

STATE OF ILLINOIS)
COUNTY OF COOK)

**ARTICLES OF AGREEMENT
FOR WARRANTY DEED**

This instrument prepared by/
return by mail to:
Daniel G. Lauer & Assoc., PC.
1424 West Division Street
Chicago, IL 60622-3422

1. BUYER: Lawrence R. Friend and Atanacio Hernandez, as Tenants in Common
ADDRESS: 1239 N. Noble Street, Chicago, IL 60622

SELLER: Peter Mahonchak
ADDRESS: 2224 S. OAK PARK AVENUE, BERWYN ILLINOIS 60402

(10)

Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller the property commonly known as 7419-21-23-25 South Collfax Avenue, Chicago, Illinois, for the purchase of Two Hundred and Forty Thousand (\$240,000.00) Dollars.

Said property legally described as follows:

see attached

PIN:

with approximate lot dimensions of ___per survey____, together with all the improvements and fixtures, if any, including but not limited to:

(To be inserted)

All of the foregoing items shall be left on the premises, are included in the sales price, and shall be transferred to Buyer by a Bill of Sale at the time of initial closing.

2. THE DEED

A. If the Buyer shall first make all the payments and perform all the covenants and agreements in this agreement required to be made and performed by said Buyer, at the time and in the manner hereinafter set forth, Seller shall convey or caused to be conveyed to Buyer or his nominee, by a recordable, stamped general Trustee's or Warranty deed with release of homestead rights, good title to the premises subject only to the following "permitted exceptions", if any: (a) general real estate taxes not yet due and payable; (b) special assessments confirmed after this contract date; (c) building, building line and use of occupancy restrictions, conditions and covenants of record; (d) zoning laws and ordinances; (e) easements for public utilities.

B. The performance of all the covenants and conditions herein to be performed by the Buyer shall be a condition precedent to Seller's obligation to deliver the deed aforesaid.

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3. INSTALLMENT PURCHASE:

Buyer hereby covenants and agrees to pay to Seller at (Seller's Address) 2224 S. OAK PARK AVENUE, BERWYN, ILLINOIS 60402 or other person or at such other place as Seller may from time to time designate in writing, the purchase price and interest on the balance of the purchase price remaining from time to time unpaid from the date of initial closing at the rate of Eight (8%) percent, per annum, all payable in the following manner, to wit:

Buyer has paid \$ 2,000.00 as earnest money to be applied on the purchase price. The earnest money shall be held by Bruce Becker, attorney for Seller for the mutual benefit of the parties concerned:

A. At the time of initial closing, the additional sum of \$28,000.00, plus or minus proration, if any, as is hereinafter provided;

B. The balance of the purchase price, to wit \$210,000.00 to be paid as follows:

1. \$2006.87 per month beginning September 1, 1998, and an equal amount on October 1, 1998 and November 1, 1998, at which time an additional principal payment of \$5000.00 shall be made; interest accrues on the unpaid principal balance at 8% per annum.

2. \$1979.09 per month beginning December 1, 1998 and on the first day of each month thereafter for twenty-four (24) consecutive months. Interest on the unpaid balance shall accrue at the rate of Eight (8%) per annum.

C. The final payment of the purchase price and all accrued but unpaid interest and other charges as hereinafter provided, if not sooner paid shall be due on the 28th day of February, 2001.

D. All payments received hereunder shall be applied in the following order of priority: first, to interest accrued and owing on the unpaid principal balance of the purchase price; second, to pay before delinquent all taxes and assessments which subsequent to the date of this Agreement may become a lien on the premises; third, and to pay insurance premiums falling due after the date of this Agreement; and fourth, to reduce said unpaid principal balance of the purchase price.

