

ILLINOIS MORTGAGE

08/28/97 14:00:00 08/28/97 12:39:06

Cook County Recorder

37.50

Prepared by: Erica Pascal, Attorney at Law  
1217 W. Oakdale Street  
Chicago, IL 60657

Mail to: Erica Pascal, Attorney at Law  
1217 W. Oakdale Street  
Chicago, IL 60657



This Indenture, made August 20, 1997, between **Woodlawn East Community and Neighbors, Inc.**, a non-profit corporation validly existing in the State of Illinois and doing business at 6450 S. Stony Island Avenue, Chicago, Illinois, herein referred to as "Mortgagor" and **Chicago Rehabilitation Network**, a corporation validly existing in the State of Illinois and doing business at 53 W. Jackson Blvd., Chicago, Illinois, herein referred to as "Mortgagee", witnesseth:

THAT WHEREAS the Mortgagor is justly indebted to the Mortgagee upon the HOPE Note, in the principal sums ~~two thousand and five hundred DOLLARS (\$2,500.00)~~ <sup>\$15,000.00</sup> advanced from time to time not to exceed ~~two thousand and five hundred DOLLARS (\$2,500.00)~~, payable to the order of Mortgagee or its assigns upon such terms and conditions as stated therein, with a final payment of the balance of all principal and interest as provided in said Note, at the office of the Mortgagee as stated above or at such other office as the Mortgagee may in writing appoint.

Now Therefore, the Mortgagors to secure the payment of said principal sum of money and said interest in accordance with the terms, provisions and limitations of this mortgage, and the performance of the covenants and agreements herein contained, by the Mortgagors to be performed, and also in consideration of the sum of one dollar in hand paid, the receipt whereof is hereby acknowledged, do by these presents CONVEY and WARRANT unto the Mortgagee and Mortgagee's successors and assigns, the following described Real Estate and all of its estate, right, title and interest therein, situate, lying and being in the City of Chicago, County of Cook and State of Illinois, to wit:

Lot 33 in Block 4 in Oakwood Subdivision of the North 1/2 of the South 1/2 of the Northeast 1/4 of Section 22, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois

Common Address: 6543 S. Rhodes, Chicago, IL  
PIN: 20-22-219-018

which, with the property hereinafter described, is referred to herein as the premises:

**TOGETHER** with all improvements, tenements, easements, fixtures and appurtenances thereto belonging, and all rents, issues and profits thereof for so long and during all such times as Mortgagor may be entitled thereto (which are pledged primarily and on a parity with said real estate and not secondarily) and all apparatus, equipment or articles now or hereafter therein used to supply heat, gas, air conditioning, water, light, power, refrigeration (whether single units or separately controlled) and ventilation, including (without restriction) screens, window shades, storm doors, and windows, floor coverings, awnings, stoves and water heaters. All of the foregoing are declared to be a part of said real estate whether physically attached thereto or not, and it is agreed that all similar apparatus, equipment or articles hereafter placed in the premises by the Mortgagor or its successors or assigns shall be considered as constituting part of the real estate.

**TO HAVE AND TO HOLD** the premises unto the Mortgagee, and the Mortgagee's successors or assigns, forever, for the purposes and upon the uses herein set forth, free from all rights and benefits under and by virtue of the Homestead Exemption Law of the State of Illinois which said rights and benefits the Mortgagors do hereby expressly waive and release. Mortgagor also on behalf of itself and each and every person claiming by through or under the Mortgagor, waives any and all rights of redemption, statutory or otherwise, without prejudice to Mortgagee's right to any remedy, legal or equitable, which Mortgagee may pursue to enforce payment or to effect collection of all or any part of the indebtedness

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secured by this Mortgage, and without prejudice to Mortgagee's right to a deficiency judgment or any other appropriate relief in the event of foreclosure of this Mortgage.

