

NCT 220 11945

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2214315010

Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



Report Mortgage Fraud 844-768-1713

Doc# 2214315010 Fee \$88.00

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

KAREN A. YARBROUGH

COOK COUNTY CLERK

DATE: 05/23/2022 02:35 PM PG: 1 OF 20

The property identified as: PIN: 14-30-303-003-0000

Address:

Street: 2731 N. WESTERN AVENUE

Street line 2:

City: CHICAGO

State: IL

ZIP Code: 60647

Lender: PARAPET, LLC, an Illinois limited liability company

Borrower: JENNIFER JOHANA MORALES and LEONEL MORALES, a married couple

Loan / Mortgage Amount: \$453,140.00

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 or person.

Certificate number: 1BCA4E23-51B0-4B7F-8AD7-D247CCD766B0

Execution date: 5/6/2022

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This Mortgage is Prepared by
and after recording return to:

Jeffrey M. Galkin, Esq.
Levin Ginsburg
180 North LaSalle Street, Suite 3200
Chicago, Illinois 60601

MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

THIS MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT (the "Mortgage") is made as of May 6, 2022 by and between JENNIFER JOHANA MORALES, and LEONEL MORALES, a married couple, residing at 2731 N. Western Avenue, Chicago, Illinois 60647 (collectively the "Mortgagor"), and PARAPET, LLC, an Illinois limited liability company, with its principal place of business at 726 W. Oakdale Avenue, Chicago, IL 60657 (the "Mortgagee").

RECITALS

A. Pursuant to the terms of that certain Note dated as of the date hereof by Mortgagor, as Maker, in favor of Mortgagee, as lender, Mortgagee has agreed to make a loan to Mortgagor in the original principal amount of \$453,140.00 (the "Loan"). Capitalized terms not expressly defined herein shall have the meaning ascribed to such terms in the Note.

B. Mortgagee's agreement to make such Loan is conditioned on receipt of this Mortgage to secure the indebtedness evidenced by Note.

C. Mortgagor and Mortgagee wish to execute this Mortgage so that all indebtedness currently or hereafter outstanding under the Note shall be secured by this Mortgage, without the need for execution of additional amendments in the future.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of all of which is hereby acknowledged, the parties hereto agree as follows:

1. MORTGAGE AND SECURED OBLIGATIONS.

1.1 Mortgage. For purposes of securing payment and performance of the obligations of Mortgagor under the Note, Mortgagor hereby irrevocably and unconditionally grants, conveys, mortgages, warrants, assigns, pledges and confirms to Mortgagee, with right of entry and possession, all of Mortgagor's right, title and interest, directly or indirectly, in and to the

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following property whenever acquired (all or any part of such property, or any interest in all or any part of it, as the context may require, the "Property"):

1.1.1 the real property located in the County of Cook, State of Illinois, and more particularly described in Exhibit A attached hereto together with all existing and future easements and rights affording access to it (the "Land");

1.1.2 all buildings, structures and improvements now located or later to be constructed on the Land (the "Improvements");

1.1.3 all existing and future appurtenances, privileges, easements, franchises and tenements of the Land, including all minerals, oil, gas, other hydrocarbons and associated substances, sulfur, nitrogen, carbon dioxide, helium and other commercially valuable substances which may be in, under or produced from any part of the Land, all development rights and credits, air rights, water, water rights (whether riparian, appropriative or otherwise, and whether or not appurtenant) and water stock, and any land lying in the streets, roads or avenues, open or proposed, in front of or adjoining the Land and Improvements;

1.1.4 all existing and future leases, subleases, subtenancies, licenses, occupancy agreements and concessions relating to the use and enjoyment of all or any part of the Land and Improvements, and any and all guaranties and other agreements relating to or made in connection with any of such leases;

1.1.5 all goods, materials, supplies, chattels, furniture, fixtures, equipment and machinery now or later to be attached to, placed in or on, or used in connection with the use, enjoyment, occupancy or operation of all or any part of the Land and Improvements, whether stored on the Land or elsewhere, including all pumping plants, engines, pipes, ditches and flumes, and also all gas, electric, cooking, heating, cooling, air conditioning, lighting, refrigeration and plumbing fixtures and equipment, but excluding any of the same owned by tenants, all of which shall be considered to the fullest extent of the law to be real property for purposes of this Mortgage;

1.1.6 all building materials, equipment, work in process or other personal property of any kind, whether stored on the Land or elsewhere, which have been or later will be acquired for the purpose of being delivered to, incorporated into or installed in or about the Land or Improvements;

1.1.7 all rights to the payment of money, accounts, accounts receivable, reserves, deferred payments, refunds, cost savings, payments and deposits, whether now or later to be received from third parties (including all earnest money sales deposits) or deposited by Mortgagor with third parties (including all utility deposits), contract rights, development and use rights, governmental permits and licenses, applications, architectural and engineering plans, specifications and drawings, as-built drawings, chattel paper, instruments, documents, notes, drafts and letters of credit (other than letters of credit in favor of Mortgagee), which arise from or relate to construction on the Land or

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to any business now or later to be conducted on it, or to the Land and Improvements generally;

