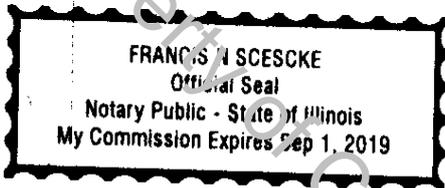
Its. President/Randeep Singh Kanda

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STATE OF ILLINOIS    )  
  ) SS  
COUNTY OF COOK    )

I, Francis Sceske a Notary Public in and for said county and state, do hereby certify that Randeep Singh Kanda, as President of J.R.S. RE Investments Inc., personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he signed and delivered the said instrument as his free voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 1<sup>st</sup> day of Oct, 2015.



[Signature]  
Notary Public

Please return this document to:

Jarnail S. Kanda  
6920 N. Crawford Ave  
Lincolnwood, IL 60712

PROPERTY OF COOK COUNTY CLERK'S OFFICE

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## LEGAL DESCRIPTION

LOT 8 (EXCEPT THE NORTH 1 FOOT THEREOF) AND THE NORTH 2 FEET OF LOT 9 IN BLOCK 4 IN FREDERICK E DOWNEY'S SUBDIVISION OF LOTS 3 TO 6 IN PARTITION OF THE WEST 1/2 OF THE NORTHWEST 1/4 OF SECTION 1, TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS 8754 S. CORNELL AVENUE, CHICAGO, IL 60617

PROPERTY INDEX NO. 25-01-102-019-0000

Property of Cook County Clerk's Office

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## PROMISSORY NOTE

\$40,000

September 1, 2015

THIS PROMISSORY NOTE ("Note") is made as of the date first written above, by J.R.S. RE INVESTMENTS INC. AND RANDEEP SINGH KANDA, jointly and personally ("Borrower"), to the order or holder in due course of SAROJ KANDA ("Lender").

### 1

#### DEFINITIONS

Borrower agrees that, for the purposes of this Note, the following terms shall have the following respective meanings ascribed thereto.

1.1 "Dollars" shall mean dollars in lawful currency of The United States of America.

1.2 "Default Rate" shall mean Seven Percent (7%) per annum in excess of the Interest Rate but not in excess of the maximum interest rate permitted by law.

1.3 "Interest Rate" shall mean two percent (2%) per annum. Interest shall be computed for the number of days elapsed that the principal is unpaid on the basis of a three hundred sixty five (365) day year.

1.4 "Loan Year" shall mean the period of twelve (12) consecutive calendar months next following the month in which all or any part of the Original Principal Amount is first advanced by Lender to or for the benefit of Borrower and each period of twelve (12) consecutive calendar months thereafter to and including the Maturity Date, provided, however, if all or any part of the Original Principal Amount is first advanced on other than the first day of a calendar month, the first Loan Year shall include the month in which the Original Principal Amount is so advanced.

1.5 "Maturity Date" shall mean July 31, 2030, or such earlier date the entire Outstanding Principal Balance and accrued and unpaid interest thereon, and any other sums which are due and payable pursuant to the terms and provisions of this Note are due and payable by reason of the acceleration of the maturity of this Note.

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1.6 "Original Principal Amount" shall mean Forty Thousand and No/100 Dollars (\$40,000.00).

1.7 "Outstanding Principal Balance" shall mean the aggregate of all sums advanced by Lender to or for the benefit of Borrower hereunder and not repaid.

1.8 "Payment Date" shall mean the Maturity Date.

## 2

### PAYMENT OF PRINCIPAL AND INTEREST

For Value Received, Borrower hereby promises to pay to the order of Lender the principal amount of Forty Thousand and No/100 Dollars (\$40,000.00), together with interest as provided herein below as follows:

#### 2.1 *Payment of Interest and Principal.*

(a) Interest shall accrue on the Outstanding Principal Balance at the Interest Rate prior to default.

(b) Interest, along with principal, based on a 15 years amortization shall be paid monthly, in arrears on the First day of each month, commencing on November 1, 2015, as per attached amortization schedule as Exhibit "A", with a final payment of all accrued and unpaid interest and all unpaid principal due on July 31, 2030 (the "Maturity Date") as per the attached amortization schedule. The entire Outstanding Principal Amount of this Note and any accrued and unpaid interest thereon shall be due and payable on the Maturity Date (or on the first business day thereafter if such day is not a business day) unless due and payable earlier by reason of the acceleration of the maturity of this Note.

2.2 *Prepayment Privileges.* Borrower shall have the right to prepay only the full amount of the note.

2.3 *Default Interest.* Subsequent to a Default until cured, interest shall accrue on the Outstanding Principal Balance at the Default Rate.

2.4 *Principal and Interest at Maturity.* The entire Outstanding Principal Balance and accrued and unpaid interest thereon, and any and all other sums which are due and payable pursuant to the terms and provisions of the Note, the Mortgage or the other Loan Documents (as defined in the Mortgage) shall be due and payable on the Maturity Date.

