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Illinois Anti-Predatory
Lending Database
Program

Certificate of Exemption



Report Mortgage Fraud
844-768-1713



1734119022

Doc# 1734119022 Fee \$66.00

RHSP FEE: \$9.00 RPRF FEE: \$1.00

KAREN A. YARBROUGH

COOK COUNTY RECORDER OF DEEDS

DATE: 12/07/2017 10:39 AM PG: 1 OF 15

The property identified as: PIN: 17-08-121-046-1006

Address:

Street: 1510 West Grand Avenue, Unit 2W

Street line 2:

City: Chicago

State: IL

ZIP Code: 60642

Lender: Marc Pozan

Borrower: Stephanie Scharaga

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: E357C449-D3D9-4D0B-9BE9-AA2FB14AEB67

Execution date: 12/6/2017

Ryok

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This instrument was prepared by
and after recording return to:

Jeffrey T. Saltz
Morrison, Saltz & Davenport
Suite 1611
77 West Washington Street
Chicago, Illinois 60602

Permanent Real Estate Index No.:
17-08-121-046-1006

Street Address:
1510 West Grand Avenue
Unit 3W
Chicago, IL 60642

ABOVE SPACE FOR RECORDER'S USE ONLY

JUNIOR MORTGAGE

THIS JUNIOR MORTGAGE ("Mortgage") made this 1 day of December 2017, by STEPHANIE SCHARAGA, a single person, (hereinafter referred to as the "Mortgagor"), whose address is 1510 West Grand Avenue, Unit 3W, Chicago, IL 60642 in favor of MARC POZAN, (hereinafter, together with his successors and assigns, including each and every, from time to time, holder of the Note, called the "Mortgagee"), whose address is 1685 North Route 50, Bourbonnais, IL 60914;

WHEREAS, Mortgagor is indebted to Mortgagee in the principal sum of FORTY THOUSAND and no/100 (\$40,000.00) DOLLARS, which indebtedness is evidenced by a Junior Mortgage Note of even date herewith from Mortgagor (hereinafter referred to as the "Note"), and which Note provides for payment of the indebtedness as set forth therein, with a payment of all principal, plus any accrued interest, due and payable, if not paid earlier, on demand from and after December 15, 2017.

NOW, THEREFORE, Mortgagor, to secure the payment of the Note with interest thereon, and any extensions and renewals thereof, in whole or in part in accordance herewith or in the Note, (hereinafter referred to as the "Indebtedness"), and to protect the security of this Mortgage, and the performance of the covenants and agreements of Mortgagor herein contained, Mortgagor does hereby mortgage, warrant, grant and convey to Mortgagee the following described real estate located in the City of Chicago, County of Cook, State of Illinois:

SEE EXHIBIT A ATTACHED HERETO AND MADE A PART HEREOF

(hereinafter referred to as the "Real Estate" or "Premises")

which Real Estate commonly known as 1510 Wet Grand Avenue Unit 3W Chicago, IL 60642 and with the property hereinafter described are referred to herein as the "Premises":

- (a) All of the Real Estate;
- (b) All buildings and other improvements now or at any time hereafter constructed or erected upon or located at the Real Estate, and all materials located on the Real Estate intended for construction, reconstruction, alteration and repairs of such improvements now or hereafter erected thereon, together with and including, but not limited to, all fixtures, equipment, machinery, appliances and other articles and attachments now or hereafter forming part of, attached to or incorporated in any such buildings or improvements and used in the operation

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of the Premises (all hereinafter referred to as the "Improvements");

- (c) All privileges, reservations, allowances, hereditaments, tenements and appurtenances now or hereafter belonging or pertaining to the Real Estate or Improvements;
- (d) All the estate, interest, right, title or other claim or demand which Mortgagor now has or may hereafter have or acquire with respect to (i) the proceeds of insurance in effect with respect to the Premises, and (ii) any and all awards, claims for damages and other compensation made for or consequent upon the taking by condemnation, eminent domain or any like proceeding, or by any proceeding or purchase in lieu thereof, of the or any part of the Premises, including, without limitation, any awards and resulting from a change of grade of streets and awards and compensation severance damages (all hereinafter generally referred to as "Awards").

MORTGAGOR COVENANTS that Mortgagor is lawfully seized of the real estate hereby conveyed and has the right to mortgage, warrant, grant and convey the Premises, and that the Premises are unencumbered except for that certain Mortgage recorded with the Cook County Recorder on March 10, 2017 as Document No. 1706917027. Mortgagor will warrant and defend generally the title to the Premises against all claims and demands and further that the Premises hereby mortgaged and conveyed or intended so to be, together with the rents, issues and profits thereof, are hereby conveyed unto the Mortgagee forever, free from all rights and benefits under and by virtue of the Homestead Exemption Laws of the State of Illinois (which rights and benefits are hereby expressly released and waived), for the uses and purposes herein set forth;

PROVIDED, NEVERTHELESS, and these presents are upon the express condition that if all of the Indebtedness shall be duly and punctually paid and all the terms, provisions, conditions, and agreements herein contained on the part of the Mortgagor to be performed or observed shall be strictly performed and observed, then this Mortgage and the estate, right and interest of the Mortgagee in the Premises shall cease and become void and of no effect.