1.1.8 all proceeds, including all claims to and demands for them, of the voluntary or involuntary conversion of any of the Land, Improvements or the other property described above into cash or liquidated claims, including proceeds of all present and future fire, hazard or casualty insurance policies and all condemnation awards or payments now or later to be made by any public body or decree by any court of competent jurisdiction for any taking or in connection with any condemnation or eminent domain proceeding, and all causes of action and their proceeds for any damage or injury to the Land, Improvements or the other property described above or any part of them, or breach of warranty in connection with the construction of the Improvements, including causes of action arising in tort, contract, fraud or concealment of a material fact;

1.1.9 (i) all agreements heretofore or hereafter entered into relating to the construction, ownership, operation, management, leasing, sale or use of the Land or Improvements; (ii) any and all present and future amendments, modifications, supplements, and addenda to any of the items described in (i) above; (iii) any and all guarantees, warranties and other undertakings (including payment and performance bonds) heretofore or hereafter entered into or delivered with respect to any of the items described in clauses (i) through (ii) above; (iv) all trade names, trademarks, logos and other materials used to identify or advertise, or otherwise relating to the Land or Improvements; and (v) all building permits, governmental permits, licenses, variances, conditional or special use permits, and other authorizations (collectively, the "Permits") now or hereafter issued in connection with the construction, development, ownership, operation, management, leasing or use of the Land or Improvements, to the fullest extent that the same or any interest therein may be legally assigned by Mortgagor; and

1.1.10 all proceeds of, additions and accretions to, substitutions and replacements for, and changes in any of the property described above.

1.2 Secured Obligations. This Mortgage is made for the purpose of securing the following new, continuing and future obligations (collectively, the "Secured Obligations") in any order of priority that Mortgagee may choose:

1.2.1 Payment of all obligations at any time owing under the Note;

1.2.2 Payment and performance of all obligations of Mortgagor under this Mortgage;

1.2.3 Payment and performance of any obligations of Mortgagor under any loan documents which are executed by Mortgagor in connection with the Loan; and

1.2.4 Payment and performance of all future advances and other obligations that Mortgagor or any successor in ownership of all or any part of the Property may agree to pay and/or perform (whether as principal, surety or guarantor) for the benefit of Mortgagee, when a writing evidences the parties' agreement that the advance or obligation be secured by this Mortgage.

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2. **ASSIGNMENT OF RENTS.** Mortgagor hereby absolutely and unconditionally transfers, sets over and assigns to Assignee all present and future right, title and interest of Mortgagor (i) in, to and under all leases, subleases, rental contracts, occupancy agreements, licenses and other arrangements (in each case whether existing now or in the future) pursuant to which any person or entity occupies or has the right to occupy or use any portion of the Property (“Leases”), and (ii) all rents, issues, income, revenues, royalties, profits and other amounts now or in the future payable under any of the Leases, including those past due and unpaid rents, security deposits and other amounts payable to or deposited with Mortgagee under any of the Leases (“Rents”). Except as set forth in this paragraph, this Assignment is intended to be and is an absolute present assignment from Mortgagor to Mortgagee, it being intended hereby to establish a complete and present transfer of all Leases and Rents with the right, but without the obligation, to collect all Rents. Except as hereinafter set forth, Mortgagor shall have a license to collect the Rents accruing under the Leases as they become due (“License”), but not in advance, and to enforce the Leases. The License is revocable, at Mortgagee’s option, in the event there occurs a default under the Note, this Mortgage or any of the loan documents executed in connection herewith, provided, however, Mortgagee agrees to allow such License to be reinstated in the event such default is cured. Mortgagor covenants and agrees that in exercising its License it shall hold all Rents in trust and shall apply the same first to the Secured Obligations and then to the payment of the reasonable expenses of owning, maintaining, repairing, operating and renting the Property.

3. **GRANT OF SECURITY INTEREST.**

3.1 **Security Agreement.** The parties acknowledge that some of the Property and some or all of the rents may be determined under applicable law to be personal property or fixtures. To the extent that any Property or Rents may be personal property, Mortgagor as debtor, hereby grants Mortgagee as secured party a security interest in all such Property and Rents, to secure payment and performance of the Secured Obligations. This Mortgage constitutes a security agreement under the Uniform Commercial Code as in effect in the State of Illinois (the “Code”), covering all such Property and Rents.

3.2 **Financing Statements.** At Mortgagee’s request, Mortgagor shall execute such financing statements and such other documents as Mortgagee may from time to time require to perfect or continue the perfection of Mortgagee’s security interest in any Property or Rents. Mortgagor shall pay all fees and costs that Mortgagee may incur in filing such documents in public offices and in obtaining such record searches as Mortgagee may reasonably require. If Mortgagor fails to execute any financing statements or other documents for the perfection or continuation of any security interest, Mortgagor hereby appoints Mortgagee as its true and lawful attorney-in-fact to execute any such documents on its behalf.

3.3 **Fixture Filing.** This Mortgage constitutes a financing statement filed as a fixture filing under Section 9-502 of the Code, as amended or recodified from time to time, covering any of the Property which now is or later may become fixtures attached to the Land or the Improvements.

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4. REPRESENTATIONS, COVENANTS AND AGREEMENTS.

4.1 Good Title. Mortgagor covenants that they are lawfully seized of the Property, that the Property is unencumbered except for the liens and encumbrances approved by Mortgagee, and that they have good right, full power and lawful authority to convey and mortgage the same, and that it will warrant and forever defend the Property and the quiet and peaceful possession of the same against the lawful claims of all persons whomsoever.

