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Illinois Anti-Predatory
Lending Database
Program
Certificate of Exemption



Report Mortgage Fraud
844-768-1713

Doc#: 1732408202 Fee: \$70.00
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 11/20/2017 12:09 PM Pg: 1 of 12

The property identified as: **PIN:** 20-35-216-013-0000

Address:

Street: 8143 South Woodlawn

Street line 2:

City: Chicago

State: IL

ZIP Code: 60619

Lender: Camelot Financial Group, Inc.

Borrower: Covenant Holdings Group, LLC

Loan / Mortgage Amount: \$165,000.00

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: FCA510D3-F55F-46FC-AD3B-87AD536AE73E

Execution date: 11/13/2017

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This instrument was prepared by and

after recording return to:

Law Offices of Samuel J. Macaluso, P.C.
6345 Joliet Road, Suite 102
Countryside, IL 60525

MORTGAGE AND ASSIGNMENT OF RENTS

MAXIMUM LIEN: At no time shall the principal amount of indebtedness secured by this Mortgage, not including sums advanced to protect the security of the Mortgage, exceed \$330,000.00.

THIS MORTGAGE (hereinafter "Mortgage" or "Instrument") is made this 13th day of November, 2017, between the Mortgagor(s), **Covenant Holdings Group, LLC, a Illinois limited liability company**, whose address is **1426 E. Wyndham Cir Apt 207, Palatine, IL 60074**, jointly and severally, (hereinafter "Borrower"), and the Mortgagee, **Camelot Financial Group, Inc., an Illinois corporation**, its successors and/or assigns, whose address for purposes of this Mortgage is **6345 Joliet Road, Suite 103, Countryside, Illinois 60525**, along with any and all Additional Mortgagees, if any, as set forth below in Paragraph 29 of this Mortgage (hereinafter **Camelot Financial Group, Inc.**, and the Additional Mortgagees are collectively referred to herein as "Lender").

WHEREAS, Borrower is or may become indebted to Lender pursuant to the terms of the Promissory Note (herein "Note") executed by Borrower, jointly and severally, in the maximum principal sum of **ONE HUNDRED SIXTY FIVE THOUSAND AND 00/100 DOLLARS (\$165,000)**, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for such Note, which Note evidenced Borrower's obligation to repay amounts advanced by Lender.

TO SECURE TO LENDER (a) the repayment of the principal, interest and all other amounts payable to Lender on the Note according to their tenor and effect, and all renewals, extensions, and modifications thereof; (b) the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage, and (c) the performance and observance of all the covenants, provisions and agreements of Borrower herein and of any guarantor or guarantors, under guaranty or other instrument given to further secure the performance of any obligation secured hereby, and in consideration of the premises and good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Borrower, Borrower does hereby mortgage, grant, convey and assign to Lender all of Borrower's right, title and interest in the real estate commonly known as **8143 South Woodlawn, Chicago, Illinois 60619 (PIN: 20-35-216-013-0000)** and legally described in Exhibit "A" attached hereto and made a part hereof.

TOGETHER with all improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water, water rights and water stock, and all fixtures now or hereafter attached to the property, all of which, including replacements and additions thereto shall be deemed to be and remain a part of the property covered by this Mortgage; and

Mortgage & Assignment of Rents

Borrower Initials: MB RB

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all of the foregoing, together with said property (or the leasehold estate if this Mortgage is on a leasehold) are herein referred to as "Property".

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

UNIFORM COVENANTS, Borrower and Lender covenant and agree as follows:

1. **PAYMENT OF PRINCIPAL AND INTEREST.** Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, any prepayment and late charges provided in the Note and all other sums secured by this Instrument. In the event the agreed payment is less than the interest due then the excess unpaid interest shall be added to the principal.
2. **APPLICATION OF PAYMENTS.** Unless applicable law provides otherwise, all payments received by Lender from Borrower under the Note or this instrument shall be applied by Lender first to any late charges, penalties and fees payable on the Note, then to any interest payable on the Note, then to principal of the Note, and then to any late charges, penalties, fees, interest and principal of any Future Advances.
3. **CHARGES; LIENS.** Borrower shall pay 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, by Borrower making payment, when due, directly to the payee thereof. Borrower shall promptly furnish to Lender all notice of amounts due under this paragraph, and in the event Borrower shall make payment directly, Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge and lien which has priority over this Mortgage; provided, that Borrower shall not be required to discharge any such lien so long as Borrower shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender, or shall in good faith contest such lien by, or defend enforcement of such lien in, legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof.
4. **HAZARD INSURANCE.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured by carriers at all times satisfactory to Lender against loss by fire, hazards included within the term "extended coverage", rent loss and such other hazards, casualties, liabilities and contingencies as Lender shall require and in such amounts and for such periods as Lender shall require; provided, that Lender shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Mortgage.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by lender; provided, that such approval shall not be unreasonably withheld. All premiums on insurance policies shall be paid by Borrower making payment, when due, directly to the insurance carrier.

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 form acceptable to Lender. Lender shall have the right to hold the policies, and Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. At least thirty days prior to the expiration date of a policy, Borrower shall deliver to Lender a renewal policy in form satisfactory to Lender. In the event of loss, Borrower shall give immediate written notice to the insurance carrier and to Lender. Borrower hereby authorizes and empowers Lender as attorney-in-fact for Borrower to make proof of loss, to adjust and compromise any claim under insurance

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Borrower Initials:

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policies, to appear in and prosecute any action arising from such insurance policies, to collect and receive insurance proceeds, and to deduct there from Lender's expenses incurred in the collection of such proceeds; provided however, that nothing contained in this paragraph 4 shall require Lender to incur any expense or take any action hereunder.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration and repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Mortgage is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Mortgage would be impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to 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 to restoration or repair of the Property or to the sums secured by this Mortgage.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to in paragraph 1 hereof or change the amount of such installments. If under paragraph 17 hereof the Property is acquired by Lender, all right, title and interest of Borrower in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Lender to the extent of the sums secured by this Mortgage immediately prior to such sale or acquisition.

5. PRESERVATION AND MAINTENANCE OF PROPERTY Borrower (a) shall not commit waste or permit impairment or deterioration of the Property, (b) shall not abandon the Property, (c) shall restore or repair promptly and in a good and workmanlike manner all or any part of the Property to the equivalent of its original condition, or such other condition as Lender may approve in writing, in the event of any damage, injury or loss thereto, whether or not insurance proceeds are available to cover in whole or in part the costs of such restoration or repair, (d) shall keep the Property, including improvements, fixtures, equipment, machinery and appliances thereon in good repair and shall replace fixtures, equipment, machinery and appliances on the Property when necessary to keep such items in good repair, (e) shall comply with all laws, ordinances, regulations and requirements of any governmental body applicable to the Property, and (f) shall give notice in writing to Lender of and, unless otherwise directed in writing by Lender, appear in and defend any action or proceeding purporting to affect the Property, the security of this Instrument or the rights or powers of Lender.

6. PROTECTION OF LENDER'S SECURITY. If Borrower fails to perform the covenants and agreements contained in this instrument, or if any action or proceeding is commenced which affects the Property or title thereto or the interest of Lender therein, including, but not limited to, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Lender at Lender's option may make such appearances, disburse such sums and take such action as Lender deems necessary, in its sole discretion to protect Lender's interest, including, but not limited to, (i) disbursement of attorney's fees, (ii) entry upon the Property to make repairs, (iii) procurement of satisfactory insurance as provided in paragraph 4 hereof and may also (iv) declare all of the sums secured by this Instrument to be immediately due and payable without prior notice to Borrower, and Lender may invoke any remedies permitted by paragraph 17 of this Instrument. Any amounts disbursed by Lender pursuant to this paragraph 6, with interest thereon at the rate stated in the Note, shall become additional indebtedness of Borrower secured by this Instrument. Nothing contained in this paragraph 6 shall require Lender to incur any expenses or take any action hereunder.