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2.5 *Calculation of Interest.* All interest on this Note shall be calculated on the basis of twelve months, provided, however, that for portions of the principal balance which are outstanding for less than a full calendar month, interest on such portion of the principal balance shall be calculated on the basis of a three hundred sixty five (365) day year and the actual number of days elapsed in any portion of a month for which interest may be due on such portion of the principal balance.

2.6 *Application of Payments Prior to Default.* Prior to the invocation of the terms and provisions of Paragraph 3.2 hereof, all monies paid by Borrower to Lender shall be applied in the following order of priority: (a) first, toward repayment of all amounts advanced by Lender under the provisions of the Loan Documents (as defined in the Mortgage) to protect and preserve the collateral (if any); (b) next, toward payment of all amounts due and owing pursuant to Paragraph 3.5 hereof (if any); (c) next, toward payment of all amounts due and owing pursuant to Paragraph 3.4 hereof (if any); (d) next, toward payment of interest which has accrued on the Outstanding Principal Balance and which is due and payable.

2.7 *Payments after Defaults.* All unpaid interest that has accrued on the Outstanding Principal Balance, whether prior or subsequent to the occurrence of the Default, shall be paid at the time of, and as a condition precedent to, the curing of the Default. While any Default exists, Lender is expressly authorized to apply payments made to it as it may elect against (1) any or all amounts, or portions thereof, then due and payable hereunder, (2) the Outstanding Principal Balance, or (3) any combination thereof.

2.8 *Place of Payment.* Payments and prepayments to be made under this Note are to be made at such places as the legal holder of this Note may from time to time in writing appoint, and, in the absence of such appointment, then at 6920 N. Crawford Ave., Lincolnwood, IL 60712.

## 3

### SECURITY, DEFAULTS, AND REMEDIES

3.1 *Security for Payment.* The payment of this Note is secured by, Mortgage (the "Mortgage"), of even date herewith made by Borrower to Lender, constituting a first lien on certain real estate in the County of Cook, State of Illinois, commonly known as that certain real estate located at 8754 S. Cornell Ave Chicago, IL 60617 (the "Premises").

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parties by notice in writing in accordance herewith (but service or delivery of courtesy copies shall not be required):

(a) If to Borrower: J.R.S. RE INVESTMENTS INC.  
6920 N. CRAWFORD AVE.  
LINCOLNWOOD, IL 60712

(b) If to Lender: SAROJ KANDA  
6920 N. CRAWFORD AVE.  
LINCOLNWOOD, IL 60712

Except as otherwise specifically required herein, notice of the exercise of any right or option granted to Lender by this Note is not required to be given.

4.2 *Governing Law and Other Agreements.* Borrower agrees that: (i) this instrument and the rights and obligations of the parties hereunder shall be governed by the laws of the State of Illinois, without reference to the conflict of law principles of such state; (ii) the obligation evidenced by this Note is an exempted transaction under the Truth in Lending Act, 15 U.S.C. § 1601, *et seq.*; (iii) said obligation constitutes a business loan for the purposes specified in 815 ILCS 205/4(1)(c); (iv) the proceeds of the indebtedness evidenced by this Note will not be used for the purchase of registered equity securities within the purview of Regulation "U" issued by the Board of Governors of the Federal Reserve System; and (v) upon the Maturity Date, Lender shall not have any obligation to refinance the indebtedness evidenced by this Note or to extend further credit to the Borrower.

4.3 *Interpretation.* The headings of sections and paragraphs in this Note are for convenience only and shall not be construed in any way to limit or define the content, scope or intent of the provisions hereof. As used in this Note, the singular shall include the plural, and masculine, feminine and neuter pronouns shall be fully interchangeable, where the context so requires. The parties hereto intend and believe that each provision in this Note comports with all applicable law. However, if any provision in this Note is found by a court of law to be in violation of any applicable law, and if such court should declare such provision of this Note to be unlawful, void or unenforceable as written, then it is the intent of all parties to the fullest possible extent that it is legal, valid and enforceable, that the remainder of this Note shall be construed as if such unlawful, void or unenforceable provision were not contained therein, and that the rights, obligations and interests of Borrower and the holder hereof under the remainder of this Note shall continue in full force and effect; provided, however, that if any provision of this Note which is found to be in violation

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of any applicable law concerns the imposition of interest hereunder, the rights, obligations and interests of Borrower and Lender with respect to the imposition of interest hereunder shall be governed and controlled by the provisions of Paragraph 4.5 hereof. Time is of the essence of this Note.