4.2 Insurance. Mortgagor shall, at all times, shall keep and maintain the Property fully insured (without co-insurance) against loss or damage by, or resulting from, fire, windstorm, flood and other risks and hazards as covered under a standard extended coverage policy and such other hazards, casualties and contingencies as Mortgagee, from time to time, may reasonably require in companies, form, amounts and for full replacement cost, and such periods as is satisfactory to Mortgagee.

4.2.1 All such policies and renewals thereof (hereinafter referred to as the "policies") shall contain, in form and substance acceptable to Mortgagee, a standard mortgagee, and loss payable clauses naming Mortgagee as the mortgagee and loss payee, as well as a standard waiver of subrogation endorsement and a non-contributory standard mortgagee clause and shall be delivered, as issued, to Mortgagee, with premiums therefor paid in full by Mortgagor. All policies shall provide that (a) they may not be cancelled or modified by the insurer as to Mortgagee without first giving at least thirty (30) days' prior written notice to Mortgagee of any intended cancellation or modification and (b) and that no claims thereunder shall be paid without ten (10) days advance written notice to Mortgagee. Each insurance company which has issued a policy is hereby authorized and directed to make all payment of losses covered by any policy to Mortgagee alone and not to Mortgagee and Mortgagor jointly. In case of policies about to expire, Mortgagor will deliver to and deposit with Mortgagee renewal policies not less than thirty (30) days prior to the respective dates of expiration. Mortgagor will deliver and deposit with Mortgagee receipts for the payment of the premiums on all policies. In the event of foreclosure of this Mortgage, the assignment hereof by Mortgagee or the transfer of title to the Property whether or not in extinguishment of the Loan or otherwise, all right, title and interest of Mortgagor in and to any policies then in force shall pass to the purchaser, grantee or assignee.

4.2.2 Mortgagor shall promptly notify Mortgagee of any loss or damage to the Property. Mortgagee may make proof of loss if Mortgagor fails to do so within fifteen (15) days of the casualty. Whether or not Mortgagee's security is impaired, Mortgagee may, at its election, apply the proceeds to the reduction of the Loan, payment of any lien affecting the Property, or the restoration and repair of the Property. If Mortgagee elects to apply the proceeds to restoration and repair, Mortgagor shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Mortgagee. Mortgagee shall, upon satisfactory proof of such expenditure, pay or reimburse Mortgagor from the proceeds for the reasonable cost of repair if Mortgagor is not in default under this Mortgage. Any proceeds which have not been disbursed within 180 days after their receipt and which Mortgagee has not committed to the repair or restoration of the

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Property shall be used first to pay any amount owing to Mortgagee under this Mortgage, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Loan. If Mortgagee holds any proceeds after payment in full of the Loan, such proceeds shall be paid to Mortgagor. In the event of a distribution of property insurance proceeds in lieu of restoration or repair following a loss to the Property, whether to the unit or to the common elements, any proceeds payable to Mortgagor are hereby assigned and shall be paid to Mortgagee for application as provided herein.

4.2.3 Any unexpired insurance shall inure to the benefit of, and pass to, the purchaser of the Property covered by this Mortgage at any trustee's sale or other sale held under the provisions of this Mortgage, or at any foreclosure sale of such Property.

4.3 Taxes. Mortgagor shall pay when due (and in all events prior to delinquency) all taxes, special taxes, assessments, premiums for any and all insurance required by Mortgagee under this Mortgage, water charges and sewer service charges levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Mortgagor shall maintain the Property free of all liens having priority over or equal to the interest of Mortgagee under this Mortgage, except for the lien of taxes and assessments not due. Mortgagor's obligation to make such payments and to provide to Mortgagee, upon its request, receipts evidencing such payments shall for all purposes be deemed to be a covenant and agreement contained in this Mortgage. If Mortgagor fails to pay any such item, Mortgagee may exercise its rights hereunder to pay such amount and Mortgagor shall then be obligated to repay to Mortgagee any such amount as provided herein. Mortgagor shall provide Mortgagee a copy of all tax bills and evidence of timely payment of such bills.

4.4 Stamp Tax. If, by the laws of the United States of America, or of any state or political subdivision having jurisdiction over Mortgagor, any tax is due or becomes due in respect of the issuance of the Notes, or recording of this Mortgage, Mortgagor covenants and agrees to pay such tax in the manner required by any such law. Mortgagor further covenants to hold harmless and agrees to indemnify Mortgagee, its successors or assigns, against any liability incurred by reason of the imposition of any tax on the issuance of the Notes or recording of this Mortgage.

4.5 Changes in Taxation. If after the date of this Mortgage any law is enacted of the State in which the Property is located or any political subdivision thereof deducting from the value of land for the purpose of taxation any lien thereon, or imposing upon Mortgagee the payment of the whole or any part of the taxes or assessments or charges or liens herein required to be paid by Mortgagor, or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or the Mortgagee's interest in the Property, or the manner of collection of taxes, so as to affect this Mortgage or the Secured Obligations, then Mortgagor, upon demand by Mortgagee, shall pay such taxes or assessments, or reimburse Mortgagee therefor; provided, however, that if in the opinion of counsel for Mortgagee (i) it might be unlawful to require Mortgagor to make such payment or (ii) the making of such payment might result in the imposition of interest beyond the maximum amount permitted by law, then Mortgagee may elect, by notice in writing given to Mortgagor, to declare all of the Secured Obligations to be and become due and payable sixty (60) days from the giving of such notice.