#### ADDITIONAL COVENANTS, CONDITIONS AND PROVISIONS

1. Mortgagors shall, during the term of this Mortgage and accompanying Loan Agreement: (1) promptly repair, restore, or rebuild any buildings or improvements now or thereafter on the premises which may become damaged or be destroyed; provided however, that Mortgagor's obligation to repair, restore or rebuild any improvements damaged or destroyed as a result of an insurable casualty shall be limited to the insurance proceeds made available by Mortgagee to Mortgagor, and provided further that Mortgagor has retained sufficient insurance pursuant to Section 4 below; (2) keep the premises in good condition and repair without waste and free from mechanics' or other liens of claims for liens, not expressly subordinated to the lien thereon; (3) pay when due any indebtedness which may be secured by lien or to the Mortgagee; (4) complete within a reasonable time any building or buildings now or at any time in process of erection upon said premises; (5) comply with all requirements of law or municipal ordinances with respect to the premises and the use thereof; (6) make no material alterations in said premises except as required by law or municipal ordinance.
2. Mortgagors shall pay, before any penalty attaches, all general taxes and shall pay special taxes, special assessments, water charges, sewer service charges and any other charges when due, even if paid under protest in the manner provided by statute.
3. Mortgagors have the right of making prepayment on the principal of said note (in addition to the required payments) as may be provided in said note.
4. Mortgagors shall keep all buildings and improvements now or hereafter situated on said premises insured against loss or damage by fire, lightning and wind storm under policies providing for payment by the insurance companies of monies sufficient either to pay the cost of replacing or repairing the same or to pay in full the indebtedness secured hereby, all in companies satisfactory to the Mortgagee. Mortgagee's right shall be evidenced by the standard mortgage clause to be attached to each policy and mortgagor shall deliver all policies including additional and renewal policies to the Mortgagee. In the event of casualty loss, lender may at its option apply the payment of insurance proceeds to the repair of the premises or to the payment of the debt.
5. In case of default therein, Mortgagee may but need not make any payment or perform any act herein required by Mortgagors, and may but need not make full or partial payment of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or prior lien or title or claim hereof or redeem from any tax sale or forfeiture affecting said premises or contest any tax or assessment. All monies paid for any purpose herein authorized and all expenses paid or incurred in connection therewith, including attorney's fees, and any other monies advanced by Mortgagee to protect the mortgaged premises shall be so much additional indebtedness secured hereby and shall become immediately due and payable without notice and with interest thereon at the rate stated in the note. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to the Mortgagee.
6. Mortgagors shall pay each item of indebtedness when due according to the terms hereof. At the option of the Mortgagee and without notice to Mortgagors all unpaid indebtedness secured by this mortgage shall, notwithstanding anything in the Note or in this mortgage to the contrary, become due and payable upon the occurrence of an Event of Default under the Loan Agreement.
7. When this indebtedness shall become due, whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereof. In any suit to foreclose the lien hereof, Mortgagee consents to the inclusion of all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorney's fees, appraisal fees, outlays for documentary and expert evidence, stenographer's charges, publication costs, and reasonable costs which may be estimated as to items to be expended after entry of the decree of procuring abstracts of title, searches and examinations, title insurance policies, and similar data and assurances with respect to title or value of property as Mortgagee may deem necessary. All such expenditures and expenses shall also be immediately due and payable with interest thereon at the rate stated in the Note, when paid or incurred by Mortgagee in connection with (a) any proceeding including bankruptcy to which the Mortgagee may be party by reason of this mortgage or any indebtedness hereby secured; or (b) preparation for the commencement of any suit for the foreclosure hereof after accrual of such right to foreclose whether or not actually commenced; or (c) preparation for the defense of any actual or threatened suit or proceeding which might affect the premises or the security hereof.
8. The proceeds of any foreclosure sale shall be distributed in the following order of priority: first, on account of all costs and expenses incident to the foreclosure proceedings including all such items as are mentioned in the preceding paragraph hereof; second, all other items under which the terms hereof constitute secured indebtedness additional to that evidenced by the note, with interest thereof as herein provided; third, all principal and interest remaining unpaid on the note; fourth, any overplus to Mortgagors or heirs, legal representatives or assigns as their rights may appear.

