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Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



Report Mortgage Fraud
844-768-1713



Doc# 1908145095 Fee \$62.00

HSP FEE:\$9.00 RPRF FEE: \$1.00

EDWARD M. MOODY

COOK COUNTY RECORDER OF DEEDS

DATE: 03/22/2019 03:07 PM PG: 1 OF 13

The property identified as: PIN: 32-21-309-025-0000

Address:

Street: 1506 WALLACE STREET

Street line 2:

City: CHICAGO HEIGHTS

State: IL

ZIP Code: 60411

1908SC006136LP
late to LND

Lender: ILLINOIS HOUSING DEVELOPMENT AUTHORITY

Borrower: COUNTY OF COOK D/B/A COOK COUNTY LAND BANK AUTHORITY

Loan / Mortgage Amount: \$30,205.00

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: B24B5A31-0AF0-4C73-95AC-1E3DEBB2B685

Execution date: 2/15/2019

CTH

VC

JA

UNOFFICIAL COPY**THIS DOCUMENT WAS PREPARED BY:**

Community Affairs Department
 Illinois Housing Development Authority
 111 E. Wacker, Suite 1000
 Chicago, Illinois 60601

AFTER RECORDING THIS DOCUMENT SHOULD**BE RETURNED TO:**

Illinois Housing Development Authority
 111 E. Wacker, Suite 1000
 Chicago, Illinois 60601
 Attention: Community Affairs Department

Property Identification No.:

See Attached Exhibit A

Property Address:

See Attached Exhibit A

Illinois HHF -

Blight Reduction Program

BRP #160-51049-11

(The Above Space for Recorder's Use Only)

MORTGAGE

THIS MORTGAGE AND SECURITY AGREEMENT ("Mortgage") is given as of this 15th day of February, 2019, by **COUNTY OF COOK D/B/A COOK COUNTY LAND BANK AUTHORITY**, a body politic established under the laws of the state of Illinois ("**Mortgagor**") to the **ILLINOIS HOUSING DEVELOPMENT AUTHORITY ("Mortgagee")**, a body politic and corporate established pursuant to the Illinois Housing Development Act, 20 ILCS 3805/1 *et seq.*, as amended from time to time (the "Act"), and the rules promulgated under the Act, as amended and supplemented (the "Rules").

WITNESSETH:

WHEREAS, Mortgagor is the owner of the fee estate of that certain real property which is commonly known as 1506 Wallace Street, Chicago Heights, Illinois 60411 and which is legally described on **Exhibit A** attached to and made a part of this Mortgage (the "Real Estate"); the Real Estate, together with (a) all the improvements now or hereafter erected on the Real Estate; (b) all easements, rights and appurtenances thereto; (c) the interest of Mortgagor in all leases and licenses with respect to the Real Estate; (d) all rents, revenues, issues, profits, income, accounts, royalties and profits thereof; (e) all fixtures now or hereafter in or on the Real Estate; (f) all tenements,

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fixtures, and appurtenances thereto belonging; and (g) all replacements, additions and proceeds of the foregoing are referred to collectively in this Mortgage as the "Premises"; provided such Premises shall be the Unit for the purposes of the Program Requirements; and

WHEREAS, the United States Department of the Treasury ("Treasury") under Sections 101 and 109 of the Emergency Economic Stabilization Act of 2008 (P.L. 110-343), as the same may be amended and all other rules or guidance promulgated with respect thereto from time to time ("EESA"), established the Housing Finance Agency Innovation Fund for the Hardest Hit Housing Markets ("HHF Program"); and

WHEREAS, Mortgagee submitted a successful proposal to the Treasury for the use of funds allocated to the HHF Program to develop and implement the Illinois Hardest Hit Fund Homeowner Emergency Loan Program and subsequent programs approved by the Treasury ("HHF Illinois Program") to assist in helping decrease preventable foreclosures and stabilizing housing markets in Illinois; and