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4.6 Subrogation. Mortgagee shall be subrogated to the liens of all encumbrances, whether released of record or not, which are discharged in whole or in part by Mortgagee in accordance with this Mortgage or with the proceeds of any loan secured by this Mortgage.

4.7 Notice of Change. Mortgagor shall give Mortgagee prior written notice of any change in: (a) the location of its place of business or its chief executive office if it has more than one place of business; (b) the location of any of the Property, and (c) Mortgagor's name or business structure.

4.8 Releases, Extensions, Modifications and Additional Security. From time to time, Mortgagee may perform any of the following acts without incurring any liability or giving notice to any person: (i) release any person liable for payment of any Secured Obligation; (ii) extend the time for payment, or otherwise alter the terms of payment, of any Secured Obligation; (iii) accept additional real or personal property of any kind as security for any Secured Obligation, whether evidenced by deeds of trust, mortgages, security agreements or any other instruments of security; (iv) alter, substitute or release any property securing the Secured Obligations; (v) consent to the making of any plan or map of the Property or any part of it; (vi) join in granting any easement or creating any restriction affecting the Property; or (vii) join in any subordination or other agreement affecting this Mortgage or the lien of it.

4.9 Use of Loan Proceeds. Mortgagor covenants and agrees that all of the proceeds of the Loan secured by this Mortgage will be used solely for business purposes and in furtherance of the regular business affairs of Mortgagor, and the entire principal obligation secured hereby constitutes: a "loan secured by a mortgage on real estate" within the purview and operation of Section 205/4(1)(l) thereof.

5. DEFAULTS AND REMEDIES.

5.1 Events of Default. The occurrence of any one or more of the following events shall constitute a "Default" under this Mortgage:

5.1.1 Failure to timely pay any of the indebtedness within ten (10) days of when due or declared due pursuant to the Note.

5.1.2 Failure of Mortgagor to fully and faithfully satisfy, perform, discharge, observe and comply with the Secured Obligations to be performed by Mortgagor and such failure shall remain unremedied for thirty (30) days after written notice thereof shall have been made by Mortgagee to Mortgagor.

5.1.3 Failure of Mortgagor to timely pay all real estate taxes and assessments. Failure to provide evidence of timely payment within five (5) days of Mortgagor's payment thereof shall constitute a Default hereunder.

5.1.4 If any representation or warranty made herein, in the Note or in any certificate, document, financial or other statement furnished at any time to Mortgagee

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under or in connection with the Loan shall prove to have been incorrect, incomplete or misleading in any respect on or as of the date made or deemed made.

5.1.5 A petition in bankruptcy is filed by or against Mortgagor seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any law relating to bankruptcy or insolvency (and in the case of an involuntary petition, such petition is not discharged within sixty (60) days of its filing); or Mortgagor seeks or consents to or acquiesces in the appointment of any custodian, receiver, trustee, master or liquidator of itself or of all of the rent, revenues, issues, earnings, profits or incomes of Mortgagor to, or of the Mortgaged Property is appointed, or if Mortgagor makes an assignment for the benefit of creditors, or if Mortgagor is adjudged insolvent by any state or federal court of competent jurisdiction, or an attachment or execution is levied against any of the Mortgaged Property and is not discharged within sixty (60) days from the commencement thereof.

5.1.6 The occurrence or existence of an Event of Default as defined in the Note.

5.1.7 The occurrence or existence of any default, event of default or breach of or under any agreement, instrument or document, subject to any applicable grace or cure period contained therein, for borrowed money by which the Property, or the Mortgagor (or any entity controlled by or under common control with Mortgagor or any member of Mortgagor) is bound or obligated.

5.1.8 A substantial part of Mortgagor's assets are attached, seized, subject to a writ or distress warrant or are levied upon, unless such writ, warrant or levy is vacated within thirty (30) days.

5.1.9 A materially adverse change in the financial condition of Mortgagor.

5.2 Remedies. At any time after an Event of Default, Mortgagee shall be entitled to invoke any and all of the rights and remedies described below, in addition to all other rights and remedies available to Mortgagee at law or in equity. All of such rights and remedies shall be cumulative, and the exercise of any one or more of them shall not constitute an election of remedies.

5.2.1 Acceleration. Mortgagee may declare any or all of the Secured Obligations to be due and payable immediately.

5.2.2 Receiver. Mortgagee shall, as a matter of right, upon notice and without giving bond to Mortgagor or anyone claiming by, under or through Mortgagor, and without regard for the solvency or insolvency of Mortgagor or the then value of the Property, to the extent permitted by applicable law, be entitled to have a receiver appointed for all or any part of the Property and the Rents, and the proceeds, issues and profits thereof, with the rights and powers referenced below and such other rights and powers as the court making such appointment shall confer, and Mortgagor hereby consents to the appointment of such receiver and shall not oppose any such appointment. Such receiver shall have all powers and duties prescribed by Section 15-1704 of the

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Illinois Mortgage Foreclosure Law (the "Act"), all other powers which are necessary or usual in such cases for the protection, possession, control, management and operation of the Property, and such rights and powers as Mortgagee would have, upon entering and taking possession of the Property under subsection (c) below.

