

# UNOFFICIAL COPY

1. That it will pay the Mortgage Note at the times and in the manner provided therein;
2. That it will not permit or suffer the use of any of the property for any purpose other than the use for which the same was intended at the time this Mortgage was executed;
3. That the Regulatory Agreement, executed by the Mortgagee and the Secretary of Housing and Urban Development, which is being recorded simultaneously herewith, is incorporated in and made a part of this Mortgage. Upon default under the Regulatory Agreement, the Mortgagee, at his/her option, may declare the whole indebtedness secured to be due and payable;
4. That all rents, profits and income from the property covered by this Mortgage are hereby assigned to the Mortgagee for the purpose of discharging the debt hereby secured. Termination is hereby given to Mortgagee as no default exists hereunder, to collect such rents, profits and income for use in accordance with the provisions of the Regulatory Agreement;
5. That upon default hereunder Mortgagee shall be entitled to the appointment of a receiver by any court having jurisdiction, without notice, to take possession and protect the property described herein and operate same and collect the rents, profits and income therefrom;

## AND SAID MORTGAGEE covenants and agrees:

**TO HAVE AND TO HOLD** the above-described premises, with the appurtenances and fixtures, unto the said Mortgagee, successors and assigns, forever, for the purposes and uses herein set forth.

material and equipment now or hereafter delivered to said premises and intended to be installed therein; were or are to be erected, and all renewals or replacements thereof or articles in substitution thereof, together with all building necessary to the complete and comfortable use and occupancy of such building or buildings for the purposes for which they are used in and about the building or buildings now erected or hereafter to be erected on the lands herein described which are realty or not, shall be considered real estate for the purposes hereof; and including all furnishings, fixtures, and equipment, whether affixed to the furniture, shades, awnings, blinds, and other furnishings; all of which apparatus, fixtures, and equipment, whether affixed to the all mantels and cabinets; all refrigerating plants and refrigerators, whether mechanical or otherwise; all cooking apparatus; all stoves and ranges; all elevators and motors; all bath tubs, sinks, water closets, bathtubs, pipes, faucets, and other plumbing fixtures; but not limited to all gas and electric fixtures; all radiators, heaters, furnaces, heating equipment, steam and hot-water boilers, after standing on said land, and also all the estate, right, title, and interest of the said Mortgagee in and to said premises; including issues, and profits thereof; and all apparatus and fixtures of every kind in or that may be placed in, any building now or here- **TOGETHER** with all and singular the tenements, hereditaments, and appurtenances thereunto belonging, and the rents, reference as Exhibit "A," in will: See attached legal description incorporated herein by \_\_\_\_\_, in the County of \_\_\_\_\_, and the State of ILLINOIS

\_\_\_\_\_ Village of Arlington Heights, in the County of \_\_\_\_\_, and the State of ILLINOIS

and WARRANT unto the Mortgagee, successors or assigns, the following-described real estate situated, lying, and being in the Village of Arlington Heights, in the County of \_\_\_\_\_, and the State of ILLINOIS

NOW, THEREFORE, the said Mortgagee, for the better securing of the payment of the said principal sum of money and interest and the performance of the covenants and agreements herein contained, does by these presents CONVEY, MORTGAGE, and this conveyance shall secure any and all conditions hereof, however evidenced.

and interest being payable in installments as provided in said note with a final maturity of \_\_\_\_\_, 2028, which note is identified as being secured hereby by a certificate thereon. Said note and all of its terms are incorporated herein by reference to \_\_\_\_\_, which note is even date herewith, bearing interest from date of outstanding balance of \_\_\_\_\_ per centum (9.25%) per annum to \_\_\_\_\_, or the earlier date of maturity, and the principal amount of said note is \_\_\_\_\_, which note is

WITNESSETH: That whereas the Mortgagee is justly indebted to the Mortgagee in the principal sum of THREE MILLION EIGHT HUNDRED FIFTYTHOUSAND SIX HUNDRED DOLLARS (\$ 3,815,600.00), evidenced by its note of \_\_\_\_\_, par centum (9.25%) per annum to \_\_\_\_\_, or the earlier date of maturity, and the principal amount of said note is \_\_\_\_\_, which note is

organized and existing under the laws of \_\_\_\_\_, a corporation and the United States of America acting by and through the Secretary of Housing and Urban Development, Mortgagee,