WHEREAS, pursuant to the requirements of the HHF Illinois Program, Mortgagee established a Blight Reduction Program (the "Program") that will use, to the extent available, funds from the HHF Illinois Program in order to help decrease preventable foreclosures and stabilize neighborhoods by targeting blighted vacant, residential properties within certain targeted areas in Illinois for acquisition, demolition, greening/lot treatment, maintenance and eventual reuse, repurpose or redevelopment; and

WHEREAS, the HHF Program, the rules, regulations and procedures promulgated under the EESA (the "HHF Rules"), the requirements set forth in the Mortgagee's HHF-Blight Reduction Program Guide (as amended and implemented by the Authority from time to time, "Program Guide") and the Mortgagee's requirements for the Program, all as they may be amended and supplemented from time to time are incorporated herein by reference and made a part hereof and are collectively referred to herein as the "Program Requirements."

WHEREAS, subject to the terms and conditions set forth in that certain Tri-Party Agreement dated as of June 30, 2016 by and between the Mortgagor, Mortgagee and City of Chicago Heights, Illinois, an Illinois unit of local government (the "ULG") the Mortgagee agreed to make a loan of Program funds reserved for its Program to the ULG and the Mortgagor for the Premises in the form of a loan in the amount of **Thirty Thousand Two Hundred Five and 00/100 Dollars (\$30,205.00)** (the "Loan"), to be used by Mortgagor and ULG to assist in permanent financing of the acquisition, demolition, greening, maintenance and administration of the Real Estate (the "Tri-Party Agreement"). Capitalized terms used herein and not otherwise defined shall have the meanings established in the Tri-Party Agreement, and if not defined therein then in the Program Guide and if not defined therein then in the HHF Rules.

WHEREAS, contemporaneously with the execution and delivery of this Mortgage, Mortgagor has executed and delivered to Mortgagee that certain Promissory Note (together with any renewals, modifications, extensions, amendments and replacements), (the "Note") of even date herewith, as evidence of the obligation of Mortgagor with respect to the Loan; and

WHEREAS, the Loan is evidenced, secured and governed by, among other things: (a) the Tri-Party Agreement of even date herewith between Mortgagor and Mortgagee (the "Tri-Party Agreement"), (b) this Mortgage, (c) the Note, (d) that certain Environmental Indemnity Agreement

MORTGAGE

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executed by Mortgagor (the "Indemnity") and (e) all other documents that evidence, govern or secure the Loan (the "Other Loan Documents"). This Mortgage, the Tri-Party Agreement, the Note, the Recapture Agreement and the Other Loan Documents are collectively referred to herein as the "Loan Documents"; and

WHEREAS, Mortgagor covenants that Mortgagor is the lawful owner of the Premises and has the full right and power to mortgage the Premises and that the Premises is unencumbered, except for the encumbrances of record accepted by Mortgagee (collectively, "Permitted Encumbrances"). Mortgagor warrants and will defend generally the title to the Premises against all claims and demands, subject to any Permitted Encumbrances.

NOW, THEREFORE, Mortgagor, to secure the (a) obligation of the Mortgagor to pay the Loan, including without limitation, the obligation to pay the Recapture Amount (as defined in the Tri-Party Agreement), which includes, but is not limited to, (i) so much of the Loan as Mortgagee may hereafter advance to Mortgagor, (ii) the Recapture Amount, (ii) the repayment of any future advances made to Mortgagor by the Mortgagee, and (iii) any and all other costs and expenses of Mortgagee attributable to Mortgagor, as determined by Mortgagor, pursuant to the Loan Documents and this Mortgage, such payments all to be made at the times, manner and place specified and set forth in the Note and the Tri-Party Agreement; and (b) performance and observance of all of the provisions of this Mortgage and the other Loan Documents, does by these presents **MORTGAGE AND WARRANT** and grant a security interest in the Premises and all of its estate, title and interest in the Premises to Mortgagee, its successors and assigns.