5.2.3 Entry. Mortgagee, in person, by agent or by court-appointed receiver, may enter, take possession of, manage and operate all or any part of the Property, and may also do any and all other things in connection with those actions that Mortgagee may in its sole discretion consider necessary and appropriate to protect the security of this Mortgage. Such other things may include: taking and possessing all of Mortgagor's or the then owner's books and records relating to the Property; entering into, enforcing, modifying or canceling leases on such terms and conditions as Mortgagee may consider proper; obtaining and evicting tenants; fixing or modifying Rents; collecting and receiving any payment of money owing to Mortgagor; completing any unfinished construction; and/or contracting for and making repairs and alterations. If Mortgagee so requests, Mortgagor shall assemble all of the Property that has been removed from the Land and make all of it available to Mortgagee at the site of the Land. Mortgagor hereby irrevocably constitutes and appoints Mortgagee as Mortgagor's attorney-in-fact to perform such acts and execute such documents as Mortgagee in its sole discretion may consider to be appropriate in connection with taking these measures, including endorsement of Mortgagor's name on any instruments.

5.2.4 Cure; Protection of Security. Mortgagee may cure any breach or default of Mortgagor, and if it chooses to do so in connection with any such cure, Mortgagee may also enter the Property and/or do any and all other things which it may in its sole discretion consider necessary and appropriate to protect the security of this Mortgage. Such other things may include: appearing in and/or defending any action or proceeding which purports to affect the security of, or the rights or powers of Mortgagee under this Mortgage; paying, purchasing, contesting or compromising any encumbrance, charge, lien or claim of lien which in Mortgagee's sole judgment is or may be senior in priority to this Mortgage, such judgment of Mortgagee to be conclusive as between the parties to this Mortgage; obtaining insurance and/or paying any premiums or charges for insurance required to be carried under the Restated Loan Agreement; otherwise caring for and protecting any and all of the Property; and/or employing counsel, accountants, contractors and other appropriate persons to assist Mortgagee. Mortgagee may take any of the actions permitted under this Section 5.2.4 either with or without giving notice to any person. Any amounts expended by Mortgagee under this Section 5.2.4 shall be secured by this Mortgage.

5.2.5 Uniform Commercial Code Remedies. Mortgagee may exercise any or all of the remedies granted to a secured party under the Code.

5.2.6 Foreclosure; Lawsuits. Mortgagee shall have the right, in one or several concurrent or consecutive proceedings, to foreclose the lien hereof upon the Property or any part thereof, for the Secured Obligations, or any part thereof, by any proceedings appropriate under applicable law. Mortgagee or its nominee may bid and become the purchaser of all or any part of the Property at any foreclosure or other sale hereunder, and

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the amount of Mortgagee's successful bid shall be credited against the Secured Obligations. Without limiting the foregoing, Mortgagee may proceed by a suit or suits in law or equity, whether for specific performance of any covenant or agreement herein contained or contained in any of the other Loan Documents (as defined in the Restated Loan Agreement), or in aid of the execution of any power herein granted, or for any foreclosure under the judgment or decree of any court of competent jurisdiction, or for damages, or to collect the indebtedness secured hereby, or for the enforcement of any other appropriate legal, equitable, statutory or contractual remedy. Mortgagee may sell the Property at public auction in one or more parcels, at Mortgagee's option, and convey the same to the purchaser in fee simple, Mortgagor to remain liable for any deficiency for which Mortgagor shall be personally liable.

5.2.7 Other Remedies. Mortgagee may exercise all rights and remedies contained in any other instrument, document, agreement or other writing heretofore, concurrently or in the future executed by Mortgagor or any other person or entity in favor of Mortgagee in connection with the Secured Obligations or any part thereof, without prejudice to the right of Mortgagee thereafter to enforce any appropriate remedy against Mortgagor. Mortgagee shall have the right to pursue all remedies afforded to a mortgagee under the Act and other applicable law, and shall have the benefit of all of the provisions of the Act and such applicable law, including all amendments thereto which may become effective from time to time after the date hereof. In the event any provision of the Act, which is specifically referred to herein may be repealed, Mortgagee shall have the benefit of such provision as most recently existing prior to such repeal, as though the same were incorporated herein by express reference.

5.2.8 Power of Sale for Personal Property. Under this power of sale, Mortgagee shall have the discretionary right to cause some or all of the Property, which constitutes personal property, to be sold or otherwise disposed of in any combination and in any manner permitted by applicable law.

5.2.8.1 For purposes of this power of sale, Mortgagee may elect to treat as personal property any Property which is intangible, or which can be severed from the Land or Improvements without causing structural damage. If it chooses to do so, Mortgagee may dispose of any personal property in any manner permitted by Article 9 of the Code, including any public or private sale, or in any manner permitted by any other applicable law.