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Borrower Initials: MB RB

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7. **INSPECTION.** Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause thereof related to Lender's interest in the Property.

8. **CONDEMNATION.** Borrower shall promptly notify Lender of any action or proceeding relating to any condemnation or other taking, whether direct or indirect, of the Property, or part thereof, and Borrower shall appear in and prosecute any such action or proceeding unless otherwise directed by Lender in writing. Borrower authorizes Lender, at Lender's option, as attorney-in-fact for Borrower, to commence, appear in and prosecute, in Lender's or Borrower's name, any action or proceeding relating to any condemnation or other taking of the Property, whether direct or indirect, and to settle or compromise any claim in connection with such condemnation or other taking. The proceeds of any award, payment or claim for damages, direct or consequential, in connection with any condemnation or other taking, whether direct or indirect, of the Property, or part thereof, or for conveyances in lieu of condemnation, are hereby assigned to and shall be paid to Lender.

Borrower authorizes Lender to apply such awards, payments, proceeds or damages, after the deduction of Lender's expenses incurred in the collection of such amounts, to payment of the sums secured by this Instrument, whether or not then due, in the order of application set forth in paragraph 2 hereof, with the balance, if any, to Borrower. Unless Borrower and Lender otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to in paragraphs 1 and 2 hereof or change the amount of such installments. Borrower agrees to execute such further evidence of assignment of any awards, proceeds, damages or claims arising in connection with such condemnation or taking as lender may require.

9. **BORROWER AND LIEN NOT RELEASED.** From time to time, Lender may, at Lender's option, without giving notice to or obtaining the consent of Borrower, Borrower's successors or assigns or of any junior lien holder or guarantors, without liability on Lender's part and notwithstanding Borrower's breach of any covenant or agreement of Borrower in this Instrument, extend the time for payment of said indebtedness or any part thereof, reduce the payments thereon, release anyone liable on any of said indebtedness, accept a renewal note or notes therefore, modify the term and time of payment of said indebtedness, release from the lien of this Instrument any part of the Property, take or release other or additional security, recover any part of the Property, consent to any map or plan of the Property, consent to the granting of any easement, join in any extension or subordination agreement, and agree in writing with Borrower to modify the rate of interest or period of amortization of the Note or change the amount of the monthly installments payable thereunder. Any actions taken by Lender pursuant to the terms of this paragraph 9 shall not affect the obligation of Borrower or Borrower's successors or assigns to pay the sums secured by this Instrument and to observe the covenants of Borrower contained herein, shall not affect the guaranty of any person, corporation, partnership or other entity for payment of the indebtedness secured hereby, and shall not affect the lien or priority of lien hereof on the Property. Borrower shall pay Lender a reasonable service charge, together with such title insurance premiums and attorney's fees as may be incurred at Lender's option, for any such action if taken at Borrower's request.

10. **FORBEARANCE BY LENDER NOT A WAIVER.** 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 right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Instrument.

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11. **REMEDIES CUMULATIVE.** Each remedy provided in this instrument is distinct and cumulative to all other rights or remedies under this Instrument, or afforded by law or equity, and may be exercised concurrently, independently, or successively, in any order whatsoever.

12. **SUCCESSOR AND ASSIGNS BOUND; JOINT AND SEVERAL LIABILITY; CAPTIONS.** 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. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof. To the extent that Borrower is a corporation or other entity, it hereby represents and warrants to Lender that the execution of this Mortgage has been authorized by all necessary corporate or entity action, as applicable.

13. **NOTICE.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Instrument or in the Note shall be given by mailing such notice by first class mail addressed to Borrower at Borrower's address stated below 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, return receipt requested, 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 Instrument or in the Note shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

14. **UNIFORM MORTGAGE; GOVERNING LAW; SEVERABILITY; PLURALITY.** This form of mortgage combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property. This Mortgage shall be governed by the law of the jurisdiction in which the Property is located. 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 that can be given effect without the conflicting provision, and to this end the provisions of the Mortgage and the Note are declared to be severable. As used in this Mortgage, (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender, (b) words in the singular shall mean and include the plural and vice versa, and (c) the word "may" gives sole discretion without any obligation to take any action.