E. Buyer reserves the right to prepay all of the principal without penalty. However, if Buyer must pay off these Articles of Agreement early due to Seller being directly responsible for Seller's Lender enforcing the due-on-sale clause of Seller's mortgage, then in such event, Buyer shall be entitled to a discount on the Purchase Price defined in Paragraph 1, above, in the amount of six (6%) percent if the pay-off is within one year of the date of the initial closing, four (4%) percent if the pay-off is within 2 years of the date of the initial closing and two (2%) percent if the pay-off is within 3 years of the date of the initial closing.

F. All payments are due on the first of each month, but shall not be considered late until the fifteenth, any money received after the tenth will incur a 5% late penalty.

4. CLOSING:

A. The "initial closing" shall occur on July 8, 1998, or on the date if any to which said dated is extended by the parties. Final closing shall occur if and when all covenants and conditions herein to be performed by Buyer have been so performed.

5. **POSSESSION:**

Possession shall be granted to Buyer no later than midnight on the day of initial closing.

6. **PRIOR MORTGAGES:**

A. Seller reserves the right to keep or place a mortgage ^{and} trust deed against the title to the premises with a balance including interest not to exceed the balance of the purchase price unpaid at any time under this Agreement, the lien of which prior mortgage shall, at all times notwithstanding that this Agreement is recorded, be prior to the interest that Buyer may have in the premises and Buyer expressly agrees upon demand to execute and acknowledge together with Seller any such mortgage or trust deed (but not the notes secured thereof). No additional mortgages shall be placed on the title to the premises. ~~No prior mortgage shall in any way accelerate the time of payment provided for in this Agreement or provide for payment of any amount, either interest or principal, exceeding that provided for under this Agreement, or otherwise be in conflict with the terms and provisions of this Agreement, nor shall such mortgage or trust deed in any way restrict the right of prepayment, if any, given to Buyer under this Agreement.~~ Seller shall from time to time, but not less frequently than quarterly each year beginning December, 1998 and any time Buyer has reason to believe default may exist, exhibit to Buyer receipts for payments made to the holders of any indebtedness secured by any such prior mortgage.

B. In the event Seller shall fail to make any payment on the indebtedness secured by a prior mortgage or shall suffer or permit there to be any other breach or default in the terms of any indebtedness or prior mortgage, Buyer shall have the right, but not the obligation, to make such payments or cure such default and to offset the amount so paid or expended including all incidental costs, expenses and attorney's fees attendant thereto incurred by Buyer to protect Buyer's interests hereunder from the unpaid balance of the purchase price or from the installment payments to be made under this Agreement.

7. **SURVEY:**

Prior to the initial closing, Seller shall deliver to Buyer or his agent a spotted survey of the premises, certified by a licensed surveyor showing all improvements existing as of this contract date and all easements and building lines.

8. **TITLE:**

A. At least one business day prior to the initial closing, Seller shall furnish or cause to be furnished to Buyer at Seller's expense a commitment issued by a title insurance company licensed to do business in Illinois, to issue a contract Buyer's title insurance policy on the current form of American Land Title Association Owner's Policy (or equivalent policy) in the amount of the purchase price covering the date hereof, subject only to (1) the general exceptions contained in the policy, unless the real estate is improved with a single family dwelling or any apartment building of four or fewer residential units; (2) the "permitted exceptions" set forth in paragraph 2; (3) prior mortgages permitted in paragraph 6; (4) other title exceptions pertaining to liens or encumbrances of a definite or ascertainable amount, which may be removed by the payment of money and which shall be removed at or prior to the initial closing and (5) acts done or suffered by or judgments against Buyer, or those claiming by, through or under the Buyer.

B. If the title commitment discloses unpermitted exceptions, the seller shall have thirty (30) days from the date of delivery thereof to have the said exceptions waived, or to have the title insurer commit to insure against loss or damage that may be caused by such exceptions and the initial closing shall be delayed, if necessary, during said 30 day period

to allow Seller to have said exceptions waived. If the Seller fails to have unpermitted exceptions waived, or in the alternative, to obtain a commitment for title insurance specified above as to such exceptions, within the specified time, the Buyer may terminate the contract between the parties, or may elect, upon notice to the Seller within ten (10) days after the expiration of the thirty (30) day period, to take the title as it then is, with the right to deduct from the purchase price, liens or encumbrances of a definite or ascertainable amount. If the Buyer does not so elect, the contract between the parties shall become null and void, without further action of the parties, and all monies paid by the Buyer hereunder shall be refunded.