IT IS FURTHER UNDERSTOOD AND AGREED THAT:

1. Recitals. All of the foregoing recitals are made a part of this Mortgage.
2. Incorporation of Other Documents. The other Loan Documents are each incorporated by reference into and made a part of this Mortgage.
3. Future Advances. Mortgagee has bound itself to make advances pursuant to and subject to the terms of the Loan Documents, and Mortgagee acknowledges that all such advances, including future advances whenever made after the date of this Mortgage, shall be a lien from the time this Mortgage is recorded, as provided in Section 15-1302(b)(1) of the Illinois Mortgage Foreclosure Law, 735 ILCS 5/15 *et seq.*, as amended from time to time (the "Foreclosure Law").
4. Payment under the Note and the Tri-Party Agreement. Mortgagor agreed to promptly pay when due any amounts required to be paid under the Note and the Tri-Party Agreement.
5. Charges and Liens. Mortgagor shall cause to be paid all taxes, assessments, charges, fines, and impositions attributable to the Premises, and all dues, fees, assessments and other charges that are imposed on Mortgagor or the Premises by a homeowners association or similar organization association dues, fees, and assessments, if any. Mortgagor shall promptly discharge any lien which has priority over this Mortgage. If Mortgagee determines that any part of the Premises is subject to a lien which can attain priority over this Mortgage, Mortgagee may give Mortgagor a notice identifying the lien. Within thirty (30) business days of the date on which that notice is given, Mortgagor shall satisfy the lien. Mortgagor will promptly furnish to Mortgagee all

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notices of amounts required to be paid under this Section 5. After making such payments, Mortgagor will promptly furnish to Mortgagee receipts evidencing the payments.

6. Insurance. Mortgagee will keep comprehensive general liability coverage, including contractual coverage, with minimum liability limits of \$500,000 per occurrence and \$1,000,000 in the aggregate unless additional coverage is required by the Mortgagee. Mortgagor will keep the improvements, if any, now existing or hereafter erected on the Premises insured against loss by fire, hazards included within the term "extended coverage," and any other hazards for which Mortgagee requires insurance. All policies of insurance hereunder will be from such companies and in such form and amounts as may be satisfactory to Mortgagee, will name Mortgagee as a loss payee and will include a provision requiring 30 days advance written notice to Mortgagee prior to the termination or modification of such policy. All insurance policies and renewals must be acceptable to Mortgagee and must include a standard mortgagee clause in favor of and acceptable to Mortgagee. Mortgagee may hold the policies and renewals and, if Mortgagee requires, Mortgagor will promptly give to Mortgagee all receipts of paid premiums and renewal notices. Upon the occurrence of a loss covered by insurance, Mortgagor will give prompt notice to the insurance carrier and Mortgagee. Mortgagee may make proof of loss if not made promptly by Mortgagor.

Unless Mortgagee and Mortgagor otherwise agree in writing, insurance proceeds will be applied to the sums secured by this Mortgage, whether or not then due, with any excess paid to Mortgagor. If Mortgagor abandons the Premises or does not answer within 30 days a notice from Mortgagee that the insurance carrier has offered to settle a claim, then Mortgagee may settle the claim with the insurance carrier and collect the insurance proceeds from the insurance carrier and may use the proceeds to repair or restore the Premises or to pay sums secured by this Mortgage, whether or not then due. If the Premises is acquired by Mortgagee pursuant to a foreclosure or a deed in lieu of foreclosure, Mortgagor's right to any insurance policies and all insurance proceeds resulting from damage to the Premises prior to Mortgagee's acquisition shall pass to Mortgagee to the extent of the sums secured by this Mortgage immediately prior to such acquisition.

7. Preservation and Maintenance of Premises. Once the demolition and greening/lot treatment are completed, Mortgagor shall not destroy, damage or impair the Premises, allow the Premises to deteriorate or commit waste on the Premises, and Mortgagor shall maintain the Premises pursuant to the Program Requirements. Mortgagor shall maintain the Premises in order to prevent the Premises from deteriorating or decreasing in value due to its condition.