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9. Upon or at any time after the filing of a complaint to foreclose this mortgage, the court in which such complaint is filed may appoint a receiver of said premises. Such receiver shall have power to collect the rents, issues and profits of said premises during the pendency of said foreclosure suit and in case of a sale and deficiency during the full statutory period of redemption, whether there be redemption or not, as well as during any further time when Mortgagors, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or usual in such cases for the protection, possession, control, management and operation of the premises during the whole said period. The court from time to time may authorize the receiver to apply the net income in his hands in payment in whole or in part of (1) the indebtedness secured hereby or by any decree foreclosing this mortgage or any tax, special assessment or other lien which may be or become superior to the lien hereof or such decree provided such application is made prior to foreclosure sale; (2) the deficiency in case of a sale and deficiency.

10. No action of 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 opposing same in an action at law upon the note hereby secured.

11. The Mortgagee shall have the right to inspect the premises at all reasonable time and access thereof shall be permitted for that purposes upon prior written notice to mortgagor.

12. If the payment of said indebtedness or any part hereof be extended or varied or if any part of the security be released, all persons now or at any time hereafter liable thereon or interested in said premises 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 and effect. The right of recourse against all such persons is expressly reserved by the Mortgagee notwithstanding such extension, variation or release.

13. Mortgagee shall release this mortgage and lien thereof by proper instrument upon payment and discharge of all indebtedness secured hereby and payment of a reasonable fee to Mortgagee for the execution of such release.

14. This mortgage and all provisions hereof shall extend to and be binding upon Mortgagors and all persons claiming under or through Mortgagors and the word "Mortgagors" used herein shall include all such persons and all persons liable for the payment of the indebtedness or any part thereof, whether or not such persons shall have executed the Note or this mortgage. The word "Mortgagee" when used herein shall include the successors or assigns of the Mortgagee named herein and the holder or holders, from time to time, of the note secured hereby.

15. This Mortgage is further subject to the terms and conditions contained in the Loan Agreement executed this same date between Mortgagee and Mortgagor.

Witness the hand and seal of Mortgagor the day and year first written above.

**WOODLAWN EAST COMMUNITY AND NEIGHBORS, INC.**

Mortgagor

by: [Signature]  
its: \_\_\_\_\_

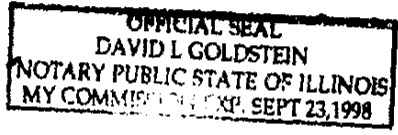
Attest: \_\_\_\_\_  
its: \_\_\_\_\_

State of Illinois )  
County of Cook )

I, the undersigned, a Notary Public in and for the County in the State aforesaid, do hereby certify that before me this day came MARIE BUTLER and \_\_\_\_\_ personally known to be to be the ex. Director and \_\_\_\_\_ respectively of the corporation legally known as WOODLAWN EAST COMMUNITY AND NEIGHBORS, INC. and personally known to me to be the same persons whose names are subscribed above to the foregoing instrument, and that they acknowledged this day that they signed, sealed, and delivered the foregoing instrument as their free and voluntary act and deed, pursuant to the authority given to them by the Board of Directors of such corporation for the uses and purposes set forth herein, including the waiver of right of redemption.

Given under my hand and Notarial seal this date of 8/20 1999

[Signature]  
Notary Public



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## HOPE 3 LOAN AGREEMENT

Prepared by: Erica Pascal, Attorney at Law  
1217 W. Oakdale Street  
Chicago, IL 60657

Mailed to: Erica Pascal, Attorney at Law  
1217 W. Oakdale Street  
Chicago, IL 60657

Whereas, Chicago Rehabilitation Network, an Illinois non-profit corporation with offices at 53 W. Jackson Blvd., Chicago, Illinois ("CRN") has agreed to finance the purchase and rehabilitation of property belonging to Woodlawn East Community and Neighbors, Inc. ("Developer"), a non-profit developer of affordable housing with offices at 6450 S. Stony Island Avenue, Chicago, Illinois; and

Whereas, the property to be rehabilitated is described as follows:

Lot 33 in Block 4 in Oakwood Subdivision of the North 1/2 of the South 1/2 of the Northeast 1/4 of Section 22, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois

Common Address: 6543 S. Rhodes, Chicago, IL  
PIN: 20-22-219-018

Now therefore, for good and valuable consideration acknowledged by the parties as received, the parties hereby agree as follows this 20<sup>th</sup> day of August, 1997