5.2.8.2 In connection with any sale or other disposition of such Property, Mortgagor agrees that the following procedures constitute a commercially reasonable sale: Mortgagee shall mail written notice of the sale to Mortgagor not later than ten (10) days prior to such sale. Upon receipt of any written request, Mortgagor will make the Property available to any bona fide prospective purchaser for inspection during reasonable business hours. Notwithstanding the foregoing, Mortgagee shall be under no obligation to consummate a sale if, in its judgment, none of the offers received by it equals the fair value of the Property offered for sale. The foregoing procedures do not constitute the only procedures that may be commercially reasonable.

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5.3 Application of Foreclosure Sale Proceeds. The proceeds of any Foreclosure Sale shall be applied in the following manner:

5.3.1 First, to pay the portion of the Secured Obligations attributable to the expenses of sale, costs of any action and any other sums for which Mortgagor is obligated to reimburse Mortgagee hereunder or under the other Loan Documents;

5.3.2 Second, to pay the portion of the Secured Obligations attributable to any sums expended or advanced by Mortgagee under the terms of this Mortgage which then remain unpaid;

5.3.3 Third, to pay all other Secured Obligations in any order and proportions as Mortgagee in its sole discretion may choose; and

5.3.4 Fourth, to remit the remainder, if any, to the person or persons entitled to it.

5.4 Application of Rents and Other Sums. Mortgagee shall apply any and all Rents collected by it in the manner provided in the Assignment of Leases and Rents of even date herewith executed by Mortgagor in favor of Mortgagee. Any and all sums other than Rents collected by Mortgagee or a receiver and proceeds of a Foreclosure Sale which Mortgagee may receive or collect under Section 5.2 shall be applied in the following manner:

5.4.1 First, to pay the portion of the Secured Obligations attributable to the costs and expenses of operation and collection that may be incurred by Mortgagee or any receiver;

5.4.2 Second, to pay all other Secured Obligations in any order and proportions as Mortgagee in its sole discretion may choose; and

5.4.3 Third, to remit the remainder, if any, to the person or persons entitled to it.

Mortgagee shall have no liability for any funds which it does not actually receive.

6. RELEASE OF LIEN. If Mortgagor shall fully pay and perform all of the Secured Obligations and comply with all of the other terms and provisions hereof and the other Loan Documents to be performed and complied with by Mortgagor, then Mortgagee shall promptly release this Mortgage and the lien thereof by proper instrument upon payment, performance and discharge of all of the Secured Obligations and payment by Mortgagor of any filing fee in connection with such release.

7. CONDITIONS TO DISBURSEMENT OF LOAN PROCEEDS

7.1 Conditions to Disbursement of Loan Proceeds. As a condition to disbursing any portion of the Loan proceeds, Mortgagor shall furnish the following to Mortgagee in form satisfactory to Mortgagee:

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7.1.1 Insurance Policies. Mortgagor shall, during the term of the Loan, procure at its expense and keep in force all insurance coverages required by Mortgagee, including, without limitation, liability insurance, builders' risk and casualty coverage. The policies for such insurance shall have attached thereto standard mortgagee clauses in favor of and permitting Mortgagee to collect any and all proceeds payable thereunder and shall include a thirty (30) day (except for nonpayment of premium, in which case, a ten (10) day) notice of cancellation clause in favor of Mortgagee.

7.1.2 Additional Documents. Such other papers and documents regarding Mortgagor or the Property as Mortgagee may reasonably require, provided, the foregoing shall not impose any cost or expense on Mortgagor.

7.2 Expenses and Advances Secured by Mortgage. Any and all advances or payments made by Mortgagee hereunder, from time to time, and any amounts expended by Mortgagee pursuant to this Agreement, and all other Loan Expenses, as and when advanced or incurred, shall be deemed to have been disbursed as part of the Loan and be and become secured and guaranteed by the Mortgage to the same extent and effect as if the terms and provisions of this Agreement were set forth therein, whether or not the aggregate of such indebtedness shall exceed the face amount of the Note.

7.3 Acquiescence not a Waiver. To the extent that Mortgagee may have acquiesced (whether intentionally or unintentionally) in the Mortgagor's failure to comply with and satisfy any condition precedent to disbursement of the Loan proceeds, such acquiescence shall not constitute a waiver by Mortgagee of any condition precedent set forth in this Mortgage, and Mortgagee at any time thereafter may require the Mortgagor to comply with and satisfy all conditions and requirements of this Mortgage.

7.4 Mortgagee's Action for Mortgagee's Own Protection Only. The authority herein conferred upon Mortgagee and any action taken by Mortgagee or its agents or employees in making inspections of the Property, procuring sworn statements and waivers of lien, approving contracts and subcontracts, reviewing permits and approving plans and specifications will be taken by Mortgagee for its own protection only, and neither Mortgagee nor its agents or employees shall be deemed to have assumed any responsibility to Mortgagor or any other person or entity with respect to any such action herein authorized or taken by them or with respect to the proper construction and equipping of the Property, performance of construction contracts or prevention of claims for mechanics' or materialmen's liens.

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8. MISCELLANEOUS PROVISIONS.

8.1 Giving of Notice. Any notices or requests required or permitted to be given hereunder shall be (i) hand delivered, or (ii) sent by Federal Express or similar overnight service for next business day delivery, and (iii) sent by U.S. certified mail, return receipt requested, in all cases addressed to the parties at their respective addresses at the addresses set forth above. Notices sent pursuant to clauses (i), (ii) and (iii) above shall be deemed to be delivered upon receipt (or refusal of delivery thereof).