AND IT IS FURTHER AGREED THAT:

1. **Payment of Indebtedness.** The Mortgagor will duly and promptly pay the principal and interest on the Note, and all other Indebtedness, as the same become due, and will comply with and duly perform and observe all of the terms, provisions, conditions, agreements, and covenants herein or in the Note provided on the part of the Mortgagor to be performed and observed.
2. **Maintenance, Repair, Restoration, Prior Liens, Parking.** In addition, Mortgagor will:
 - (a) Promptly repair, restore or rebuild any Improvements now or hereafter on the Premises that may become damaged or be destroyed;
 - (b) Keep the Premises in good condition and repair, without waste, and free from mechanics, materialmen's or like liens or claims, or other liens or claims for lien, except for that certain Mortgage recorded with the Cook County Recorder of Deeds as Document No. 1706917027;
 - (c) Pay when due any indebtedness which may be secured by a lien or charge on the Premises on parity with or superior to the lien hereof (including but not limited to the mortgages referred to in (b) above and comply with and fulfill all terms, provisions, conditions, and covenants of the aforesaid mortgages, and upon request exhibit satisfactory evidence of the discharge of such liens to the Mortgagee;
 - (d) Complete within a reasonable time any Improvements at any time in the process of erection upon the Premises;
 - (e) Comply with all requirements of law, municipal ordinances or restrictions and covenants of record with respect to the Premises and the use thereof;

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- (f) Make no material alterations in the Premises, except as required by law or municipal ordinance, or except which Mortgagee consents to, in writing;
- (g) Suffer or permit no change in the general nature of the occupancy of the Premises or consent to any change in any existing private restrictive covenants, zoning ordinances or other public or private restriction, without the Mortgagee's prior written consent;
- (h) Pay all utility charges incurred in connection with the Premises and all improvements thereon and maintain all utility services now or hereafter available for use at the Premises.

3. **Taxes.** Mortgagor will pay when due and before any penalty attaches, all general and special taxes, assessments, water charges, sewer charges, and other fees, taxes, charges and assessments of every kind and nature whatsoever (all hereinafter referred to as "Taxes"), whether or not assessed against the Mortgagor, if applicable to the Premises or any interest therein, or the Indebtedness, or any obligation or agreement secured hereby; and Mortgagor will furnish to the Mortgagee duplicate receipts therefore. If Mortgagor fails to pay Taxes in a timely manner or furnish duplicate receipt thereof, then at the election of Mortgagee, in addition to the monthly payments of interest due under the Note secured by this Mortgage, Mortgagor shall deposit with Mortgagee, at the same time each monthly payment of interest is due under the Note, 1/12th of the annual real estate taxes as estimated by the Mortgagee. Mortgagee shall use these funds to pay the general real estate taxes. These funds are hereby pledged as additional security to the Mortgagee for the payment of the real estate taxes and the principal balance and interest on the Note remaining unpaid from time to time. Mortgagee shall not be required to pay interest on these funds. If the amount of the funds held by the Mortgagee shall not be sufficient to pay all the real estate taxes as herein provided, then within fifteen (15) days from the date notice is mailed by Mortgagee to Mortgagor requesting payment thereof, Mortgagor shall pay to Mortgagee the amount necessary to make up the deficiency.

4. **Insurance Coverage.** The Mortgagor will insure and keep insured the Premises and each and every part and parcel thereof against such perils and hazards as the Mortgagee may from time to time require and in any event, will continuously maintain the following described policies of insurance:

- (a) Casualty insurance against loss and damage by all risks of physical loss or damages, including fire, windstorm, and all other risks covered by the so-called extended coverage endorsement in amounts not less than the full insurable replacement value of all improvements, fixtures, and equipment from time to time on the Premises and bearing a replacement cost agreed amount endorsement;
- (b) Comprehensive public liability against death, bodily injury, and property damage in an amount not less than One Million Dollars (\$1,000,000.00);
- (c) If the Premises are in a flood hazard area, flood insurance when and as available.

5. **Insurance Policies.** All policies of insurance to be maintained and provided as required by Section 4 hereof shall:

- (a) Be in forms, companies, and amounts reasonably satisfactory to Mortgagee (but at least the amount of the Mortgage), and all policies of casualty insurance shall have attached thereto mortgagee clauses or endorsements in favor of and with loss payable to Mortgagee;
- (b) Be written in amounts sufficient to prevent Mortgagor from becoming a co-insurer;
- (c) Provide for thirty (30) days' prior written notice of cancellation to Mortgagee;

and Mortgagor will deliver all policies, including additional and renewal policies, to Mortgagee, and in case of insurance policies about to expire, the Mortgagor will deliver renewal policies not less than thirty (30) days prior to the respective dates of expiration.