15. **BORROWER'S COPY.** Borrower shall be given a conformed copy of the Note and of this Mortgage at the time of execution or after recordation hereof.

16. **TRANSFER OF THE PROPERTY; ASSUMPTION.** If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, excluding (a) the creation of a lien or encumbrance subordinate to this Mortgage, (b) the creation of a purchase money security interest for household applicable, (c) a transfer by devise, descent or by operation of law upon death of a joint tenant or (d) the grant of any leasehold interest of three years or less not containing an option to purchase, Lender may, at Lender's option, declare all the sums secured by this Mortgage to be immediately due and payable. Lender shall have waived such option to accelerate if, prior to the sale or transfer, Lender and the person to whom the Property is to be sold or transferred reach agreement in writing that the credit of such person is satisfactory to Lender and that the interest payable on the sums secured by this Mortgage shall be at such rate as Lender shall request. If Lender has waived the option to accelerate provided in this paragraph 16, and if Borrower's successor in interest has executed a written assumption agreement accepted in writing by Lender, Lender shall release Borrower from all obligations under this Mortgage and the Note.

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Borrower Initials: MB RS

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If Lender exercises this option, Lender shall give Borrower notice of acceleration in accordance with paragraph 13 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is given within which Borrower must pay all sums secured by this Mortgage. If Borrower fails to pay these sums prior to the expiration of such period, Lender may invoke any remedies permitted by this Mortgage without further notice or demand on Borrower.

17. **ACCELERATION; REMEDIES.** Any and all rights of acceleration and remedies set forth in this paragraph are not exclusive and are not required to be pursued by Lender but rather are in addition to any and all other rights and remedies available to Lender pursuant to this Mortgage or any other loan documents, including but not limited to the Note executed by Borrower on even date herewith or any personal guaranty related to this Mortgage and the Note. 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 mail notice to Borrower as provided in paragraph 13 hereof specifying: (1) the breach; (2) the action required to cure such breach, (3) a date, not less than 30 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, or other available remedy to Lender. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence 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 the Mortgage immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding or exercise such other remedies or rights as available to Lender. 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. **ASSIGNMENT OF RENTS; APPOINTMENT OF RECEIVER; LENDER IN POSSESSION.** 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, and at any time prior to the expiration of any period of redemption following judicial sale, Lender, in person, by agent or by judicially appointed receiver, shall be entitled 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 Lender or 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. Lender and the receiver shall be liable to account only for those rents actually received.

19. **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.

20. **NOT HOMESTEAD PROPERTY/WAIVER OF HOMESTEAD.** Borrower hereby declares that this is NOT a homestead property, however, to the extent that the Property is deemed to be a homestead property then Borrower hereby releases and waives all rights under and by virtue of the Homestead Exemption Laws of the State of Illinois.

I HAVE READ, UNDERSTAND AND AGREE THAT THE ABOVE-REFERENCED STATEMENTS IN THIS PARAGRAPH 20 ARE TRUE AND CORRECT: **BORROWER INITIALS:** RB RB

Mortgage & Assignment of Rents

Borrower Initials: RB RB

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21. **WAIVER OF RIGHT OF REDEMPTION.** NOTWITHSTANDING ANY OF THE PROVISIONS TO THE CONTRARY CONTAINED IN THIS MORTGAGE, BORROWER HEREBY WAIVES, TO THE EXTENT PERMITTED UNDER 735 ILCS 5/15-1601(b) OR ANY SIMILAR LAW EXISTING AFTER THE DATE OF THIS MORTGAGE, ANY AND ALL RIGHTS OF REDEMPTION ON BEHALF OF BORROWER AND ON BEHALF OF ANY OTHER PERSONS PERMITTED TO REDEEM THE PROPERTY.

