

UNOFFICIAL COPY

JUNIOR MORTGAGE - ILLINOIS
HOPE 3 LOAN PROGRAM

97148553

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

DEPT-01 RECORDING 927.00
T#0012 TRAN 4201 03/05/97 11:20:00
#9266 + CG # -97-148553
COOK COUNTY RECORDER

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

This Indenture, made February 25, 1997, between Woodlawn East Community & Neighbors, Inc. an Illinois not for profit corporation doing business at 1541 East 85th Street, Chicago Illinois, herein called "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 called "Mortgagee", witnesseth:

THAT WHEREAS the Mortgagor is acquired and/or rehabilitated a property using grant funds provided through Mortgagee from the U.S. Department of Housing and Urban Development pursuant to 24 CFR Part 572, Mortgagor agrees that it is justly indebted to the Mortgagee in the principal sum of Five thousand four hundred forty nine DOLLARS (\$5,449.00), or such other sums as stated in the Note, payable to the order of Mortgagee or its assigns upon such terms and conditions as stated in the 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 4 in C.M. Hoff's Subdivision of Lot 12 and the South 20 Feet of Lot 11 of Block 1 of Walt and Munro's Addition to Hyde Park, being a Subdivision in the West 1/2 of the Northeast 1/4 of Section 23, Township 38 North, Range 14 East of the Third Principal Meridian, according to the Plat thereof recorded August 19, 1897 as Document 2578067) in Cook County, Illinois.

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

Common Address: 1212 E. Marquette Street, Chicago, IL
PIN: 20-23-211-028

BOX 333-CT1

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 Property by the Mortgagor or its successors or assigns shall be considered as constituting part of the real estate.

TO HAVE AND TO HOLD the Property 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

97148553

97148553

UNOFFICIAL COPY

collection of all or any part of the indebtedness 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 agrees to: (1) promptly repair, restore, or rebuild any buildings or improvements now or thereafter on the Property which may become damaged or be destroyed; (2) keep the Property 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) comply with all requirements of law or municipal ordinances with respect to the Property and the use thereof; (5) make no material alterations in said Property 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 indebtedness (in addition to the required payments) as may be provided herein.
4. Mortgagors shall keep all buildings and improvements now or hereafter situated on said Property insured against loss or damage by fire, lightning and wind storm under policies providing for payment by the insurance companies of moneys 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 Property 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 Property or contest any tax or assessment. All moneys paid for any purpose herein authorized and all expenses paid or incurred in connection therewith, including attorney's fees, and any other moneys advanced by Mortgagee to protect the mortgaged Property 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 this mortgage to the contrary, become due and payable upon the occurrence of an Event of Default under the Note.
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 Property 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 remaining balance as provided pursuant to this Mortgage.
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 Property. Such receiver shall have power to collect the rents, issues and profits of said Property 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

97148553

UNOFFICIAL COPY

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 Property 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 Property 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 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 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 compliance with the provisions stated in the Note, or alternatively, upon payment of the Note 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 shall have no further force and effect upon the occurrence of any of the following events: (i) if the Property is acquired by a mortgage foreclosure or a deed in lieu of foreclosure by northern Trust Company, the City of Chicago or another lien holder senior to the Chicago Rehabilitation Network; (ii) any mortgage insured by HUD is assigned to HUD; or (iii) upon a sale of the Property to a third party under all of the terms and conditions set forth in the HOPE 3 Promissory Note for payment of said Note without interest.

16. Mortgagor and Mortgagee acknowledge and agree that this Junior Mortgage is subject and subordinate on all respects to the liens, terms, covenants and conditions of the Senior Mortgages and to all advances heretofore made or which may hereafter be made pursuant to the Senior Mortgages, including all sums advanced for the purpose of (1) protecting or further securing the lien of the Senior Mortgage holders or (2) constructing, renovating, repairing, furnishing, fixturing or equipping the Property. The terms and provisions of the Senior Mortgages are paramount and controlling and they supersede any other terms and provisions of this Junior Mortgage in conflict therewith. In the event of a foreclosure or deed in lieu of foreclosure of any Senior Mortgage, any provisions herein or any provisions in any collateral agreement restricting the use of the Property to low or moderate income households or otherwise restricting the Mortgagor's ability to sell the Property shall have no further force and effect on subsequent owners or purchasers of the Property. Any persons, including his successors and assigns (other than Mortgagor or a person or entity related to Mortgagor) receiving title to the Property through foreclosure or deed in lieu of foreclosure of any Senior Mortgage shall received title to the Property free and clear of such restrictions. Further, if any Senior Mortgagee acquires title to the Property pursuant to a deed in lieu of foreclosure, the lien of the Junior Mortgage shall automatically terminate upon the Senior Mortgagee's acquisition of title, provided that (1) the Mortgagee has been given written notice of a default under the Senior Mortgage and (2) Mortgagor or Developer or their successors or assigns shall not have cured the default as determined by the Senior Mortgagor within the sixty-day period provided in such notice sent to the Mortgagee.

The Senior Mortgages which are senior to this Junior Mortgage are described as follows:

Lender	Amount	Date of Mortgage
1. The Northern Trust Company	\$66,000.00	February 25, 1997
2. The City of Chicago	\$28,000.00	March 13, 1996

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

97148553

UNOFFICIAL COPY

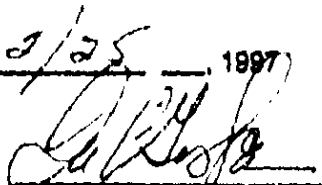
WOODLAWN EAST COMMUNITY AND NEIGHBORS, INC.,
Mortgagor

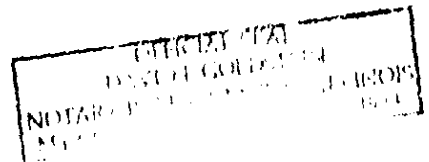
by: 
Its: _____

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 personally appeared Michelle Burke, who being by me duly sworn, did depose and say that she is the ex. Director of Woodlawn East Community & Neighbors, Inc., the corporation described in and which executed the assignment on the reverse side hereof; that she has signed her name hereto by direction of the Board of Directors of said corporation for the uses and purposes set forth herein.

Given under my hand and Notarial seal this date of 2/25, 1997


Notary Public



Property of Cook County Clerk's Office

97148553