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6. **Proceeds of Insurance.** The Mortgagor will give the Mortgagee prompt notice of any damage to or destruction of the Premises; and
- (a) In case of loss covered by policies of insurance, the Mortgagee (or, after entry of decree of foreclosure, the purchaser at the foreclosure sale or decree creditor, as the case may be) is hereby authorized at its option either (i) to settle and adjust any claim under such policies without consent of the Mortgagor provided however so long as no Event of Default shall have occurred and be continuing, the settlement and adjustment of any such claims shall be made with the mutual consent of the Mortgagor, or (ii) allow the Mortgagor to agree with the insurance company or companies on the amount to be paid upon the loss; provided that the Mortgagor may itself adjust and collect losses aggregating not in excess of One Thousand and 00/100 Dollars (\$1,000.00); provided further that in any case the Mortgagee shall, and is hereby authorized to, collect and receipt for any such insurance proceeds; and the expenses incurred by the Mortgagee in the adjustment and collection of insurance proceeds shall be so much additional Indebtedness, and shall be reimbursed to the Mortgagee upon demand;
 - (b) In the event of any insured damage to or destruction of the Premises or any part thereof (hereinafter referred to as an "Insured Casualty") and if, in the reasonable judgment of the Mortgagee, the Premises can be restored prior to Loan maturity, to an architectural and economic unit of the same character and not less valuable than the same was prior to the Insured Casualty, and adequately securing the outstanding balance of the Indebtedness, and the insurers do not deny liability to the insureds, then, if no Event of Default as hereinafter defined shall have occurred and be then continuing, and if there was no Event of Default, whether continuing or not, at the time of occurrence of damage or destruction which resulted in said loss, the proceeds of insurance may be applied to reimburse the Mortgagor for the cost of restoring, repairing, replacing or rebuilding (hereinafter referred to as "Restoring") the Premises or any part thereof subject to Insured Casualty, so long as this Mortgage is not in default, such insurance proceeds, after deducting therefrom any expenses incurred in the collection thereof, shall be made available by Mortgagee for the Restoring of the Premises; provided that Mortgagor shall furnish evidence sufficient to Mortgagee that there are sufficient funds available for the rebuilding or restoration of the Premises.
 - (c) If, in the reasonable judgment of Mortgagee, the Premises cannot be restored to an architectural and economic unit as provided for in Subsection (b) above, then at any time from and after the Insured Casualty, upon sixty (60) days' written notice to Mortgagor, Mortgagee may declare the entire balance of the Indebtedness to be, and at the expiration of such sixty (60) day period the Indebtedness shall be and become, immediately due and payable.
 - (d) Except as provided for in Subsection (b) of this Section 6, Mortgagee shall apply the proceeds of insurance (including amounts not required for Restoring effected in accordance with Subsection (b) above) consequent upon any Insured Casualty upon the Indebtedness, in such order or manner as the Mortgagee may elect.
 - (e) In the event that proceeds of insurance, if any, shall be made available to the Mortgagor for the Restoring of the Premises, Mortgagor hereby covenants to Restore the same to be of at least equal value and of substantially the same character as prior to such damage or destruction; all to be affected in accordance with plans and specifications to be first submitted to and reasonably approved by the Mortgagee.
 - (f) Any portion of insurance proceeds remaining after payment in full of the Indebtedness shall be paid to Mortgagor;
 - (g) Nothing contained in this Mortgage shall create any responsibility or liability upon the Mortgagee to (i) collect any proceeds of any policies of insurance, or (ii) Restore any portion of the Premises damaged or destroyed through any cause.

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7. **Condemnation.** The Mortgagor will give Mortgagee prompt notice of any proceedings, instituted or threatened, seeking condemnation or taking by eminent domain or any like process (hereinafter referred to at times as a "Taking"), of all or any part of the Premises, including damages to grade, and:

- (a) Mortgagor hereby assigns, transfers, and sets over unto Mortgagee the entire proceeds of any Award consequent upon any Taking;
- (b) If, in the reasonable judgment of the Mortgagee, the Premises can be restored to an architectural and economic unit of the same character and not less valuable than the Premises prior to such Taking and adequately securing the outstanding balance of the Indebtedness, then if no Event of Default, as hereinafter defined, shall have occurred and be then continuing, the Award shall be applied to reimburse Mortgagor for the cost of Restoring the portion of the Premises remaining after such Taking.
- (c) If, in the reasonable judgment of Mortgagee, the Premises cannot be restored to an architectural and economic unit as provided for in Subsection (b) above, then at any time from and after the Taking, upon sixty (60) days' written notice to Mortgagor, Mortgagee may declare the entire balance of the Indebtedness to be, and at the expiration of such sixty (60) day period the Indebtedness shall be and become, immediately due and payable.
- (d) Except as provided for in Subsection (b) of this Section 7, Mortgagee shall apply any Award (including the amount not required for Restoration effected in accordance with Subsection (b) above) upon the Indebtedness in such order or manner as the Mortgagee may elect.
- (e) In the event that any Award shall be made available to the Mortgagor for Restoring the portion of the Premises remaining after a Taking, Mortgagor hereby covenants to Restore the remaining portion of the Premises to be of at least equal value and of substantially the same character as prior to such Taking, all to be affected in accordance with plans and specifications to be first submitted to and reasonably approved by the Mortgagee;
- (f) Any portion of any Award remaining after payment in full of the Indebtedness shall be paid to Mortgagor.

8. **Effect of Extensions of Time, Junior Liens, and Others.** Mortgagor covenants and agrees that:

- (a) If the payment of the Indebtedness, or any part thereof, be extended or varied, or if any part of the security be released, all persons now or at any time hereafter liable therefor, or interested in the Premises, shall be held to assent to such extension, variation or release, and their liability, if any, and the lien and all provisions hereof shall continue in full force and effect; the right of recourse against all such persons being expressly reserved by the Mortgagee, notwithstanding any such extension, variation or release;
- (b) Subject to the Mortgagee's rights in Section 11 hereof, any person, firm or corporation taking a mortgage junior to this Mortgage or other lien upon the Premises (except for the mortgage referred to in Section 2(b) hereof), or any interest therein, shall take the said lien subject to all the rights of the Mortgagee herein and without the lien of this Mortgage losing its priority over the rights of any such junior lien;

9. **Mortgagee's Performance of Mortgagor's Obligations.** In case of an Event of Default as defined in Section 12 herein, the Mortgagee either before or after acceleration of the Indebtedness or the

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foreclosure of the lien hereof, and during the period of redemption, if any, may, but shall not be required, to make any payment or perform any act herein which is required of the Mortgagor (whether or not the Mortgagor is personally liable therefor), in any form and manner, in whole or in part, and by any means deemed expedient to the Mortgagee, and all monies paid for any of the purposes herein authorized or authorized by any other instrument evidencing or securing the Indebtedness, and all expenses paid or incurred in connection therewith, including reasonable attorney's fees and any other monies advanced by the Mortgagee to protect the Premises and the lien hereof, shall be so much additional Indebtedness, whether or not they exceed the amount of the Note, and shall become immediately due and payable without notice, and with interest thereon at the Default Rate specified in the Note (herein called the "Default Rate");

10. **Inspection of Premises.** Mortgagee, its agents and designees shall have the right to inspect the Premises at all reasonable times and upon reasonable advance notice and access thereto shall be permitted for that purpose.

11. **Restrictions on Transfer.** It shall be an immediate Event of Default hereunder if, without the prior written consent of the Mortgagee, the Mortgagor shall create, effect, or consent to or shall suffer or permit any conveyance, sale, assignment, transfer, assignment of beneficial interest or a sale, conveyance or transfer of any nature whatsoever of any interest in any entity holding such beneficial interest (if title is held in a land trust), lien (other than mechanics' liens), pledge, mortgage, security interest or other encumbrance or alienation of the Premises or any part thereof, or interest therein. The provisions of this Section 11 shall not apply to liens securing the Indebtedness or the lien of current real estate taxes and assessments not in default.

12. **Events of Default** If one or more of the following events (hereinafter referred to as "Events of Default") shall occur:

- (a) Any default shall occur in the due and punctual payment of the principal, or any portion thereof, or interest on the Note, or any other indebtedness of the Mortgagor to the Mortgagee, which continues for a period of five (5) days after it is due;
- (b) Any failure of Mortgagor for a period of fourteen (14) days after receipt of written notice (except as to defaults specified in Subsection (a) above or elsewhere in this Section 12, or where a longer or shorter period is specified herein or in the other Loan Documents for a particular default) from Mortgagee to Mortgagor for Mortgagor to observe, comply with, or perform any of the terms, provisions, conditions, agreements, or covenants of this Mortgage or the other Loan Documents (as that term is defined in the Note), except payment of the Note; provided however in the event Mortgagor has commenced efforts to cure such default within said fourteen (14) days and is diligently pursuing the same, such fourteen (14) day cure period shall be extended for a period of time not to exceed an additional sixty (60) days;
- (c) If a notice of lien, levy or assessment is filed of record with respect to all or any part of the Premises by the United States, or any other governmental authority, unless contestable and actually and diligently contested in accordance herewith;
- (d) If Mortgagor:
 - (i) Shall file a voluntary petition in bankruptcy or for arrangement, reorganization or other relief under any chapter of the Federal Bankruptcy Code or any similar law, state or federal, now or hereafter in effect;
 - (ii) Shall file an answer or other pleading in any proceedings admitting insolvency, bankruptcy, or inability to pay its debts as they mature;
 - (iii) Within sixty (60) days after the filing against it of any involuntary proceedings under the Federal Bankruptcy Act or similar law, state or federal, now or hereafter in effect, such proceedings shall not have been vacated;