4.4 *Waiver.* Borrower and any and all others who are now or may become liable for all or part of the obligations of Borrower under this Note (collectively, the "Obligors") agree to be jointly and severally bound hereby and jointly and severally: (i) waive and renounce any and all redemption and exemption rights and the benefits of all valuation and appraisal privileges against the indebtedness evidenced by this Note or by any extension or renewal hereof; (ii) waive presentment and demand for payment, notices of nonpayment and of dishonor, protest of dishonor and notice of protest; (iii) waive all notices in connection with the delivery and acceptance hereof and all other notices in connection with the performance, default or enforcement of the payment hereof hereunder; (iv) waive any and all lack of diligence and delays in the enforcement of the payment hereof; (v) agree that the liability of each other Obligor shall be unconditional and without regard to the liability of any other person or entity for the payment hereof, and shall not in any manner be affected by any indulgence or forbearance granted or consented to by Lender to any of them with respect hereto; (vi) consent to any and all extensions of time, renewals, waivers or modifications that may be granted by Lender with respect to the payment or other provisions hereof, and to the release of any security at any time given for the payment hereof, or any part thereof, with or without substitution, and to the release of any person or entity liable for the payment hereof; and (vii) consent to the addition of any and all other makers, endorsers, guarantors and other Obligors for the payment hereof, and to the acceptance of any and all other security for the payment hereof, and agree that the addition of any such Obligors or security shall not affect the liability of any of the Obligors for the payment hereof.

4.5 *Excess Interest.* It being the intention of Lender and Borrower to comply with the laws of the State of Illinois with regard to the rate of interest charged hereunder, it is agreed that, notwithstanding any provision to the contrary in this Note, or any of the other Loan Documents, no such provision shall require the payment or permit the collection of any amount ("Excess Interest") in excess of the maximum amount of interest permitted by law to be charged for the use or detention, or the forbearance in the collection, of all or any portion of the indebtedness evidenced by this Note. If any Excess Interest is provided for, or is adjudicated to be provided for, in this Note or any of the other Loan Documents, then in such event:

4.5.A. the provisions of this paragraph shall govern and control;

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- 4.5.B. neither Borrower nor any of the other Obligors shall be obligated to pay any Excess Interest;
- 4.5.C. any Excess Interest that Lender may have received hereunder shall, at the option of Lender, be (i) applied as a credit against either the then outstanding principal balance due under this Note, or the accrued and unpaid interest thereon not to exceed the maximum amount permitted by law, or both; (ii) refunded to the payer thereof; or (iii) any combination of the foregoing;
- 4.5.D. the applicable interest rate or rates shall be automatically subject to reduction to the maximum lawful rate allowed to be contracted for in writing under the applicable usury laws of the aforesaid State, and this Note, the Mortgage and the other Loan Documents shall be deemed to have been, and shall be, reformed and modified to reflect such reduction in such interest rate or rates; and
- 4.5.C. neither Borrower nor any of the other Obligors shall have any action or remedy against Lender for any damages whatsoever or any defense to enforcement of the Note, Mortgage or any of the other Loan Documents arising out of the payment or collection of any Excess Interest.

4.6 *Successors, Holders and Assigns* Upon any endorsement, assignment or other transfer of this Note by Lender or by operation of law, the term "Lender," as used herein, shall mean such endorsee, assignee or other transferee or successor to Lender then becoming the holder of this Note. This Note shall inure to the benefit of Lender and its successors and assigns and shall be binding upon the undersigned and its successors and assigns. The terms "Borrower" and "Obligors" as used herein, shall include the respective successors, assigns, legal and personal representatives, executors, administrators, devisees, legatees and heirs of Borrower and any other Obligors.

4.7 *Waiver of Jury Trial.* BORROWER IRREVOCABLY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT, COUNTERCLAIM OR PROCEEDING (I) TO ENFORCE OR DEFEND ANY RIGHTS UNDER OR IN CONNECTION WITH THIS NOTE OR ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HEREWITH, OR (II) ARISING FROM ANY DISPUTE OR CONTROVERSY IN CONNECTION WITH OR RELATED TO THIS NOTE OR ANY SUCH AMENDMENT, INSTRUMENT,

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DOCUMENT OR AGREEMENT, AND AGREES THAT ANY SUCH ACTION, SUIT, COUNTERCLAIM OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

4.8 Nothing herein contained shall be deemed a waiver by Lender of any right which Lender may have pursuant to Sections 506(a), 506(b), and 1111(b) or any other provision of the Bankruptcy Code of the United States to file a claim for the full amount of the Loan or to require that all collateral or security for the Loan shall continue to secure the entire amount of the Loan in accordance with the Loan Documents.

4.9 Borrower agrees to sign, execute and deliver to Lender a Deed In Lieu of Foreclosure in the event of default of Note and Mortgage.

J.R.S. RE INVESTMENTS INC.

By:   
Its: President.

  
RANDEEP SINGH KANDA,  
INDIVIDUALLY

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