I HAVE READ, UNDERSTAND AND AGREE WITH THE ABOVE-REFERENCED STATEMENTS AND TERMS IN THIS PARAGRAPH 21: BORROWER INITIALS: MB KB

22. **WAIVERS AND CONSENTS.** Lender shall not be deemed to have waived any rights under this Mortgage (or under the Related Documents) unless such waiver is in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by any party of a provision of this Mortgage shall not constitute a waiver of or prejudice the party's right otherwise to demand strict compliance with that provision or any other provision of this Mortgage. No prior waiver by Lender, nor any course of dealing between Lender and Borrower, shall constitute a waiver of any of Lender's rights or any of Borrower's obligations as to any future transactions.

23. **LENDER'S DISCRETION.** Whenever this Mortgage requires either Lender's consent, election, approval or similar action or otherwise vests in Lender the authority to make decisions and/or determinations, such actions shall be made or withheld in Lender's sole and absolute discretion, unless specifically provided otherwise and the granting of any consent, election, approval or similar action by Lender in any instance shall not constitute continuing consent, election, approval or similar action in subsequent instances where such is required.

24. **WAIVER OF JURY TRIAL.** BORROWER AND LENDER EACH WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS (i) UNDER THIS MORTGAGE OR ANY RELATED DOCUMENT OR UNDER ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HERewith OR ANY RELATED DOCUMENT OR (ii) ARISING FROM ANY BANKING RELATIONSHIP EXISTING IN CONNECTION HERewith, AND AGREES THAT ANY SUCH ACTION OR PROCEEDING WILL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. BORROWER AGREES THAT IT WILL NOT ASSERT ANY CLAIM AGAINST LENDER OR ANY OTHER PERSON INDEMNIFIED UNDER THIS MORTGAGE ON ANY THEORY OF LIABILITY FOR SPECIAL, INDIRECT, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES.

25. **BUSINESS LOAN.** Borrower represents, warrants, covenants and agrees that all proceeds of the loan evidenced by this Mortgage and the Loan shall be used solely for the purpose of carrying on a business or commercial enterprise and not a consumer loan and not a personal loan, and not for personal, family or household use. As a result, Borrower agrees that the obligations evidenced by this Mortgage and the Loan are an exempted transaction under the following laws: (i) Truth-In-Lending Act, 15 U.S.C. Section 1601, et seq., (ii) the Real Estate Settlement Procedures Act 12 U.S.C. 2601, et seq., and (iii) the Illinois Interest Act, 815 ILCS 205, et seq., as amended, and that the purpose of this Note and Loan specifically comes with the purview of Section 4(1)(c) of the Illinois Interest Act. The funds disbursed pursuant to this Mortgage and the Loan shall only be used for the purpose of carrying on a business or commercial enterprise, and use of the funds of the Loan evidenced by this Note for any other purpose shall constitute an Event of Default of the subject loan.

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Borrower Initials: MB KB

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I HAVE READ, UNDERSTAND AND AGREE THAT THE ABOVE-REFERENCED STATEMENTS IN THIS PARAGRAPH 25 ARE TRUE AND CORRECT: BORROWER INITIALS: MB RE

26. **AUTHORITY TO BIND.** Borrower represents and warrants to Lender that it is the sole owner of fee simple title to the Property and that Borrower has full and unlimited power and authority to enter into this Mortgage and bind and encumber the Property to the commitments made hereunder, and convey or cause the conveyance of this Mortgage and security interest in the Property to Lender, and that no consent by anyone, other than Borrower, is required to bind and encumber the Property with this Mortgage and that the execution of this Mortgage by Borrower is the duly authorized and a legally binding action of Borrower, and upon execution hereof, Borrower shall be bound by and subject to the terms and provisions of this Mortgage.

27. **NON-OWNER OCCUPANCY.** Borrower represents, warrants, covenants and agrees that the real estate subject to this Mortgage and the Note is being purchased and/or refinanced as a non-owner occupied property, and that Borrower shall hold the real estate as an investment property for either rent or resell for profit, but under no circumstances shall any of the following persons occupy the real estate used as security for the Loan and subject to this Mortgage: (i) the Borrower; (ii) any member of the Borrower's family; (iii) any partner, manager, director, officer, member, or employee of the Borrower; or (iv) any family member of the individuals listed in (iii). Borrower further agrees this Loan is being obtained on the basis that the real estate being acquired and/or refinanced investment property and it is not the Borrower's primary residence or residence of any kind or the primary residence or residence of any kind of any and all of the other excluded parties as set forth above in the is paragraph.