8.2 Remedies Not Exclusive. No action for the enforcement of the lien or any provision hereof shall be subject to any defense which would not be good and available to the party interposing same in an action at law upon the Notes. Mortgagee shall be entitled to enforce payment and performance of any of the Secured Obligations and to exercise all rights and powers under this Mortgage or other agreement or any laws now or hereafter in force, notwithstanding some or all of the Secured Obligations may now or hereafter be otherwise secured, whether by mortgage, deed of trust, pledge, lien, assignment or otherwise. Neither the acceptance of this Mortgage nor its enforcement, whether by court action or other powers herein contained, shall prejudice or in any manner affect Mortgagee's right to realize upon or enforce any other security now or hereafter held by Mortgagee, it being agreed that Mortgagee shall be entitled to enforce this Mortgage and any other remedy herein or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. No waiver of any default of the Mortgagor hereunder shall be implied from any omission by Mortgagee to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. No acceptance of any payment of any one or more delinquent installments which does not include interest at the Default Rate from the date of delinquency, together with any required late charge, shall constitute a waiver of the right of Mortgagee at any time thereafter to demand and collect payment of interest at such Default Rate or of late charges, if any.

8.3 Waiver of Statutory Rights. To the extent permitted by law, Mortgagor hereby agrees that it shall not and will not apply for or avail itself of any 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 hereby waives the benefit of such laws. Mortgagor for itself and all who may claim through or under it waives any and all right to have the property and estates comprising the Property marshaled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Property sold as an entirety. Mortgagor hereby waives, pursuant to Section 1601 of the Act, any and all rights of redemption from sale under the power of sale contained herein or any order or decree of foreclosure of this Mortgage on its behalf and on behalf of each and every person, except decree or judgment creditors of Mortgagor acquiring any interest in or title to the Property subsequent to the date of this Mortgage.

8.4 Merger. No merger shall occur as a result of Mortgagee's acquiring any other interest in or any other lien on the Property unless Mortgagee consents to a merger in writing.

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8.5 Binding on Successors and Assigns. In the event of the death of each individual comprising Mortgagor, ownership of the Property shall transfer to Mortgagor's heirs in accordance with (i) any wills or trusts established by Mortgagor from time to time, or (ii) in the absence of any such wills or trusts in accordance with applicable law. Mortgagee hereby consents to such transfer of title pursuant to the death of both individuals comprising mortgagor. This Mortgage and all provisions hereof shall be binding upon Mortgagor and all persons claiming under or through Mortgagor and shall inure to the benefit of Mortgagee and its successors and assigns.

8.6 Captions. The captions and headings of various paragraphs of this Mortgage are for convenience only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

8.7 Severability. If all or any portion of any provision of this Mortgage shall be held to be invalid, illegal or unenforceable in any respect, then such invalidity, illegality or unenforceability shall not affect any other provision hereof or thereof, and such provision shall be limited and construed as if such invalid, illegal or unenforceable provision or portion thereof was not contained herein.

8.8 Effect of Extensions of Time and Amendments. If the payment of the Secured Obligations 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 Property, shall be held to assent to such extension, variation or release, and their liability and the lien and all provisions hereof shall continue in full force, the right of recourse, if any, against all such persons being expressly reserved by Mortgagee, notwithstanding such extension, variation or release. Nothing in this paragraph shall be construed as waiving any provision contained herein or in the Loan Documents which provides, among other things, that it shall constitute an Event of Default if the Property be sold, conveyed, or encumbered.

8.9 Mortgagee's Lien for Service Charge and Expenses. At all times, regardless of whether any proceeds of the loan secured hereby have been disbursed, this Mortgage secures (in addition to the amounts secured hereby) the payment of any and all commissions, service charges, liquidated damages, expenses and advances due to or incurred by Mortgagee in connection with such loan.

8.10 Maximum Amount Secured. In no event shall the total amount secured hereby exceed \$906,280.00.

8.11 Applicable Law. This Mortgage shall be governed by and construed under the internal laws of the state of Illinois.

8.12 Consent to Jurisdiction. TO INDUCE MORTGAGEE TO ACCEPT THIS MORTGAGE AND MAKE THE LOAN, MORTGAGOR IRREVOCABLY AGREES THAT, SUBJECT TO MORTGAGEE'S SOLE AND ABSOLUTE ELECTION, ALL ACTIONS OR PROCEEDINGS IN ANY WAY ARISING OUT OF OR RELATED TO THIS NOTE WILL BE LITIGATED IN COURTS HAVING SITUS IN COOK COUNTY, ILLINOIS. MORTGAGOR HEREBY CONSENTS AND SUBMITS TO THE JURISDICTION OF ANY

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COURT LOCATED WITHIN COOK COUNTY, ILLINOIS, WAIVES PERSONAL SERVICE OF PROCESS UPON MORTGAGOR, AND AGREES THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE BY REGISTERED MAIL DIRECTED TO MORTGAGOR AT THE ADDRESS STATED IN THE MORTGAGE AND SERVICE SO MADE WILL BE DEEMED TO BE COMPLETED UPON ACTUAL RECEIPT.

