

GIT

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MORTGAGE.ASSIGNMENT OF RENTS &  
SECURITY AGREEMENTPrep. By:  
After Recording  
Return to:Neal Goldberg, Esq.  
39 S. LaSalle St. Suite 1200  
Chicago, IL 60603

THIS MORTGAGE ASSIGNMENT OF RENTS AND SECURITY AGREEMENT ("Mortgage") is given on July 16, 1997, by Guirlene Celestin (the "Borrower") to Uptown Habitat for Humanity, Inc., an Illinois not-for-profit corporation ("UHFH"). Borrower owes UHFH a maximum amount of \$139,000.88. This debt is evidenced by Borrower's Promissory Note Including Shared Appreciation dated July 16, 1997 (the "Note"), which provides for monthly periodic payments, with the full debt as set forth in the Note, if not paid earlier, due and payable on July 31, 2017. 10

This Mortgage secures to UHFH: (a) repayment of the debt evidenced by the Note and all renewals, extensions and modifications of the Note, including the Loan Principal, which includes the Shared Appreciation (as described in the Note); (b) the payment of all other sums advanced by UHFH pursuant to paragraph 7 of this Mortgage to protect the security of this Mortgage; and (c) the performance of Borrower's covenants and agreements under this Mortgage and the Note.

For these purposes, Borrower hereby mortgages, grants and conveys to UHFH, its successors and assigns, the real property known as Unit 7407-1 in the Cornerstone Condominium Association (the "Association"), located at 7405 - 11 North Ashland Avenue, Chicago, Illinois and legally described on Exhibit A hereto located in the County of Cook, State of Illinois (the "Premises"), together with (a) all the improvements now or hereafter erected on the Premises and all easements, rights and appurtenances thereto; (b) all leases and licenses with respect to the Premises; (c) all rents, royalties and profits therefrom; (d) all fixtures and equipment now or hereafter located in or on the Premises and (e) all Funds (as described in paragraph 2 below). All replacements and additions to all or any part of the Premises shall also be covered by this Mortgage. The Premises and all of the foregoing property are referred to collectively in this Mortgage as the "Property".

Borrower covenants that Borrower is the lawful owner of the Property conveyed by this Mortgage and has the full right and power to mortgage, grant and convey the Property, and that the Property is unencumbered, except for liens, encumbrances, easements and restrictions disclosed on Exhibit B attached hereto (the "Permitted Encumbrances"). Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any Permitted Encumbrances.

Borrower covenants to UHFH as follows:

1. Payment under the Note. Borrower agrees to promptly pay when due the Loan Principal, including the Shared Appreciation amounts and any late charges or other charges required to be paid under the Note.

2. Escrowed Funds for Taxes. Until the Note is paid in full, Borrower agrees to pay to UHFH on the first day of each month, along with the monthly payments due under the Note, a sum equal to one-twelfth (1/12th) of the annual real estate taxes, special assessments and other assessments or charges which may attain priority over this Mortgage (the "Funds"). These items are called "escrow items". Borrower agrees that UHFH may estimate the Funds due each month on the basis of data then currently available and reasonable estimates of the amount of future payments of escrow items. UHFH will provide Borrower with written notice of the amount of the monthly payments of escrow items from time to time.

The Funds will be deposited by UHFH in a federally-insured financial institution. Borrower acknowledges and agrees that (a) UHFH will apply the Funds to pay the real estate taxes and any other escrow items as they become due; (b) UHFH will not charge Borrower a fee for holding and applying the Funds, analyzing the account or verifying the escrow items; (c) UHFH will not pay Borrower any interest or earnings on the Funds; and (d) UHFH will give to Borrower an annual report showing payments into and out of the Funds and the purpose for which each payment out of the Funds was made.

If at any time UHFH determines that the Funds held by UHFH materially exceed the amount needed for payment of future escrow items or applicable law requires repayment of any excess, UHFH will promptly repay the excess to Borrower. If the amount of the Funds held by UHFH is reasonably determined by UHFH not to be sufficient to pay any escrow items when due, Borrower shall, immediately upon written notice from UHFH, pay to UHFH any amount necessary to make up the deficiency in one or more payments as required by UHFH.