\_\_\_\_\_ ILLINOIS

\_\_\_\_\_ day of March, 1987, between \_\_\_\_\_, an ILLINOIS not-for-profit corporation

THIS INSTRUMENT, made this \_\_\_\_\_ day of \_\_\_\_\_, 1987, between \_\_\_\_\_, an ILLINOIS not-for-profit corporation

## MORTGAGE

### SAMPLE FORM FOLLOWS

The current FHA corporate mortgage, deed of trust, or security deed form applicable to the jurisdiction in which the mortgage premises are located will be used in preparing the Section 202 mortgage, deed of trust or security deed.

Appropriate modifications will be needed to show that the Secretary of Housing and Urban Development is making rather than insuring the loan and to delete all references to mortgage insurance. A sample form is shown below and on the following pages showing these changes and others (note especially paragraphs 10, 19 and 20) pertinent to the special features of the Section 202 program.

### INSTRUCTIONS FOR PREPARATION OF MORTGAGE, DEED OF TRUST, OR SECURITY DEED

(Under Section 202 of the Housing Act of 1959)

This document is being RECORDED TO CORRECT 87612279

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6. That at the option of the Mortgagor the principal balance secured hereby may be repaid or amortized on terms acceptable to the Mortgagee if a partial payment results from an award in condemnation in accordance with provisions of paragraph 8 herein, or from an insurance payment made in accordance with provisions of paragraph 7 herein, where there is a resulting loss of project income;

7. That the Mortgagor will keep the improvements now existing or hereafter erected on the mortgaged property insured against loss by fire and such other hazards, casualties, and contingencies, as may be stipulated by the Mortgagee, and all such insurance shall be evidenced by standard Fire and Extended Coverage Insurance Policy or policies, in amounts not less than necessary to comply with the applicable Coinsurance Clause percentage, but in no event shall the amounts of coverage be less than eighty per centum (80%) of the insurable values or not less than the unpaid balance of the Mortgage, whichever is the lesser, and in default thereof the Mortgagee shall have the right to effect insurance. Such policies shall be endorsed with standard Mortgagee Clause with loss payable to the Mortgagee, as interest may appear, and shall be deposited with the Mortgagee;

That if the premises covered hereby, or any part thereof, shall be damaged by fire or other hazard against which insurance is held as hereinabove provided, the amounts paid by any insurance company, to the extent of the indebtedness then remaining unpaid, shall be paid to the Mortgagee, and, at his/her option, may be applied to the debt or released for the repairing or rebuilding of the premises;

8. That all awards of damages in connection with any condemnation for public use or injury to any of said property are hereby assigned and shall be paid to Mortgagee, who may apply the same to payment of the installments last due under said note, and Mortgagee is hereby authorized, in the name of Mortgagor, to execute and deliver valid acquittances thereof and to appeal from any such award;

9. That it is lawfully seized and possessed of said real estate in fee simple and has good right to convey same;

10. To keep said premises in good repair, and not to do, or permit to be done, upon said premises, anything that may impair the value thereof, or of the security intended to be effected by virtue of this instrument; that it will not make any structural alterations to the building without the written consent of the Mortgagee; to pay to the Mortgagee, as hereinafter provided, until said note is fully paid, a sum sufficient to pay all taxes and special assessments that heretofore or hereafter may be lawfully levied, assessed or imposed by any taxing body upon the said land, or upon the Mortgagor or Mortgagee on account of the ownership thereof to the extent that provision has not been made by the Mortgagor for the payment of such taxes and special assessments as hereinbefore provided in subparagraph 17(b);

11. In case of the refusal or neglect of the Mortgagor to make such payments, or to satisfy any prior lien or encumbrances, or to keep said premises in good repair, the Mortgagee may pay such taxes, assessments, and insurance premiums, when due, and may make such repairs to the property herein mortgaged as in the Mortgagee's discretion he/she may deem necessary for the proper preservation thereof, and any moneys so paid or expended shall become so much additional indebtedness, secured by this Mortgage, to be paid out of the proceeds of the sale of the mortgaged premises, if not otherwise paid by the Mortgagor, and shall bear interest at the rate specified in the note from the date of advance until paid, and shall be due and payable on demand;