**GENERAL CONDITIONS**

- 1.01. Loan Pool. There is hereby established the HOPE 3 Loan Pool ("Loan Pool") to be administered by CRN for the benefit of CRN members. CRN members who are selected by CRN for participation in the Loan Pool will become eligible for receipt of funds from the Loan Pool by complying with the conditions stated below.
- 1.02. Availability of Funds. Developer may borrow funds from the Loan Pool as such funds are available from time to time from the date Developer has complied with the conditions stated below until February 20, 1998, under the terms and conditions as stated in the Note and Mortgage.
- 1.03. Eligible Projects. Developer may use the Loan Pool to acquire and/or rehabilitate residential properties of one to four units in Developer's targeted area of operation, which shall upon completion be sold or leased to occupants whose income is within guidelines established by Grant Agreement #H393IL0016-IN between the U.S. Department of Housing and Urban Development and Chicago Rehabilitation Network for the HOPE 3 Program.
- 1.04. Project Commitment. Developer hereby agrees to acquire and/or rehabilitate one residential property using Loan Pool funds.

**ACQUISITION OF BUILDINGS**

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2.01. HUD-Owned Buildings. CRN members will identify HUD-owned buildings for acquisition and use under the HOPE 3 Loan Pool. CRN members will bid on HUD-owned properties on their own behalf. Alternatively, CRN can on behalf of a CRN member, bid on the building and acquire it with HOPE 3 or other funds available to CRN.

2.02. CAPP Buildings. CRN members will acquire CAPP buildings from the City of Chicago under the Chicago Abandoned Property Program as per the regulations of that program.

2.03. Other Buildings. CRN members may acquire 1-6 unit properties from other governmental sources, including but not limited to Resolution Trust Corporation, or Veteran's Administration.

## CONDITIONS OF LENDING

3.01. Project Approval. Subject to approval of the Developer under such conditions as CRN shall from time to time establish, Developer may request funding for specific projects. Developer shall submit the following documents for each project:

- (a) executed copy of this Agreement,
- (b) certified copy of corporate resolution of Developer approving the Agreement and Note, authorizing certain corporate officers or directors to bind Developer to the terms and conditions stated in the Agreement and Note.

In addition, Developer shall submit not less than 30 days before any requested advance under the Note and Agreement the following documents:

(c) identification of property to be acquired and rehabilitated, with attachments as follows:

- (1) contract for purchase (HUD-owned properties) or CAPP award letter (CAPP buildings)
- (2) work write-up in narrative form or plans and specifications
- (3) three notarized contractor's sworn statements
- (4) total estimated project costs, including construction and soft costs, interest expense, selling costs and other carrying costs
- (5) targeted selling price of property
- (6) evidence of pre-qualified borrower to purchase property after rehab
- (7) timeline for completion and sale of project
- (8) title commitment and survey for property
- (9) after rehab value appraisal supporting sales price.

3.02. Conditions for Acquisition Advance. Prior to the advance of Loan Pool funds for acquisition of the property, Developer shall provide the following documents in form satisfactory to CRN:

- (a) copy of fully executed construction contract
- (b) Owner's Sworn Statement
- (c) certificate signed by authorized officer of Developer dated the date of request for advance and stating that the representations, warranties and covenants contained in this Agreement are materially correct as of the date of the requested advance and that no event of default under this Agreement has occurred,
- (d) certificate signed by authorized officer of Developer dated the date of request for advance and stating that the funds advanced will be used only for acquisition and rehabilitation of the property for which the advance is requested,
- (e) clearance of all impediments to Developer's acquisition of clear title to proposed property,
- (f) evidence of builder's risk insurance for the contract amount, hazard insurance for the loan amount naming CRN as mortgage loss payee, and general liability insurance, protecting Developer,
- (g) executed Note (to be signed after determination with CRN as to amount and term of advance),
- (h) executed Mortgage, granting to CRN a secured interest in the property to be acquired and rehabilitated,

3.03. Conditions for Initial Construction Advance. Prior to the advance of Loan Pool funds for rehabilitation of the property, Developer shall provide the following documents, in addition to those stated above, in form satisfactory to CRN:

- (a) copy of "Notice to Proceed" letter to contractor
- (b) copy of building permit with general contractor, electrical and plumbing contractors identified,
- (c) construction schedule mutually agreed to by Developer, CRN and contractor
- (d) Construction Escrow Agreement to be established at Title Company

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3.04. Conditions for Subsequent Construction Advances. Prior to the advance of Loan Pool funds for rehabilitation of the property, Developer shall provide the following documents, in addition to those stated above, in form satisfactory to CRN:

- (a) satisfactory review of construction progress and work quality by CRN's construction specialist
- (b) compliance with all conditions of the Construction Escrow Agreement

3.05. CRN's Right to Refuse Additional Construction Draws. CRN may refuse to disburse additional funds for construction if CRN deems, in its sole determination, that

- (a) the quality of work does not meet minimum levels as described in Developer's specifications, or
- (b) the progress of work is more than 30 days behind the construction schedule, or
- (c) it appears, in Lender's sole discretion, that there will be insufficient funds to complete the project.

In such event, CRN, Developer and contractor shall establish a new schedule for completion of the project and correction of construction deficiencies. CRN may charge to Developer such additional fees for payout or compliance inspections as the parties agree.

#### TERMS OF LENDING

4.01. Advances. Advances requested by Developer will be submitted by CRN to HUD not more than three business days after Developer has provided to CRN all documentation required under Section 3 above, and which CRN has reasonably determined is complete and in proper form. Upon receipt of funds from HUD, CRN will disburse such funds to Developer or title company escrow, as applicable, within two (2) additional business days.

4.02. Interest and Repayment. Developer shall pay the interest accrued at maturity on the Note at the interest rate stated in the Note at maturity. Final payment of principal and accrued interest shall be due in accordance with the terms of the Note. Developer may prepay the Note in whole or in part at any time.

4.03. Inspections. Developer will permit access to the premises at reasonable times upon prior notice during the rehab work for CRN or its nominees to assess the quality of the work and to determine that the work can be completed in accordance with Developer's timetable. Developer will notify CRN prior to any construction draw request to enable CRN to inspect the property for compliance with the construction contract and the plans and specifications for rehabilitation of the property. In addition, CRN will inspect the work after the installation of mechanical and framing systems, but prior to the closure of any walls. Developer will notify CRN in writing when mechanical and framing systems will be completed.

4.04. Change Orders. Developer will not approve any change orders increasing the cost to the construction budget unless approved in writing by CRN.

4.05. Fees. Developer shall pay to CRN a servicing fee of one percent (1%) of the loan amount, payable at the time the loan is initially funded. Developer shall also reimburse CRN for all recording, title and search and other out-of-pocket fees, including reasonable attorney's fees, payable at the time the final advance is made. Developer shall also reimburse CRN for costs of architectural payout inspections in excess of four inspections.

#### CONDITIONS FOR RELEASE OF NOTE AND MORTGAGE

5.01. Compliance with HOPE 3 Regulations. Prior to the release of a Note and Mortgage extended under this program, Developer shall present evidence that it has complied with the requirements of the HOPE 3 program, including:

- (a) the homebuyer for the property has completed or is enrolled in a course in homeownership counseling;
- (b) the contract with homebuyer includes the HOPE 3 resale restrictions, which homeowner has approved and accepted;
- (c) the homebuyer has been properly qualified under income guidelines of the U.S. Department of Housing and Urban Development, and Developer has presented evidence of homebuyer's income qualifications;
- (d) homebuyer has signed the lead-based paint disclosure statement;
- (e) the HOPE 3 resale restrictions have been recorded as a lien against the property in the form of a junior mortgage, as CRN shall describe.

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5.02. HOPE 3 Resale Restrictions. Homebuyer and Developer shall include the following restrictions in the contract and closing documents for the property, as applicable:

(a) Developer shall have the right of first refusal to purchase the property at the same price as that made by a bona fide purchaser; and

(b) If the property is sold prior to six years of ownership by homebuyer, the distribution of sale proceeds shall be made as follows:

(1) payment of outstanding mortgages and other recoverable grants or subsidies, evidenced as liens on the property

(2) payment of closing costs

(3) payment of homebuyer equity, consisting of:

(a) downpayment

(b) mortgage principal reduction

(c) value of improvements made by homebuyer, evidenced by receipts

(d) appreciation index, calculated by multiplying the increase in the Consumer Price Index for each year of ownership by the total of the homebuyer equity as defined above.