Upon payment in full of all sums secured by this Mortgage, UHFH shall promptly refund to Borrower any of the Funds then held by UHFH. If under paragraph 19 of this Mortgage the Property is sold to a third party, UHFH will apply any of the Funds held by UHFH at the time of application as a credit against the sums then due under the Note and secured by this Mortgage at the closing of the sale of the Property.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by UHFH under the Note will be applied: first, to late charges due under the Note; second, to amounts payable under paragraph 2 hereof for the payment of escrow items; third, to the Shared Appreciation component of Loan Principal due under the Note, if applicable; and last, to the balance of the Loan Principal due under the Note.

4. Charges and Liens. Borrower will pay all taxes, assessments, charges and fines attributable to the Property which may attain priority over this Mortgage. Borrower will pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower will pay them on time directly to the person to whom payment is owed. Borrower will promptly furnish to UHFH all

notices of amounts required to be paid under this paragraph. After making any such payments, Borrower will promptly furnish to UHFH receipts evidencing the payments.

Borrower will promptly discharge any lien which has priority over this Mortgage, unless Borrower: (a) agrees in writing to pay the obligation secured by the lien in a manner acceptable to UHFH; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which, in UHFH's opinion, operate to prevent the enforcement of the lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien an agreement satisfactory to UHFH subordinating the lien to this Mortgage. If UHFH determines that any part of the Property is subject to a lien which may attain priority over this Mortgage, UHFH may give Borrower a notice identifying the lien. Borrower will pay or otherwise satisfy or settle the lien or take one or more of the actions set forth above, and the lien must be released of record within 10 days after UHFH's giving of such notice, or else UHFH shall have the right, at its option, to satisfy or discharge such lien and to recover its costs from Borrower.

5. Hazard Insurance. Borrower shall cause the Cornerstone Condominium Association (the "Association") to keep the Property and any improvements now existing or hereafter erected on the Premises insured against loss by fire, casualty and other hazards included within the term "extended coverage", and any other hazards for which UHFH requires insurance. Borrower understands that UHFH does not require insurance for Borrower's personal property located on the Property, and that such insurance is Borrower's personal choice and responsibility. All policies of insurance required hereunder will be from such companies and in such form and amounts as may be satisfactory to UHFH, will name UHFH as a loss payee as first mortgagee as to the Premises, and will include a provision requiring 30 days' advance written notice to UHFH prior to the termination or modification of such policy.

All insurance policies and renewals must be acceptable to UHFH and must include a standard mortgagee clause. UHFH may retain possession of the policies and renewals and, if UHFH requires, Borrower will promptly cause the Association to give to UHFH all receipts of paid premiums and renewal notices. Upon the occurrence of a loss covered by insurance, the Association or Borrower will give prompt notice to the insurance carrier and UHFH. UHFH may make proof of loss if not made promptly by the Association or Borrower.

Insurance proceeds will be applied to restoration or repair of the Property damaged, if UHFH determines that the restoration or repair is economically feasible and the value of UHFH's security is not lessened by such restoration or repair. In such event, UHFH has the right to collect and hold the insurance proceeds and make the proceeds available to Borrower from time to time for the payment of the cost and expense of repair and restoration, upon receipt of satisfactory evidence that such cost or expense has been incurred. After all such expenses and repairs are completed and paid for, UHFH shall return the excess insurance proceeds, if any, to Borrower. If UHFH determines that the restoration or repair is not economically feasible or the value of UHFH's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Mortgage, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property or does not answer within 30 days a notice from UHFH that the insurance carrier has offered to settle a claim, then UHFH may settle the claim with the insurance carrier and collect the insurance proceeds from the insurance carrier and may use the proceeds to repair or restore the Property or to pay sums secured by this Mortgage, whether or not then due.

Unless UHFH and Borrower otherwise agree in writing, any application of proceeds to the Loan Principal shall not extend or postpone the due date of the monthly payments due under the Note and this

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Mortgage or change the amount of the payments. If the Property is acquired by UHFH pursuant to the provisions of paragraph 19 of this Mortgage, Borrower's right to any insurance policies and all insurance proceeds resulting from damage to the Property prior to UHFH's acquisition shall pass to UHFH to the extent of the sums secured by this Mortgage immediately prior to such acquisition.