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- (iv) Any order appointing a receiver, trustee or liquidator for it or for all or a major part of its property or the Premises shall not be vacated within thirty (30) days following entry thereof;
 - (v) Shall be adjudicated a bankrupt;
 - (vi) Shall make an assignment for the benefit of creditors or shall admit in writing its inability to pay its debts generally as they become due or shall consent to the appointment of a receiver or trustee or liquidator of all or the major part of its property, or the Premises.
- (e) If default is made in the maintenance and delivery to Mortgagee of insurance required to be maintained and delivered hereunder, for a period of fourteen (14) days after notice; or
- (f) Thirty (30) days after the death of Mortgagor, or either one of them., then the Mortgagee is hereby authorized and empowered, at its option, and without affecting the lien hereby created or the priority of said lien or any right of the Mortgagee hereunder, to declare, without notice all Indebtedness to be immediately due and payable, whether or not such default is thereafter remedied by the Mortgagor, and the Mortgagee may immediately proceed to foreclose this Mortgage and/or exercise any right, power or remedy provided by this Mortgage, the Note, or by law or in equity conferred.
- (g) Any default shall occur in the due and punctual payment of the principal, or any portion thereof or interest on the note secured by the mortgage referred to in Section 2(b) hereof or any other indebtedness of the mortgagor to the mortgagee in the mortgage referred to in Section 2(b) hereof, which continues for a period of ten (10) days after it is due;

13. **Foreclosure.** When the Indebtedness, or any part thereof, shall become due, whether by acceleration or otherwise, the Mortgagee shall have the right to foreclose the lien hereof for such Indebtedness or part thereof and in connection therewith:

- (a) In any suit or proceeding to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale, all expenditures and expenses which may be paid or incurred by or on behalf of the Mortgagee for reasonable attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, and similar data and assurances with respect to title, as the Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidder at sales which may be had pursuant to such decree the true conditions of the title to or the value of the Premises.
- (b) In the event of a deficiency upon a sale of the Premises pledged hereunder by Mortgagor, then Mortgagor shall forthwith pay such deficiency including all expenses and fees that may be incurred by the holder of the Note secured by this Mortgage in enforcing any of the terms and provisions of this Mortgage.

14. **Proceeds of Foreclosure Sale.** The proceeds of any foreclosure sale of the Premises shall be distributed and applied in the following order of priority: First, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in Section 13 hereof; Second, all other items which, under the terms hereof, constitute Indebtedness additional to that evidenced by the Note, with interest on such items as herein provided; Third, to interest remaining unpaid upon the Note; Fourth, to the principal remaining unpaid upon the Note; and lastly, any overage to the Mortgagor, and its successors or assigns, as their rights may appear.

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15. **Receiver.** Mortgagor consents and agrees that:
- (a) Upon, or at any time after, the filing of a complaint to foreclose this Mortgage, the court in which such complaint is filed may appoint a receiver of the Premises;
 - (b) Such receiver shall have the power to collect the rents, issues and profits of the Premises during the pendency of such foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, if any, whether there be a redemption or not, as well as during any further times when the Mortgagor, except for the intervention of such receiver, would be entitled to collection of such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Premises during the whole of said period;
 - (c) The court may, from time to time, authorize the receiver to apply the net income from the Premises in his hands in payment in whole or in part of:
 - (i) The Indebtedness or the indebtedness secured by a decree foreclosing this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or such decree, provided such application is made prior to the foreclosure sale; or
 - (ii) The deficiency in case of a sale and deficiency.
16. **Insurance Upon Foreclosure.** In case of an insured loss after foreclosure proceedings have been instituted, the proceeds of any insurance policy or policies, if not applied in Restoring the Improvements, as aforesaid, shall be used to pay the amount due in accordance with any decree of foreclosure that may be entered in any such proceedings, and the balance, if any, shall be paid as the court may direct.
17. **Compliance With Illinois Mortgage Foreclosure Law.**
- (a) In the event that any provision in this Mortgage shall be inconsistent with any provision of the Illinois Mortgage Foreclosure Law (Chapter 735 ILCS 5/15 1101 *et seq.*, Illinois Compiled Statutes Annotated) (hereinafter referred to as the "Act") the provisions of the Act shall take precedence over the provisions of this Mortgage, but shall not invalidate or render unenforceable any other provision of this Mortgage that can be construed in a manner consistent with the Act.
 - (b) All fees, expenses, and costs incurred by Mortgagee to the extent reimbursable under Sections 5/15-1510 and 5/15-1512 of the Act, whether incurred before or after any decree or judgment of foreclosure, and whether enumerated in any paragraph of this Mortgage, shall be added to the indebtedness secured by this Mortgage or by the judgment of foreclosure.
18. **Forbearance.** Any forbearance by Mortgagee 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. The procurement of insurance or the payment of taxes or other liens or charges by Mortgagee shall not be a waiver of Mortgagee's right to accelerate the indebtedness secured by this Mortgage.
19. **Waiver.** No act of omission or commission of the Mortgagee, including, but not limited to, the failure to exercise any right, shall be deemed to be a waiver, release, or modification of the same and any such waiver, release, or modification may be effected only through a written document executed by the Mortgagee and then only to the extent specifically recited therein.
20. **Mortgagee In Possession.** Nothing herein contained shall be construed as constituting the Mortgagee a mortgagee in possession in the absence of the actual taking of possession of the Premises by