8. Protection of Mortgagee's Rights in the Premises. If Mortgagor fails to perform the covenants and agreements contained in this Mortgage or there is a legal proceeding that may significantly affect Mortgagee's rights in the Premises (such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), then Mortgagee may do and pay for whatever is necessary to protect the value of the Premises and Mortgagee's rights in the Premises. Mortgagee's actions may include paying any sums secured by a lien which has priority over this Mortgage, appearing in court, paying reasonable attorneys' fees and entering on the Premises to make repairs. Although Mortgagee may take action under this Section 8, Mortgagee does not have to do so. Any amount disbursed by Mortgagee under this Section 8 shall become additional debt of Mortgagor secured by this Mortgage. Any amounts disbursed by Mortgagee pursuant to this Section 8, with interest on said amounts as hereinafter provided, shall become additional indebtedness of Mortgagor secured by this Mortgage. Unless Mortgagee and Mortgagor agree to other terms of payment, such amounts shall be payable upon notice from Mortgagee to Mortgagor

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requesting payment of the foregoing, and shall bear interest from the date of disbursement at the rate of five percent (5%) per annum, unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible under applicable law. Nothing contained in this Section 8 shall require or obligate the Mortgagee to incur any expense or take any action under this Mortgage.

9. Inspection. Mortgagee or its agents may make reasonable entries upon and inspections of the Premises. Mortgagee shall give Mortgagor notice prior to the time of an inspection specifying reasonable cause for the inspection.

10. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Premises or for conveyance in lieu of condemnation are hereby assigned and shall be paid to Mortgagee and shall be applied to the sums secured by this Mortgage as if the Note had been prepaid on the date the condemnation award is approved, whether or not then due, with any excess paid to Mortgagor. If the Premises is abandoned by Mortgagor or if, after notice by Mortgagee to Mortgagor that the condemnor offers to make an award or settle a claim for damages, Mortgagor fails to respond to Mortgagee within thirty (30) days after the date the notice is given, Mortgagee is authorized to accept such award or settlement and to collect and apply the proceeds, at its option, either to restoration or repair of the Premises or to the sums secured by this Mortgage, whether or not then due. 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 maturity of the indebtedness secured by this Mortgage.

11. Mortgagor Not Released; Forbearance Not a Waiver. Extension of the time for payment or modification of payment of the sums secured by this Mortgage granted by Mortgagee to any successor in interest of Mortgagor shall not operate to release the liability of the original Mortgagor or Mortgagor's successors in interest. Mortgagee shall not be required to commence proceedings against any successor in interest and may refuse to extend time for payment or otherwise modify payment of the sums secured by this Mortgage by reason of any demand made by the original Mortgagor or Mortgagor's successors in interest. Any forbearance by Mortgagee in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

12. Successors and Assigns Bound. The covenants and agreements of this Mortgage shall bind and benefit the successors and assigns of Mortgagee and Mortgagor and shall be covenants running with, binding and burdening the Premises, subject to the provisions of Section 30.

13. Loan Charges. If the loan secured by this Mortgage is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Mortgagor which exceeded permitted limits will be refunded to Mortgagor. Mortgagee may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Mortgagor. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

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14. Legislation Affecting Mortgagee's Rights. If enactment or expiration of applicable laws has the effect of rendering any provision of the Note, any of the Loan Documents or this Mortgage unenforceable according to its terms, Mortgagee, at its option, may require immediate payment in full of all sums secured by this Mortgage and may invoke any remedies permitted under the terms of this Mortgage, the terms of the Note or under the terms of the Loan Documents.

15. Notices. Any notices, demand, request or other communication that any party may desire or may be required to give to any other party hereunder shall be given in writing (at the addresses set forth below) by any of the following means: (a) personal service; (b) overnight courier; or (c) registered or certified United States mail, postage prepaid, return receipt requested.

Mortgagor: Cook County d/b/a Cook County Land Bank Authority
69 West Washington Street, Suite 2938
Chicago, Illinois 60602
Attention: Darlene Dugo, Executive Director

Mortgagee: Illinois Housing Development Authority
111 E. Wacker, Suite 1000
Chicago, Illinois 60601
Attention: Community Affairs Department

Such addresses may be changed by notice to the other party given in the same manner as herein provided. Any notice, demand, request or other communication sent pursuant to either subsection 15(a) hereof shall be served and effective upon such personal service. Any notice, demand, request or other communication sent pursuant to subsection 15(b) shall be served and effective one (1) business day after deposit with the overnight courier. Any notice, demand, request or other communication sent pursuant to subsection 15(c) shall be served and effective three (3) business days after proper deposit with the United States Postal Service.