6. Preservation and Maintenance of Property. Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate, or commit waste.

7. Protection of UHFH's Rights in the Property. If Borrower fails to perform the covenants and agreements contained in this Mortgage, or fails to adhere to the by-laws of the Association or the rules and regulations established pursuant to such by-laws, or there is a legal proceeding that may significantly affect UHFH's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations, including any proceeding to collect due and unpaid condominium assessments), then UHFH may do and pay for whatever is necessary to protect the value of the Property and UHFH's rights in the Property. UHFH's actions may include paying any due and unpaid condominium assessment, any sums secured by a lien which has priority over this Mortgage, appearing in court, paying reasonable attorney's fees and entering on the Property to make repairs. Although UHFH may take action under this paragraph 7, UHFH does not have to do so. Any amount disbursed by UHFH under this paragraph 7 shall become additional debt of Borrower due under the Note and secured by this Mortgage, and nonpayment of any such amount to UHFH will be a default under this Mortgage.

8. Inspection. At any time UHFH and its agents have the right to make reasonable entries upon and inspections of the Property. UHFH shall give Borrower notice prior to the time of an inspection specifying reasonable cause for the inspection.

9. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property or for conveyance in lieu of condemnation are hereby assigned and shall be paid to UHFH and shall be applied to the sums secured by this Mortgage as if the Note had been prepaid on the date the condemnation award is approved, whether or not then due, with any excess paid to Borrower. If the Property is abandoned by Borrower or if, after notice by UHFH to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to UHFH within 30 days after the date the notice is given, UHFH is authorized to accept such award or settlement and to collect and apply the proceeds, at its option, either to the restoration or repair of the Property or to the sums secured by this Mortgage, whether or not then due. Unless UHFH and Borrower otherwise agree in writing, any application of proceeds to Loan Principal shall not extend or postpone the due date of the monthly payments due under the Note and this Mortgage or change the amount of such payments.

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

11. Successors and Assigns Bound; Joint and Several Liability; Co-signors. Subject to the provisions of paragraph 17, the covenants and agreements of this Mortgage shall bind and benefit the successors and assigns of UHFH and Borrower. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Mortgage but does not execute the Note: (a) is co-signing this Mortgage only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Mortgage; (b) is not personally obligated to pay the sums secured by this Mortgage; and (c) agrees that UHFH and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Mortgage or the Note without that Borrower's consent.

12. Loan Charges. If the loan secured by this Mortgage is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be either (1) applied to the Loan Principal or (2) refunded in cash to Borrower. If any such sums reduce the Loan Principal, the reduction will be treated as a partial prepayment under the Note.

13. Legislation Affecting UHFH's Rights. If enactment or expiration or repeal of any applicable laws has the effect of rendering any provision of the Note or this Mortgage unenforceable according to its terms, UHFH, at its option, may require immediate payment in full of all sums secured by this Mortgage and may invoke any remedies permitted by paragraph 19. If UHFH exercises this option, UHFH shall take the steps specified in the second paragraph of paragraph 17.

14. Notices. Any notice, request, claim, demand or other communication to be given by any party hereunder, shall be in writing and shall be deemed sufficient if delivered personally or sent by registered or certified mail, postage prepaid, addressed as follows:

If given to UHFH, to:

Uptown Habitat for Humanity, Inc.  
6580 North Sheridan Road  
Chicago, Illinois 60626  
Attn: Executive Director

If given to Borrower, to:

Guirlene Celestin  
7407 N. Ashland Avenue, Unit 1  
Chicago, Illinois 60626

or to such address as the person to whom notice is given may have previously furnished to the other in writing in the manner set forth above. Such communications shall be deemed to have been delivered on the day of delivery if delivered personally or three days after mailing if mailed; provided that notice of any change of address shall be effective only upon receipt thereof.

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The undersigned, Clerk of Cook County, Illinois, do hereby certify that the within and foregoing is a true and correct copy of the original as the same appears on the records of said County.

Witness my hand and the seal of said County at Chicago, Illinois, this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

\_\_\_\_\_  
Clerk of Cook County, Illinois

\_\_\_\_\_  
Deputy Clerk of Cook County, Illinois

\_\_\_\_\_  
Deputy Clerk of Cook County, Illinois

\_\_\_\_\_  
Deputy Clerk of Cook County, Illinois

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15. Governing Law; Severability. This Mortgage shall be governed by the laws of the State of Illinois (without giving effect to Illinois choice of law principles). In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision.