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the Mortgagee. Upon the occurrence of an Event of Default, Mortgagee may, in accordance with the Act, apply to the court in which the complaint to foreclose the Mortgage is filed to place the Mortgagee in possession of the Premises.

21. **Contests.** Notwithstanding anything to the contrary herein contained, Mortgagor shall have the right to contest by appropriate legal proceedings diligently prosecuted any taxes imposed or assessed upon the Premises or which may be or become a lien thereon and any mechanic's, materialmen's or other liens or claims for lien upon the Premises (all herein called "Contested Liens"), and no Contested Lien shall constitute an Event of Default hereunder, if, but only if:

- (a) Mortgagor shall forthwith give notice of any Contested Lien to Mortgagee at the time the same shall be asserted;
- (b) Mortgagor shall diligently prosecute the contest of any Contested Lien by appropriate legal proceedings having the effect of staying the foreclosure or forfeiture of the Premises, and shall permit Mortgagee to be represented in any such contest and shall pay all expenses incurred by Mortgagee in so doing, including fees and expenses of Mortgagee's counsel (all of which shall constitute so much additional Indebtedness bearing interest at the Default Rate until paid, and payable upon demand);
- (c) Mortgagor shall pay such Contested Lien and all Lien Amounts together with interest and penalties thereon (i) if and to the extent that any such Contested Lien shall be determined adverse to Mortgagor, or (ii) forthwith upon demand by Mortgagee if, in the opinion of Mortgagee, and notwithstanding any such contest, the Premises shall be in jeopardy or in danger of being forfeited or foreclosed; provided that if Mortgagor shall fail so to do, Mortgagee may, but shall not be required to, pay all such Contested Liens and Lien Amounts and interest and penalties thereon and such other sums as may be necessary in the judgment of the Mortgagee to obtain the release and discharge of such liens; and any amount expended by Mortgagee in so doing shall be so much additional Indebtedness bearing interest at the Default Rate until paid, and payable upon demand.

22. **Subrogation.** To the extent that Mortgagee, on or after the date hereof, pays any sum due under or secured by any Senior Lien as hereinafter defined, Mortgagee shall have and be entitled to a lien on the Premises equal in priority to the Senior Lien discharged, and Mortgagee shall be subrogated to the rights and liens of all mortgages, trust deeds, superior titles, vendors' liens, mechanic's liens, or liens, charges, encumbrances, rights and equities on the Premises having priority to the lien of the Mortgage (hereinafter referred to as "Senior Liens"), and receive and enjoy all rights and liens possessed, held or enjoyed by, the holder of such Senior Lien, which shall remain in existence and benefit Mortgagee in securing the Indebtedness, notwithstanding any release of such Senior Lien.

23. **Rights Cumulative.** Each right, power and remedy herein conferred upon the Mortgagee is cumulative and in addition to every other right, power or remedy, express or implied, given now or hereafter existing, at law or in equity, and each and every right, power and remedy herein set forth or otherwise so existing may be exercised from time to time as often and in such order as may be deemed expedient by the Mortgagee, and the exercise or the beginning of the exercise of one right, power or remedy shall not be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy; and no delay or omission of the Mortgagee in the exercise of any right, power or remedy accruing hereunder or arising otherwise shall impair any such right, power or remedy, or be construed to be a waiver of any default or acquiescence therein.