16. Governing Law; Severability. This Mortgage shall be governed by the laws of the State of Illinois. **This Mortgage shall also be governed by the Program Requirements and the rights and obligations of the parties shall at all times be in conformance with the Program Requirements.** In the event that any provision or clause of this Mortgage, the Note or any of the other Loan Documents conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage, the Note and the other Loan Documents, as the case may be, which can be given effect without the conflicting provision. To this end, the provisions of this Mortgage, the Note and the Loan Documents are declared to be severable.

17. Event of Default; Acceleration; Remedies. Upon Mortgagor's default in the payment of any amounts due under the Note and the Tri-Party Agreement and/or Mortgagor's breach of any of its agreements in this Mortgage, the Note, the Tri-Party Agreement and/or the other Loan Documents, continuing beyond all applicable notice and cure periods ("Event of Default"), Mortgagee, prior to acceleration of the sums secured under this Mortgage, shall mail notice to Mortgagor as provided in Section 15 specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than ten (10) days (thirty (30) days for a non-monetary Event of Default) from the date the notice is mailed to Mortgagor, 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, or foreclosure by judicial proceeding and sale

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of the Premises. The notice shall further inform Mortgagor of its 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 Mortgagor to acceleration and foreclosure. If the breach is not cured on or before the date specified in the notice, Mortgagee, at its 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. Mortgagee 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. All remedies provided in this Mortgage are distinct and cumulative to any other right or remedy under this Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively.

18. Mortgagor's Right to Reinstate. Notwithstanding Mortgagee's acceleration of the sums secured by this Mortgage, Mortgagor shall have the right to have any proceedings implemented by Mortgagee to enforce this Mortgage discontinued at any time prior to entry of a judgment enforcing this Mortgage if: (a) Mortgagor pays Mortgagee all sums that would then be due under this Mortgage, the Note, the Recapture Agreement and the Loan Documents had no acceleration occurred; (b) Mortgagor cures all breaches of any other agreements of Mortgagor contained in this Mortgage; (c) Mortgagor pays all reasonable expenses incurred by Mortgagee in enforcing the agreements of Mortgagor contained in this Mortgage and in enforcing Mortgagee's remedies as provided herein, including, but not limited to, reasonable attorneys' fees; and (d) Mortgagor takes such action as Mortgagee may reasonably require to assure that the lien of this Mortgage, Mortgagee's interest in the Premises and Mortgagor's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Mortgagor, this Mortgage and the obligations secured by it shall remain in full force and effect as if no acceleration had occurred.

19. Assignment of Rents; Appointment of Receiver; Mortgagee in Possession. As additional security under this Mortgage, Mortgagor assigns to Mortgagee the rents of the Premises, provided that Mortgagor shall, prior to acceleration under Section 17, have the right to collect and retain such rents as they become due and payable. Upon acceleration under Section 17, and at any time prior to the expiration of any period of redemption following a judicial sale, Mortgagee, in person, by agent or by judicially appointed receiver, shall be entitled to enter upon, take possession of and manage the Premises and to collect the rents of the Premises including those past due. All rents collected by Mortgagee or the receiver shall be applied first to payment of the costs of management of the Premises 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. Mortgagee and the receiver shall be liable to account only for those rents actually received.

20. Assumption. This Mortgage may not be assumed.

21. Total Indebtedness. At no time shall the principal amount of the indebtedness secured by this Mortgage, excluding sums advanced to protect the security of this Mortgage, exceed the original amount of the Note.