16. Borrower's Copy. Borrower shall be given one copy of the Note and this Mortgage, and UHFH shall hold the original Note and the original, recorded Mortgage.

17. Transfer or Lease of the Property or a Beneficial Interest in Titleholder. If all or any part of the Property or any interest in it is sold, transferred or leased or all or any part of the beneficial interest in any land trust holding title to the Property is transferred or conveyed without UHFH's prior written consent, UHFH may, at its option, require immediate payment in full of all sums then due under the Note and secured by this Mortgage.

If UHFH exercises this option, UHFH shall give Borrower notice of acceleration. This notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums due under the Note and secured by this Mortgage. If Borrower fails to pay these sums prior to the expiration of such 30-day period, UHFH may pursue any remedies permitted by the Note, this Mortgage or applicable law without further notice or demand on Borrower.

18. Borrower's Right to Reinstatement. In addition to any rights Borrower may have under Illinois law, UHFH agrees to forbear from enforcement of this Mortgage, if Borrower meets certain conditions on or before the date of entry of a judgment foreclosing this Mortgage. Those conditions are that Borrower: (a) (i) pays UHFH all sums which then would be due under this Mortgage and the Note had acceleration not occurred; (ii) cures any default of any other covenants or agreements; (iii) pays all UHFH's expenses incurred in enforcing this Mortgage, including, but not limited to, court costs and reasonable attorneys' fees; and (iv) takes such action as UHFH may reasonably require to assure that the lien of this Mortgage, UHFH's rights in the Property and Borrower's obligations to pay the sums secured by this Mortgage shall continue unchanged; or (b) otherwise complies with the Illinois statutory right of reinstatement. Upon reinstatement by Borrower, this Mortgage and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, to the extent permitted under applicable law, this right to reinstate shall not apply in the case of acceleration under paragraphs 13 or 17.

19. Default; Acceleration; Remedies.

(a) The occurrence of any of the following shall be a default by Borrower under this Mortgage ("Default"):

(i) Failure to pay when due any amounts due under the Note or this Mortgage;

(ii) Failure to perform or observe any of the agreements or covenants of Borrower under the Note, this Mortgage, the Illinois Condominium Property Act, the Declaration of the Association, the by-laws of the Association, or any rule or regulation adopted pursuant to said by-laws;

(iii) Failure to pay when due any condominium assessments;



(iv) The filing by Borrower or by any creditors of Borrower of a petition under the United States Bankruptcy laws and the failure of Borrower to have any such petition dismissed within 60 days after written notice from UHFH to Borrower;

(v) Unauthorized transfer, lease or encumbrance of the Property, including the filing of any mechanic's lien claim or suit affecting the Property, if such mechanic's lien or suit is not released or dismissed within 30 days after notice from UHFH to Borrower; or

(vi) Failure by Borrower to perform any other covenant, condition or requirement under the Note, this Mortgage or the Condominium Property Act of the State of Illinois.

(b) Prior to any acceleration of the amounts owed to UHFH under the Note or this Mortgage (other than an acceleration under paragraphs 13 and 17, unless applicable law provides otherwise), UHFH shall give notice to Borrower following Borrower's Default under this Mortgage. The notice shall specify: (a) the Default; (b) the action required to cure the Default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the Default must be cured; and (d) that failure to cure the Default on or before the date specified in the notice may result in acceleration of the sums due under the Note and secured by this Mortgage (so that all sums are due and payable in full), foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration. If the Default is not cured on or before the date specified in the notice, UHFH at its option may require immediate payment in full of all sums secured by this Mortgage without further demand and may foreclose this Mortgage by judicial proceeding. UHFH shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including, but not limited to, reasonable attorneys' fees, court costs, and costs of title insurance, and such sums shall be immediately due and payable and shall be secured by this Mortgage. Upon any sale of the Property made by virtue of judicial decree of foreclosure and sale, UHFH may bid for and acquire the Property, and in lieu of paying cash therefor may make settlement for the purchase price by crediting Borrower's indebtedness secured by this Mortgage. The proceeds of any foreclosure sale of the Property shall be distributed and applied in the following order of priority: first, on account of all of UHFH's costs and expenses of enforcing the Note and the foreclosure proceedings; second, to repayment of the indebtedness of Borrower secured by this Mortgage; and third, any excess to the Borrower, its successors and assigns.