24. **Successors and Assigns.** This Mortgage and each and every covenant, agreement and other provision hereof shall be binding upon the Mortgagor and its successors and assigns (including, without limitation, each and every from time to time record owner of the Premises or any other person having an interest therein) and shall inure to the benefit of the Mortgagee and its successors and assigns and (a) wherever

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herein the Mortgagee is referred to, such reference shall be deemed to include the holder of from time to time of the Note, whether so expressed or not; and (b) each such from time to time holder of the Note shall have and enjoy all of the rights, privileges, powers, options, benefits and security afforded hereby and hereunder, and may enforce every and all of the terms and provisions hereof, as fully and to the same extent and with the same effect as if such from time to time holder was herein by name specifically granted such rights, privileges, powers, options, benefits and security and was herein by name designated the Mortgagee.

25. Provisions Severable. The enforceability of any provision or provisions hereof shall not render any other provision or provisions herein contained unenforceable or invalid.

26. Captions and Pronouns. The captions and headings of the various sections of this Mortgage are for convenience only, and are not to be construed as confining or limiting in any way the scope or intent or the provisions hereof. Whenever the context requires or permits, the singular number shall include the plural, the plural shall include the singular and the masculine, feminine and neuter genders shall be freely interchangeable.

27. Addresses and Notices. Any notice which any party hereto may desire or may be required to give to any other party shall be in writing, and the personal delivery thereof, by overnight delivery, or the passage of three days after the mailing thereof by registered or certified mail, return receipt requested, to the addresses initially specified in the introductory paragraph hereof, or to such other place or places as any party hereto may by notice in writing designate, shall constitute service of notice hereunder, with copies to:

IF TO MORTGAGEE:

Marc Pozan
1685 North Route 50
Bourbonnais, IL 60914

IF TO MORTGAGOR:

Stephanie Scharaga
1510 West Grand Avenue – Unit 3W
Chicago, IL 60642

28. Hazardous Waste. The Mortgagor represents and warrants to the Mortgagee that the Mortgagor (a) shall keep or cause the Premises to be kept free of Hazardous Materials except to the extent that such Hazardous Materials are stored and/or used in compliance with all applicable federal, state and local laws and regulations; (b) shall notify Mortgagee of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Premises and any hazardous substance; (c) if Mortgagor learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any hazardous Substance affecting the Premises is necessary, Mortgagor shall promptly take all necessary remedial actions and shall indemnify and hold harmless Mortgagee from all claims, demands, suits, actions (whether judicial, administrative, or otherwise), penalties, fines, loss, cost, and expenses, including reasonable attorneys' fees, which result from, arise out of, or are connected with the foregoing (a), (b), and (c), or any one or more of them.

The Mortgagor agrees that in the event this Mortgage is foreclosed or the Mortgagor tenders a deed in lieu of foreclosure, the Mortgagor shall deliver the Premises to the Mortgagee free of any and all Hazardous Materials which are then required to be removed (whether over time or immediately) pursuant to applicable federal, state, and local laws, ordinances, rules or regulations affecting the Premises. For purposes of this Mortgage, "Hazardous Materials", includes, without limitation, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Section 9601, et. seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Sections 1801, et. seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Section 6901, et. seq.) and in the regulations adopted and publications promulgated pursuant thereto, or any other federal, state or local governmental law, ordinance, rule or regulation.

The provisions of this paragraph shall be in addition to any and all other obligations and liabilities the Mortgagor may have to the Mortgagee under the Indebtedness, any loan document, and in common law, and shall survive (a) the repayment of all sums due for the debt, (b) the satisfaction of all of the other obligations of the Mortgagor in this Mortgage and under any loan document, (c) the discharge of this Mortgage, and (d) the foreclosure of this Mortgage or acceptance of a deed in lieu of foreclosure.

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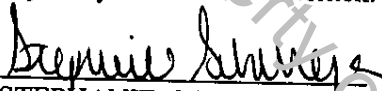
Notwithstanding anything to the contrary contained in this Mortgage, it is the intention of the Mortgagor and the Mortgagee that the indemnity provisions of this paragraph shall only apply to an action commenced against any owner or operator of the Premises in which any interest of the Mortgagee is threatened or any claim is made against the Mortgagee for the payment of money.

29. **Interest at the Default Rate.** Without limiting the generality of any provision herein or in the Note contained, from and after the occurrence of any Event of Default hereunder, all of the Indebtedness shall bear interest at the Default Rate as that term is defined in the Note.

30. **Governing Law.** This Mortgage shall be governed by the laws of the State of Illinois. In the event one or more of the provisions contained in this Mortgage shall be prohibited or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Mortgage.

31. **Joint and Several Liability.** All agreements, covenants, and other provisions, affecting the Mortgagor will be joint and several, and will bind and affect all persons who are referred to as "Mortgagor" as fully as though all of them were specifically named wherever the word "Mortgagor" is used.

IN WITNESS WHEREOF, this Mortgage is executed and delivered as of the day and year first above written.