22. Waiver of Statutory Rights; Waiver of Redemption.

- a. Notwithstanding anything to the contrary contained in this Mortgage, to the extent permitted by law, Mortgagor (i) shall not apply for or avail itself of any

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appraisal, valuation, stay, extension or exemption laws, or any so-called "Moratorium Laws," now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but waives the benefit of such laws; and (ii) expressly waives any and all rights of redemption under any order or decree of foreclosure of this Mortgage on behalf of Mortgagee, except decrees of judgment creditors of Mortgagee acquiring any interest in or title to the Premises subsequent to the date of this Mortgage. Mortgagor acknowledges that the Premises does not constitute Agricultural Real Estate, as defined in Section 15-1201 of the Foreclosure Act, or Residential Real Estate as defined in Section 15-1219 of the Foreclosure Act.

b. Pursuant to Section 15-1601(b) of the Foreclosure Law, Mortgagor waives any and all right of redemption under any order or decree of this Mortgage on behalf of Mortgagor, and each and every person, except decree or judgment creditors of Mortgagor, in its representative capacity, acquiring any interest in or title to the Development subsequent to the date of this Mortgage to the extent permitted by law.

23. Waiver of Defense No action for the enforcement of the lien or of any provision hereof shall be subject to any defense which would not be good and available to the party interposing such defense in an action at law upon the Note hereby secured.

24. No Occupancy of the Premises; Permitted Uses. Mortgagor shall not permit anyone to occupy, establish, and use the Premises as a residence, occupy or otherwise use the premises for any purpose (other than an eligible use as described in the Program Guide or Program Requirements), and Mortgagor covenants and agrees to only use the Premises in compliance with all provisions of the Program Requirements and the Tri-Party Agreement, the terms and conditions of which are incorporated herein by this reference.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS MORTGAGE, MORTGAGOR AGREES THAT MORTGAGEE MAY AT ANY TIME OR WITHOUT NOTICE, ACCELERATE ALL PAYMENTS DUE UNDER THIS MORTGAGE, AND EXERCISE ANY OTHER REMEDY ALLOWED BY LAW FOR BREACH OF THE TERMS OF THIS MORTGAGE, IF MORTGAGOR SELLS, RENTS OR ALLOWS ANYONE TO OCCUPY OR OTHERWISE USE THE PREMISES FOR ANY PURPOSE (OTHER THAN AN ELIGIBLE USE AS DESCRIBED IN THE PROGRAM GUIDE OR AS AGREED TO BY MORTGAGEE IN WRITING). MORTGAGOR UNDERSTANDS THAT THE PROVISIONS OF THIS SECTION 24 ARE A CONDITION OF THE MAKING OF THE LOAN.

25. Illinois Mortgage Foreclosure Law. If any provision in this Mortgage is inconsistent with any provision of the Illinois Mortgage Foreclosure Law, 735 ILCS 5/15 *et seq.* (the "Foreclosure Law"), the provisions of the Foreclosure Law 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 Foreclosure Law. If any provision of this Mortgage grants to Mortgagee any rights or remedies upon default of the Mortgagor that are more limited than the rights that would otherwise be vested in Mortgagee under the Foreclosure Act in the absence of that provision, Mortgagee shall be vested with the rights granted in the Foreclosure Law to the fullest extent permitted by law.

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26. Business Purpose. Mortgagor recognizes and agrees that the proceeds of the Loan will be used for the purposes specified in 815 ILCS 205/4 of the Illinois Revised Statutes, and that the principal obligation secured hereby constitutes a "business loan" within the purview of that statutory section.

27. Possession. Upon acceleration under the terms of this Mortgage, or due to a Recapture Event, event of Default, or any unauthorized occupancy or use of the Premises and at any time prior to the expiration of any period of redemption following judicial sale, Mortgagee (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Premises and to collect the rents of the Premises including those past due. Any rents collected by Mortgagee or the receiver shall be applied first to payment of the costs of management of the Premises 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.

28. Release. Upon the earlier of the satisfaction of the Note and the expiration of the Forgiveness Date (as defined in the Tri-Party Agreement), Mortgagee shall release this Mortgage to Mortgagor. Mortgagor shall pay any recordation costs. In the event of a Recapture Event, this Mortgage shall not be released, but shall remain effective until the Recapture Amount is paid to the Mortgagee. In addition, notwithstanding anything contained in this Mortgage to the contrary, it is expressly understood and agreed that no partial or full release of this Mortgage, nor any enforcement or other action hereunder, shall waive, release or otherwise affect any of the restrictions and agreements set forth in the Loan Documents.