12. It is expressly provided, however (all other provisions of this Mortgage to the contrary notwithstanding), that the Mortgagee shall not be required nor shall he/she have the right to pay, discharge, or remove any tax, assessment, or tax lien upon or against the premises described herein or any part thereof or the improvements situated thereon, so long as the Mortgagor shall, in good faith, contest the same or the validity thereof by appropriate legal proceedings brought in a court of competent jurisdiction, which shall operate to prevent the collection of the tax, assessment, or lien so contested and the sale or forfeiture of the said premises or any part thereof to satisfy the same, but in the event of a tax contest, the Mortgagor shall deposit with the Mortgagee an amount estimated by the Mortgagee sufficient to satisfy all taxes, penalties, interest, and costs which may reasonably accrue during such contest;

13. That it will not voluntarily create or permit to be created against the property subject to this Mortgage any lien or liens inferior or superior to the lien of this Mortgage and further that it will keep and maintain the same free from the claim of all persons supplying labor or materials which will enter into the construction of any and all buildings now being erected or to be erected on said premises;

14. That the improvements about to be made upon the premises above described and all plans and specifications comply with all municipal ordinances and regulations made or promulgated by lawful authority, and that the same will upon completion comply with all such municipal ordinances and regulations and with the rules of applicable fire rating or inspection organization, bureau, association, or office. In the event the Mortgagor shall at any time fail to comply with such rules, regulations, and ordinances which are now or may hereafter become applicable to the premises above described, after due notice and demand by the Mortgagee, thereupon the principal sum and all arrears of interest and other charges provided for herein, shall at the option of the Mortgagee become due and payable;

15. The Mortgagor covenants and agrees that so long as this Mortgage and the said note secured hereby are outstanding, it will not execute or file for record any instrument which imposes a restriction upon the sale or occupancy of the mortgaged property on the basis of race, color or creed;

16. That the funds to be advanced herein are to be used in the construction of certain improvements on the lands herein described, in accordance with a building loan agreement between the Mortgagor and Mortgagee dated March 1, 1986, which building loan agreement (except such part or parts thereof as may be inconsistent herewith) is incorporated herein by reference to the same extent and effect as if fully set forth and made a part of this Mortgage; and if the construction of the improvements to be made pursuant to said building loan agreement shall not be carried on with reasonable diligence, or shall be discontinued at any time for any reason other than strikes or lock-outs, the Mortgagee, after due notice to the Mortgagor or any subsequent owner, is hereby invested with full and complete authority to enter upon said premises, employ watchmen to protect such improvements from depreciation or injury and to preserve and protect the personal property therein, and to continue

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AND THE REST SHALL BE INCLUDED IN ANY DECREE FORECLOSING THIS MORTGAGE AND BE PAID OUT OF THE PROCEEDS OF ANY SALE MADE IN PURSUANCE OF ANY SUCH DECREE: (1) All the costs of such suit or suits, advertising, sale, and conveyance, including attorney's, solicitor's, and stenographers' fees, outlays for documentary evidence and cost of said abstract and examination of title; (2) All the moneys advanced by the Mortgagee, if any, for any purpose authorized in the mortgage, with interest on such advances at the rate specified in the note, from the time such advances are made; (3) All the accrued interest remaining unpaid on the indebtedness hereby secured; (4) All the said principal money remaining unpaid. The over-plus of the proceeds of sale, if any, shall then be paid as the court may direct;

22. AND IN CASE OF FORECLOSURE OF THIS MORTGAGE BY SAID MORTGAGEE IN ANY COURT OF LAW OR EQUITY, A REASONABLE FEE SHALL BE ALLOWED FOR THE ATTORNEY'S FEES OF THE COMPLAINANT, NOT TO EXCEED IN ANY CASE FIVE PER CENT (5%) OF THE AMOUNT OF PRINCIPAL INDEBTEDNESS FOUND TO BE DUE, AND ALL OTHER COSTS OF SUIT, AND ALSO FOR ALL OUTLAYS FOR DOCUMENTARY EVIDENCE AND THE COST OF A COMPLETE ABSTRACT OF TITLE FOR THE PURPOSE OF SUCH FORECLOSURE, AND IN CASE OF ANY OTHER SUIT, OR LEGAL PROCEEDING, INITIATED BY THE MORTGAGEE TO ENFORCE THE PROVISIONS OF THIS MORTGAGE OR IN CASE OF ANY SUIT OR LEGAL PROCEEDING WHEREIN THE MORTGAGEE IS MADE A PARTY. MORTGAGEE, TO MAKE PART, FOR SERVICES IN SUCH SUIT OR PROCEEDING, SHALL BE FURTHER LIEN AND CHARGE UPON SAID PREMISES UNDER THIS MORTGAGE, AND ALL SUCH EXPENSES SHALL BECOME SO MUCH ADDITIONAL INDEBTEDNESS SECURED HEREBY AND BE ALLOWED IN ANY DECREE FORECLOSING THIS MORTGAGE;