(4) balance of proceeds to CRN for distribution pursuant to HOPE 3 regulations.

(c) After six years of homeownership, the above restrictions shall lapse, and the junior mortgage may be released.

5.03. Lease-Purchase Agreement. In the case of a Lease-Purchase Agreement between Developer and a prospective homebuyer, the final transfer of the property from Developer to the ownership of a qualified homebuyer must be completed not later than February 20, 2000

## REPRESENTATIONS, WARRANTIES AND COVENANTS OF DEVELOPER

6.01. Representations and Warranties. Developer represents and warrants as follows:

(a) Developer is a non profit corporation duly incorporated and in good standing with the State of Illinois,

(b) Developer has been duly authorized by its Board of Directors to participate in the Loan Pool, the execution and performance of the Agreement and the accompanying Note are within Developer's corporate powers and do not contravene Developer's charter or by-laws or any law or contractual restriction binding upon Developer,

(c) no authorization, approval, other action by or notice to any governmental authority is required for the execution, delivery and performance by Developer under this Agreement,

(d) the agreement is and the Note will be legal, valid and binding obligations of Developer enforceable against Developer in accordance with their terms, subject to applicable bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditor rights,

(e) financial statements submitted by Developer fairly represent the financial condition of Developer on the date indicated and since the date of these financial statements there has been no material adverse change in such condition or operations,

(f) there is no pending or threatened litigation or other government action against Developer which may materially adversely affect its financial condition or performance under the Agreement.

6.02. Covenants of Developer. Developer will:

(a) materially comply with all applicable laws, rules, regulations and orders, such compliance to include without limitation, payment when due of all taxes, assessments and governmental charges imposed on Developer or Developer's property except to the extent contested in good faith,

(b) furnish to CRN such financial information or information about progress under this program as CRN may from time to time reasonably request,

(c) maintain its valid existence and its good standing as a not-for-profit corporation in the State of Illinois,

(d) pay all fees, costs, expenses and charges incurred by CRN in connection with this loan, as reflected in the closing settlement statement, and comply with the terms of this agreement and the terms of all Notes and Mortgages executed by Developer, including the restriction on the use of loan proceeds,

(e) maintain all required insurance coverage as described in Section 3,

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(f) allow CRN or its nominee access to Developer's books and records, relating to the property purchased or improved with HOPE 3 funds, at reasonable times and places, upon prior written notice.

## EVENTS OF DEFAULT; LENDER'S REMEDIES

7.01. Events of Default. If any of the following conditions occur and are continuing:

- (a) Developer fails to pay any portion of principal or interest on the Note when due and such failure remains unremedied for ten (10) days following notice,
- (b) any representation made by Developer is found to be materially false,
- (c) Developer fails to materially perform or observe the covenants or any other part of this Agreement, and such failure continues unremedied for more than thirty (30) days without good faith effort of Developer to cure,
- (d) Developer additionally encumbers the premises financed through the Loan Pool without CRN's consent, ~~except that CRN has consented to a junior mortgage due to the City of Chicago in the amount of \$~~ n/a
- (e) Developer transfers the premises financed through the Loan Pool without CRN's consent,
- (f) Developer admits in writing its inability to pay its debts, or a proceeding shall be instituted by or against Developer seeking to adjudicate it bankrupt or insolvent, or Developer's assets are placed under the control of a receiver, trustee or similar official, or a final judgment for payment of money in excess of \$10,000 is ordered against Developer which shall continue unsatisfied for 30 days,
- (g) CRN has declined to make further construction advances under Section 3.05 of this Agreement,

then, CRN may by notice to Developer declare its obligation to make further advances under this Agreement terminated and declare the Note, all interest and other amounts payable under the Agreement to be immediately due and payable without presentment, demand protest or further notice of any kind, all of which are expressly waived by Developer.