29. Waiver of Homestead. Mortgagor waives all right of homestead exemption in the Premises.

30. Prohibited Transfer. Without the prior written consent of Mortgagee, the Mortgagor shall not effect, suffer or permit any conveyance, sale, rent, license, assignment, transfer, lien, pledge, mortgage, security interest or other encumbrance or alienation (or any agreement to do any of the foregoing) of the Premises (each a "Prohibited Transfer") not in compliance with the terms and conditions of this Mortgage.

31. Non-Recourse. Notwithstanding anything to the contrary contained in this Mortgage, for so long as Mortgagor is the fee owner of the Premises, all of its liability under this Mortgage shall be limited to Mortgagor's interest in the Premises. Mortgagee waives any and all right to sue or recover against any other assets of Mortgagor. Notwithstanding the foregoing, if Mortgagee incurs any damage arising solely from fraud by Mortgagor, or the misapplication of loan proceeds or condemnation proceeds (in a manner inconsistent with the requirements of this Mortgage), then Mortgagee may look to other assets of Mortgagor.

32. Indemnification of the Mortgagee. Mortgagor agrees to defend and indemnify and hold harmless Mortgagee from and against any and all damages, including, but not limited to, any past, present or future claims, actions, causes of action, suits, demands, liens, debts, judgments, losses, costs, liabilities and other expenses, including, but not limited to, reasonable attorneys' fees, costs, disbursements, and other expenses, that Mortgagee may incur or suffer by reason of or in connection with the Premises or the Loan, except if arising solely due to Mortgagee's gross negligence, willful misconduct or after Mortgagee takes possession of the Premises. Mortgagor

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further agrees that Mortgagee, if it so chooses, shall have the right to select its own counsel with respect to any such claims.

33. Filing and Recording Fees. Mortgagor will pay all filing, registration or recording fees, and all expenses incident to the execution and acknowledgment of this Mortgage and the other Loan Documents and all Federal, State, county, and municipal taxes, and other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of this Mortgage and the other Loan Documents.

34. Joint and Several Liability; Co-signers. Mortgagor covenants and agrees that Mortgagor's obligations and liability shall be joint and several.

35. Counterparts. This Mortgage may be executed in counterparts, and each counterpart shall, for all purposes for which an original of this Mortgage must be produced or exhibited, be the Mortgage, but all such counterparts shall constitute one and the same instrument. As used herein, the term "counterparts" shall include full copies of this Mortgage signed and delivered by facsimile transmission, as well as photocopies of such facsimile transmissions. Mortgagee reserves, in its sole and absolute discretion, the right to require original signatures or to rely on facsimile transmissions or photocopies of facsimile transmissions and the Mortgagor and any other party signing this Mortgage, hereby waives any rights to object to the validity of their signature based upon the Mortgagee's determination as aforesaid.

36. Captions. The captions and headings of the sections of this Mortgage are for convenience only and are not to be used to interpret or define the provisions of this Mortgage.

37. **WAIVER OF JURY TRIAL. MORTGAGOR WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER MORTGAGOR OR MORTGAGEE, ITS SUCCESSORS AND ASSIGNS, ON ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE PREMISES OR THIS MORTGAGE, AND ACKNOWLEDGES AND AGREES THAT THIS PROVISION IS A MATERIAL INDUCEMENT FOR MORTGAGEE TO MAKE THE FORGIVABLE LOAN EVIDENCED BY THE NOTE AND TO ACCEPT THIS MORTGAGE.**

[SIGNATURE PAGE FOLLOWS]

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EXHIBIT A

Legal Description

LOT 45 IN BLOCK 69 IN CHICAGO HEIGHTS, A SUBDIVISION IN SECTIONS 20 AND 21, TOWNSHIP 35 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDAN, IN COOK COUNTY, ILLINOIS.

PIN: 32-21-309-025-0000

Common Address: 1506 Wallace Street, Chicago Heights, IL 60411

COOK COUNTY
RECORDER OF DEEDS

COOK COUNTY
RECORDER OF DEEDS