**20. Possession.** Upon acceleration of the sums due under the Note pursuant to paragraph 19 or upon abandonment of the Property by Borrower and at any time prior to the expiration of any period of redemption, UHFH (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents, if any, of the Property, including those past due. Any rents collected by UHFH or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Mortgage.

**21. Assignment of Rents.** As additional security hereunder, Borrower hereby assigns to UHFH the rents collected under any permitted leases of the Property, provided that Borrower shall, prior to acceleration under paragraph 19 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

22. Release. Upon payment of all sums secured by this Mortgage, UHFH shall release this Mortgage without charge to Borrower by recordable release deed. Borrower shall pay the cost of recording such release.

23. Waiver of Homestead. Borrower waives all right of homestead exemption in the Property.

24. Filing and Recording Fees. Borrower shall pay all title insurance premiums, escrow charges, filing, registration or recording fees, and all expenses incident to the execution and acknowledgment of this Mortgage and all federal, state, county and municipal taxes and other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution, delivery and performance of this Mortgage.

25. Mortgagee's Rights. THE BORROWER ALSO HEREBY GRANTS TO UHFH, ITS SUCCESSORS AND ASSIGNS, AS RIGHTS AND EASEMENTS APPURTENANT TO THE PROPERTY PREMISES HEREIN, THE RIGHTS AND EASEMENTS FOR THE BENEFIT OF SAID PREMISES SET FORTH IN THE DECLARATION OF CONDOMINIUM.

THIS MORTGAGE IS SUBJECT TO ALL RIGHTS, EASEMENTS AND COVENANTS, RESTRICTIONS, AND RESERVATIONS CONTAINED IN SAID DECLARATION THE SAME AS THOUGH THE PROVISIONS OF SAID DECLARATION WERE RECITED AND STIPULATED AT LENGTH HEREIN.

IN WITNESS WHEREOF, Borrower has executed this Mortgage on the date written above and accepts and agrees to be bound by the terms and covenants in this Mortgage.

*Guirlene Celestin*  
Guirlene Celestin

State of Illinois )

)ss

Cook County )

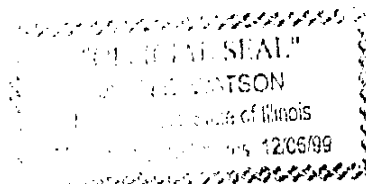
I, *the undersigned*, a Notary Public in and for said county and state, do hereby certify that Guirlene Celestin, personally known to me to be the same Person(s) whose name(s) is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that she signed and delivered the said instrument as her free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 16th day of July, 1997.

My commission expires:

*Debra Watson*

Notary Public



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EXHIBIT A

Legal Description

UNIT 7407-1 TOGETHER WITH ITS UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS IN CORNERSTONE CONDOMINIUM AS DELINEATED AND DEFINED IN THE DECLARATION RECORDED AS DOCUMENT NO. 95-878700, IN SOUTHWEST 1/4 OF SECTION 29, TOWNSHIP 41 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PIN: 11-29-309-004003

THE MORTGAGOR ALSO HEREBY GRANTS TO THE MORTGAGEE, ITS SUCCESSORS AND ASSIGNS, AS RIGHT AND EASEMENTS APPURTENANT TO THE SUBJECT UNIT DESCRIBED HEREIN, THE RIGHTS AND EASEMENTS FOR THE BENEFIT OF SAID UNIT SET FORTH IN THE DECLARATION OF CONDOMINIUM.

THIS MORTGAGE IS SUBJECT TO ALL RIGHTS, EASEMENTS AND COVENANTS, RESTRICTIONS, AND RESERVATIONS CONTAINED IN SAID DECLARATION THE SAME AS THOUGH THE PROVISIONS OF SAID DECLARATION WERE RECITED AND STIPULATED AT LENGTH HEREIN.

EXHIBIT B

Permitted Encumbrances

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