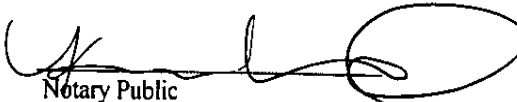

STEPHANIE SCHARAGA

ACKNOWLEDGMENT

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Krystal C. McDonald, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that the above-named STEPHANIE SCHARAGA, a single person, ^{Prove} personally known to me to be the same persons whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that she signed and delivered the said instrument as her own free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal on this 1st day of December, 2017.


Notary Public

My Commission Expires:



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EXHIBIT A Legal Description

PARCEL 1:

Unit 3W in the 1510 West Grand Condominium, as delineated on a survey of the following described real estate : The East 3.75 feet of Lot 31, Lot 32, and the West 22.50 feet of Lot 33, all in Block 15 in Bickerdike's Addition to Chicago, a subdivision of the West ½ of the Northwest ¼ of Section 8, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois: which survey is attached as Exhibit A to the Declaration of Condominium recorded as Document Number 0411332091, and as amended, together with its undivided percentage interest in the common elements, all in Cook County, Illinois.

PARCEL 2:

The exclusive right to the use of P2 and S6, Limited Common Elements, as delineated on the survey attached to the declaration of condominium aforesaid recorded as document number 0411332091.

Commonly known as: 1510 West Grand Avenue, Unit 3W, Chicago, IL 60642

Permanent Index No. 17-08-121-046-1006

Property of Cook County Clerk's Office

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CONDOMINIUM RIDER

THIS CONDOMINIUM RIDER is made this 1 day of December, 2017, and is incorporated into and shall be deemed to amend and supplement the Junior Mortgage ("Mortgage") of the same date given by the undersigned (the "Mortgagor") to secure Mortgagor's Note to MARC POZAN (the "Mortgagee") of the same date and covering the Property described in the Mortgage and located at: 1510 Wet Grand Avenue Unit 3W Chicago, IL 60642. The Property includes a unit in, together with an undivided interest in the common elements of, a condominium project known as: 1510 West Grand Condominium (the "Condominium Project"). If the owner's association or other entity which acts for the Condominium Project (the "Owners Association") holds title to property for the benefit or use of its members or shareholders, the Property also includes Mortgagor's interest in the Owners Association and the uses, proceeds and benefits of Borrower's interest.

CONDOMINIUM COVENANTS. In addition to the covenants and agreements made in the Mortgage, Mortgagor and Mortgagee further covenant and agree as follows:

A. Condominium Obligations. Mortgagor shall perform all of Mortgagor's obligations under the Condominium Project's Constituent Documents. The "Constituent Documents" are the: (i) Declaration or any other document which creates the Condominium Project; (ii) by-laws; (iii) code of regulations; and (iv) other equivalent documents. Mortgagor shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

B. Property Insurance. So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy on the Condominium Project which is satisfactory to Mortgagee and which provides insurance coverage in the amounts (including deductible levels), for the periods, and against loss by fire, hazards included within the term "extended coverage," and any other hazards, including, but not limited to, earthquakes and floods, from which Mortgagee requires insurance, then: (i) Mortgagor obligation under Section 4(a) to maintain property insurance coverage on the Real Estate is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

What Mortgagee requires as a condition of this waiver can change during the term of the loan.

Mortgagor shall give Mortgagee prompt notice of any lapse in required property insurance coverage provided by the master or blanket policy.

In the event of a distribution of property insurance proceeds in lieu of restoration or repair following a loss to the Real Estate, whether to the unit or to common elements, any proceeds payable to Mortgagor are hereby assigned and shall be paid to Mortgagee for application to the sums secured by the Mortgage, whether or not then due, with the excess, if any, paid to Mortgagor.

C. Public Liability Insurance. Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Mortgagee.

D. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to Mortgagor in connection with any condemnation or other taking of all or any part of the Real Estate, whether of the unit or of the common elements, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Mortgagee. Such proceeds shall be applied by Mortgagee to the sums secured by the Mortgage as provided in Section 7.

E. Mortgagee's Prior Consent. Mortgagor shall not, except after notice to Mortgagee and with Mortgagee's prior written consent, either partition or subdivide the Real Estate or consent to: (i) the abandonment or termination of the Condominium

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Project, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain; (ii) any amendment to any provision of the Constituent Documents if the provision is for the express benefit of Mortgagee; (iii) termination of professional management and assumption of self-management of the Owners Association; or (iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

F. Remedies. If Mortgagor does not pay condominium dues and assessments when due, then Mortgagee may, but shall not be obligated to, pay them. Any amounts disbursed by Mortgagee under this paragraph F shall become additional debt of Mortgagor secured by the Mortgage. Unless Mortgagor and Mortgagee agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Mortgagee to Mortgagor requesting payment.

BY SIGNING BELOW, Mortgagor accepts and agrees to the terms and covenants contained in this Condominium Rider.


STEPHANIE SCHARAGA

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