21. IN THE EVENT OF DEFAULT IN MAKING ANY MONTHLY PAYMENTS PROVIDED FOR HEREIN OR IN THE NOTE SECURED HEREBY FOR A PERIOD OF THIRTY (30) DAYS AFTER THE DUE DATE THEREOF, OR IN CASE OF A BREACH OF ANY OTHER COVENANT HEREIN STIPULATED, THEN THE WHOLE OF SAID PRINCIPAL SUM REMAINING UNPAID TOGETHER WITH ACCRUED INTEREST THEREON, SHALL, AT THE ELECTION OF THE MORTGAGEE, WITHOUT NOTICE, BECOME IMMEDIATELY DUE AND PAYABLE, IN WHICH EVENT THE MORTGAGEE SHALL HAVE THE RIGHT IMMEDIATELY TO FORECLOSE THIS MORTGAGE;

20. THAT SO LONG AS THE MORTGAGE AND NOTE SECURED HEREBY ARE OUTSTANDING, IT WILL NOT (a) RENT DWELLING ACCOMMODATIONS IN THE MORTGAGED PREMISES IN EXCESS OF THE RATES APPROVED BY THE MORTGAGEE OR FOR PERIODS OF LESS THAN ONE MONTH OR IN EXCESS OF THREE YEARS; (b) RENT THE PREMISES AS AN ENTIRETY; (c) RENT THE PREMISES TO ANY PERSON FOR THE PURPOSE OF SUB-LEASING; (d) RENT THE PREMISES OR PERMIT THE SAME FOR HOTEL OR TRANSIENT-PURPOSES; (e) REQUIRE OF ANY TENANT AS A CONDITION OF OCCUPANCY LIFE-LEASE CONTRACTS, FEES OR OTHER PAYMENTS OVER AND ABOVE THOSE FOR RENT, UTILITIES, AND COLLATERAL SERVICES.

19. That the Mortgagee shall have the right to inspect the mortgaged premises at any reasonable time. Any excess funds accumulated under (a) of the preceding paragraph remaining after payment of the items therein mentioned shall be credited to subsequent non-fully payments of the same nature requested thereunder, but if any such item shall exceed the estimate therefor the Mortgagee shall without demand forthwith make good the deficiency. Failure to do so before the due date of such item shall be a default thereunder. If the property is sold under foreclosure or is otherwise acquired by the Mortgagee after default, any remaining balance of the accumulations under (a) of the preceding paragraph shall be credited to the principal of the Mortgagee as of the date of commencement of foreclosure proceedings or as of the date the property is otherwise acquired; and

(1) Ground rents, taxes, special assessments, water rates, fire and other property insurance premiums; (2) Interest on the note secured hereby; (3) Amortization of the principal of said note.

(a) A sum equal to the ground rents, if any, and the taxes and special assessments next due on the premises covered by this Mortgage, plus the premiums that will next become due and payable on policies of fire and other property insurance covering the premises covered hereby, plus water rates, taxes, and assessments next due on the premises covered hereby (all as estimated by the Mortgagee) less all sums already paid therefor divided by the number of months to elapse before one (1) month prior to the date when such ground rents, premiums, water rates, taxes and assessments will become delinquent, such sums to be held by Mortgagee to pay said ground rents, premiums, taxes and special assessments.