8.13 Waiver of Jury Trial. MORTGAGOR AND MORTGAGEE, HAVING BEEN REPRESENTED BY COUNSEL, EACH KNOWINGLY AND VOLUNTARILY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS (A) UNDER THIS MORTGAGE OR ANY RELATED AGREEMENT OR UNDER ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION WITH THIS MORTGAGE OR (B) ARISING FROM ANY BANKING RELATIONSHIP EXISTING IN CONNECTION WITH THIS MORTGAGE, AND AGREES THAT ANY SUCH ACTION OR PROCEEDING WILL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. MORTGAGOR AGREES THAT IT WILL NOT ASSERT ANY CLAIM AGAINST MORTGAGEE ON ANY THEORY OF LIABILITY FOR SPECIAL, INDIRECT, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES.

8.14 Due on Sale Clause. If Mortgagor directly or indirectly sells, conveys, transfers, disposes of, or further encumbers all or any part of the Property or any interest therein (other than easements, leases and sales contracts in form reasonably acceptable to Mortgagee), or in the event any ownership interest in Mortgagor is directly or indirectly transferred or encumbered, or in the event Mortgagor or any owner of Mortgagor agrees so to do, in any case without the written consent of Mortgagee being first obtained (which consent Mortgagee may withhold in its sole and absolute discretion), then, Mortgagor shall be deemed in default hereunder and the Secured Obligations shall become immediately due and payable.

8.15 Time is of the Essence. Time is of the essence with respect to each and every covenant, agreement and obligation of Mortgagor under this Mortgage, the Notes and the other Loan Documents.

8.16 Recordation. Mortgagor forthwith upon the execution and delivery of this Mortgage, and thereafter from time to time, will cause this Mortgage, and any security instrument creating a lien or evidencing the lien hereof upon the Property, or any portion thereof, and each instrument of further assurance, to be filed, registered or recorded in such manner and in such places as may be required by any present or future law in order to publish notice of and fully to protect the lien hereof upon, and the interest of Mortgagee in, the Property. Mortgagor will pay all filing, registration or recording fees and taxes, and all expenses incident to the preparation, execution and acknowledgment of this Mortgage, any mortgage supplemental hereto, any security instrument with respect to the Property and any instrument of further assurance, and all federal, state, county and municipal stamp taxes, duties, impositions, assessments and charges arising out of or in connection with the execution and delivery of the Notes, this Mortgage, any mortgage supplemental hereto, any security instrument, any other Loan Documents or any instrument of further assurance.

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8.17 Modifications. This Mortgage may not be changed or terminated except in writing signed by both parties. The provisions of this Mortgage shall extend and be applicable to all renewals, amendments, extensions, consolidations, and modifications of the other Loan Documents and any and all references herein to the Loan Documents shall be deemed to include any such renewals, amendments, extensions, consolidations or modifications thereof.

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IN WITNESS WHEREOF, Mortgagor has executed this Mortgage as of the date first written above.

MORTGAGOR

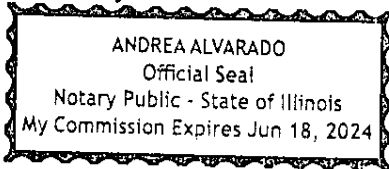
Jennifer Johana Morales
By: Jennifer Johana Morales

Leonel Morales
By: Leonel Morales

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that **JENNIFER JOHANA MORALES**, is personally known to me to be the same person 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 will for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 6 day of May, 2022.



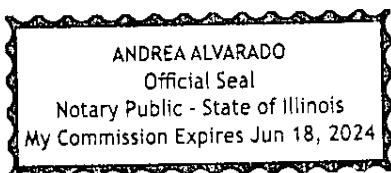
Andrea Alvarado
Notary Public

My Commission Expires: June 18, 2024

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that **LEONEL MORALES**, is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary will for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 6 day of May, 2022.



Andrea Alvarado
Notary Public

My Commission Expires: June 18, 2024

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EXHIBIT A

LEGAL DESCRIPTION

LOT 10 IN BLOCK 2 IN JONES SUBDIVISION OF LOT 6 IN THE SNOW ESTATES SUBDIVISION IN THE SOUTHWEST QUARTER OF SECTION 30, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPT THAT PART OF SAID LOT LYING WEST OF A LINE 50 FEET EAST OF AND PARALLEL WITH THE WEST LINE OF SAID SECTION 30), IN COOK COUNTY, ILLINOIS.

PERMANENT INDEX NUMBER: 14-30-303-003-0000

COMMONLY KNOWN AS: 2731 North Western Avenue, Chicago, IL 60647

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EXHIBIT "A"

LEGAL DESCRIPTION

LOT 10 IN BLOCK 2 IN JONES SUBDIVISION OF LOT 6 IN THE SNOW ESTATES SUBDIVISION IN THE SOUTHWEST QUARTER OF SECTION 30, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPT THAT PART OF SAID LOT LYING WEST OF A LINE 50 FEET EAST OF AND PARALLEL WITH THE WEST LINE OF SAID SECTION 30), IN COOK COUNTY, ILLINOIS.

PERMANENT INDEX NUMBER: 14-30-303-003-0000

COMMONLY KNOWN AS: 2731 North Western Avenue, Chicago, IL 60647

This document is filed for record by
Old Republic National Title Insurance
Company as an accommodation only. It has
not been examined as to its execution or
as to its effect upon the title.

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