I HAVE READ, UNDERSTAND AND AGREE THAT THE ABOVE-REFERENCED STATEMENTS IN THIS PARAGRAPH 27 ARE TRUE AND CORRECT: BORROWER INITIALS: MB RE

28. **NO MERGER.** It being the desire and the intention of the parties hereto that this Mortgage and the lien hereof do not merge in fee simple title to the Mortgaged Property, it is hereunder understood and agreed that, should Lender acquire any additional or other interests in or to said property or the ownership thereof, then, unless a contrary interest is manifested by Lender as evidenced by an appropriate document duly recorded, this Mortgage and the lien hereof shall not merge in the fee simple title, such that this Mortgage may be foreclosed as if owned by a stranger to the fee simple title.

29. **ADDITIONAL MORTGAGEES AND LENDER'S RIGHT TO ADD ADDITIONAL MORTGAGES IN THE FUTURE.** As used herein this Mortgage, "Additional Mortgagees" shall mean the following parties: N/A. By Borrower's execution of this Mortgage, Borrower expressly understands, acknowledges and agrees that the Additional Mortgagees are investors or loan participants with one of the other expressly stated Mortgagees in this Mortgage, and that in addition to the aforesaid expressly stated Mortgagees that the Additional Mortgagees shall also have joint first positions/priority security interests against the Property. Notwithstanding anything to the contrary herein this Mortgage, Lender, in its sole discretion, shall expressly have the right to modify this Paragraph to revise or add investors or loan participants with Lender as additional mortgagees to this Mortgage in the future and provide them a joint first positions/priority security interests against the Property, provided that this Mortgage is not modified in any manner other the revision or addition of Additional Mortgagees as set forth above in this Paragraph. In the event that Lender elects to revise or add Additional Mortgagees as aforesaid, then Lender shall notify Borrower of its election to do so and Borrower shall execute a new mortgage, the form only of which shall be subject to Borrower's approval which shall not be unreasonably withheld, and on even date with Borrower's execution of the new mortgage, Lender shall issue a release of this Mortgage to be recorded on even date with the new mortgage.

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Borrower Initials: MB RE

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30. ATTORNEY-IN-FACT. If Mortgagor fails to do any of the things required to be done by Mortgagor, Mortgagee may do so for and in the name of Mortgagor and at Mortgagor's expense. For such purposes, Mortgagor hereby irrevocably appoints Mortgagee (for Mortgagee's President or Sole Member as the case may be) as Mortgagor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Mortgagee's opinion, to accomplish any matters required by this Mortgage or the promissory note secured by this Mortgage.

31. CROSS-COLLATERALIZED PROPERTY. *Intentionally Omitted.*

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SIGNATURES ON NEXT PAGE]

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EXHIBIT A

LEGAL DESCRIPTION

LOT 14 IN BLOCK 4 IN E.B. SHOGREN AND COMPANY'S AVALON PARK, BEING A SUBDIVISION OF LOTS 1 TO 25, INCLUSIVE, AND LOTS 27 TO 46, INCLUSIVE IN BLOCK 3, LOTS 1 TO 19, INCLUSIVE, LOTS 21 TO 31, INCLUSIVE, LOTS 33 TO 38, INCLUSIVE, AND LOTS 42 TO 46, INCUSIVE, IN BLOCK 4; LOTS 1 TO 46, INCLUSIVE IN BLOCK 5, AND LOTS 1 TO 46, INCLUSIVE IN BLOCK 6 IN PIERCE'S PARK, A SUBDIVISION OF THE SOUTHWEST 1/4 OF SECTION 35, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

Property Address: 5143 South Woodlawn, Chicago, IL 60619

PIN: 20-35-216-013-0000

Mortgage & Assignment of Rents

Borrower Initials: R 3^{and}