17. That, together with, and in addition to, the payments of interest or of principal and interest payable under the terms of the note secured hereby the Mortgagee will pay to the Mortgagee on each payment date hereof, until the said note is fully paid the following sums:

any and all outstanding contracts for the erection and completion of said buildings, to make and enter into any contracts and obligations wherever necessary, either in his/her own name or in the name of the Mortgagee, and to pay and discharge all debts, obligations, and liabilities incurred thereby. All such sums so advanced by the Mortgagee (exclusive of advances of the principal of the Mortgagee and shall be added to the principal of the indebtedness secured hereby) shall be added to the indebtedness secured hereby and shall be secured by this Mortgage and shall be due and payable on demand at the rate specified in the note. The principal sum and other charges provided for herein shall, at the option of the Mortgagee or holder of the Mortgage and the note securing the same, become due and payable on the failure of the Mortgagee to keep and perform any of the covenants, conditions, and agreements of said building loan agreement. This covenant shall be terminated upon completion of the improvements to the satisfaction of the Mortgagee and the making of the final advance as provided in said building loan agreement;

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24. A RECONVEYANCE of said premises shall be made by the Mortgagee to the Mortgagor on full payment of the indebtedness aforesaid, the performance of the covenants and agreements herein made by the Mortgagor, and the payment of the sums owed under the terms of the said note.

25. IT IS EXPRESSLY AGREED that no extension of the time for payment of the debt hereby secured given by the Mortgagee to any successor in interest of the Mortgagor shall operate to release, in any manner, the original liability of the Mortgagor;

26. The Mortgagor hereby waives any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage on its own behalf and on behalf of each and every person except decree or judgment creditors of the Mortgagor acquiring any interest in or title to the premises subsequent to the date of this Mortgage;

27. THE COVENANTS HEREIN CONTAINED shall bind, and the benefits and advantages shall inure to, the successors and assigns of the respective parties hereto. Wherever used, the singular number shall be plural, the plural the singular, and the use any gender shall be applicable to all genders.

IN WITNESS WHEREOF, the Mortgagor has caused its corporate seal to be hereunto affixed and these presents to be signed by its President and attested by its Secretary on the day and year first above written, pursuant to authority given by resolution duly passed by Board of Directors of said corporation.

ARLINGTON AREA HOUSING, INC.,  
an Illinois not-for-profit corporation

[Corporate Seal]

By J. Rex Pippin  
J. Rex Pippin, President

Attest: Kathy Kater  
Kathy Kater, Secretary

State of ILLINOIS  
County of COOK ) SS.

DEPT-92 RECORDING 114.00  
141111 TRIM 1727 02/10/87 09 27 00  
42715 # 4 \* -87-12994  
COOK COUNTY RECORDER

I, Petra Arnheim, a Notary Public, in and for said County, in the State aforesaid, do hereby certify that J. Rex Pippin and Kathy Kater, personally known to me to be the same persons whose names are respectively as President and Secretary of Arlington Area Housing, Inc., a corporation of the State of Illinois, subscribed to the foregoing instrument, appeared before me in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with corporate seal, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and notarial seal, this 9th day of March, 1987.

[SEAL]

Petra Arnheim  
Notary Public

My commission expires Feb. 24, 1989

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Property of Cook County Clerk's Office

ENCLOSURE

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## EXHIBIT "A"

Lots 1 and 4 in Block 16, Lots 1, 2, 3 and 4 in Block 17, and Lot 3 in Block 18 in Miner's Addition to Dunton, being a subdivision of the North half of the South East quarter of the South East quarter of Section 30, Township 30<sup>th</sup> North, Range 11, East of the Third Principal Meridian, according to the map thereof recorded May 2, 1860 as Document 32603, in Cook County, Illinois

commonly known as 220 West Campbell, Arlington Heights, Illinois.

PERMANENT INDEX NUMBERS: 03-30-419-013-0000-4  
03-30-419-014-0000-3  
03-30-419-015-0000-4  
03-30-419-016-0000-3  
03-30-419-033-0000-1  
03-30-419-034-0000-2

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THIS INSTRUMENT WAS PREPARED BY  
AND RETURN TO:

Thomas L. Hefty, Esq.  
105 West Madison Street  
Suite 2200  
Chicago, Illinois 60602

DEPT-01 RECORDING \$15.00  
TW222 TRAN 2904 11/17/87 15:59:00  
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COOK COUNTY RECORDER

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