7.02. Lender's Remedies. If CRN determines that an event of default has occurred as described above, it may exercise any or all of the remedies available to it at law or in equity, including but not limited to:

- (a) declare all principal and interest immediately due and payable, without presentment, demand, protest or notice of any kind, all of which are expressly waived by Developer;
- (b) exercise all remedies provided in this Agreement or by law for the realization of security interests including foreclosure on the mortgage, or protection of CRN's rights by other judicial proceedings, including an award of specific performance, order for receivership or any equity relief;
- (c) restructure the Note or any of its terms as CRN deems prudent;
- (d) assume control of the property to complete the rehabilitation and sale in accordance with Developer's approved plans.
- (e) No failure on the part of CRN to exercise and no delay in exercising any rights under the Agreement or Note shall operate as a waiver thereof; nor shall the exercise or partial exercise of any right preclude the right to exercise any other right. The remedies herein are cumulative and not exclusive of any other remedies provided by law.

## MISCELLANEOUS PROVISIONS

8.01. No amendment or waiver of any provision of the Agreement or Note shall be effective unless made in writing and signed by CRN and Developer.

8.02. Notices. All notices and other communications provided for hereunder shall be made in writing and delivered to the following addresses:

Developer: Woodlawn East Community & Neighbors, inc.  
6450 S. Stony Island Avenue  
Chicago, Illinois 60637  
Attn: Executive Director

CRN: Chicago Rehab Network  
53 W. Jackson Blvd.  
Chicago, Illinois 60604

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Mailed notices shall be effective three business days after mailing; facsimile transmissions shall be effective upon a confirmation of a transmission receipt.

8.03. Binding Effect. The Agreement shall be binding upon and inure to the benefit of the Developer and CRN and their respective successors and assigns except that Developer shall not have the right to assign its rights hereunder without proper written consent of CRN. This Agreement and Note shall be governed by and construed in accordance with the laws of the State of Illinois.

8.04. Severability. If any portion of this Agreement shall for any reason be held to be illegal, invalid or unenforceable, such determination shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such illegal, invalid or unenforceable provision had never been contained herein.

8.05. Right to Trial by Jury. Developer and CRN each waive its right to trial by jury in the event any issue under this Agreement is litigated.

8.06. Loan Committee. Prior to any action by CRN with regard to this loan, the Board of Directors shall consult with the Loan Review Subcommittee for its recommendation. Notwithstanding the Loan Review Subcommittee's recommendation, final decision shall rest with the Board of Directors.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first written above.

CHICAGO REHABILITATION NETWORK

WOODLAWN EAST COMMUNITY AND NEIGHBORS, INC.,  
Developer

by: Kevin P. Jackson  
its: Executive Director

by: [Signature]  
its: Ex. Director

STATE OF ILLINOIS

COUNTY OF COOK

On the 18<sup>th</sup> day of Aug, 1997, before me personally \_\_\_\_\_ and \_\_\_\_\_ who being by me duly sworn, did depose and say that they are the \_\_\_\_\_ and \_\_\_\_\_ of \_\_\_\_\_ the corporation described in and which executed the assignment on the reverse side hereof, that he has signed his name hereto by direction of the Board of Directors of said corporation for the uses and purposes set forth herein.

OFFICIAL SEAL  
HERVENIA MITCHELL  
NOTARY PUBLIC, STATE OF ILLINOIS  
MY COMMISSION EXPIRES: 04/25/00  
Notary Public  
[Signature]

STATE OF ILLINOIS

COUNTY OF COOK

On the 20 day of Sept, 1997, before me personally appeared Matric Butte and \_\_\_\_\_ who being by me duly sworn, did depose and say that they are the Ex. Director and \_\_\_\_\_ of Chicago Rehabilitation Network, the corporation described in and which executed the assignment on the reverse side hereof; that he has signed his name hereto by direction of the Board of Directors of said corporation for the uses and purposes set forth herein.

[Signature]  
Notary Public

OFFICIAL SEAL  
DAVID L GOLDSTEIN  
NOTARY PUBLIC STATE OF ILLINOIS  
MY COMMISSION EXP. SEPT 23, 1998

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