C. Every title commitment which conforms with subparagraph A shall be conclusive evidence of good title therein shown, as to all matters insured by the policy, subject only to special exceptions therein stated.

D. Buyer's taking possession of the premises shall be conclusive evidence that in all respects Buyer accepts and is satisfied with the physical condition of the premises, all matters shown on the survey and the condition of title to the premises as shown to him or her before the initial closing. Seller shall upon said delivery of possession have no further obligation with respect to the title or to furnish further evidence thereof, except that Seller shall remove any exception of defect not permitted under paragraph 8(A) resulting from act done or suffered, or judgments against the Seller between the initial closing and the final closing.

9. AFFIDAVIT OF TITLE:

Seller shall furnish Buyer at or prior to the initial closing and, again, prior to final closing with an Affidavit of Title covering said dates, subject only to those permitted exceptions set forth above. All parties shall execute an "ALTA" Loan and extended Coverage Owner's Policy Statement and such other documents as are customary or required by the issuer of the commitment for title insurance.

10. PRORATIONS:

General taxes, rents, water and other utilities shall be adjusted ratably as of the date of initial closing. Real Estate taxes for the year of possession shall be prorated as of the date of the initial closing subject to re-proration upon receipt of the actual tax bill. Security deposits shall be credited to Buyer at the initial closing with interest at 3.42%.

11. SELLERS' REPRESENTATIONS:

A. Seller expressly warrants to Buyer that no notice from any city, village or other governmental authority of a dwelling code violation which existed in the dwelling structure on the premises herein described before this Agreement was executed, has been received by the Seller, his principal or this agent within one (1) year of the date of execution of this Agreement.

B. Seller represents that all equipment to be conveyed, including but not limited to the following, are in operating condition: all mechanical equipment; heating and cooling equipment, water heaters and softeners; septic, plumbing, and electrical systems; miscellaneous mechanical personal property to be transferred to the Buyer. Upon the Buyer's request prior to the time of possession, Seller shall demonstrate to Buyer or his representative all said equipment and upon receipt of written notice of deficiency shall promptly and at Sellers' expense correct the deficiency. In absence of written notice of any deficiency from the Buyer prior to the date specified for initial closing it shall be concluded that the condition of the above equipment is satisfactory to the Buyer and the Seller shall have no further responsibility with reference thereto. Representations as to

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the condition of washer, dryer, stove and refrigerator are hereby excluded.

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- C. Seller agrees to leave the premises in broom clean condition. All refuse and personal property not to be delivered to Buyer or belonging to tenants shall be removed from the premises at Sellers' expense before the date of initial closing.

12. BUYER TO MAINTAIN:

Buyer shall keep the improvements on the premises and the ground in as good repair and condition as they now are, ordinary wear and tear expected. Buyer shall make all necessary repairs and renewals upon said premises including by way of example and not of limitation, interior and exterior painting and decorating; window glass; heating, ventilating and air conditioning equipment; plumbing and electrical systems and fixtures; roof; masonry including chimneys and fireplaces, etc. If however, the said premises shall not be thus kept in good repair and in a clean, sightly and healthy condition by Buyer, Seller may either (a) enter same, themselves or by their agents, without such entering causing or constituting a termination of this Agreement or an interference with Buyer's possession of the premises, and make the necessary repairs and do all the work required to place said premises in good repair and in a clean, sightly and healthy condition, and Buyer agrees to pay to Seller, as so much additional purchase price for the premises, the expenses of the Seller in making said repairs and in placing premises in a clean, sightly and healthy condition, or (b) to notify the Buyer to make such repairs and to place said premises in a clean, sightly and healthy condition within thirty (30) days of such notice (except as is otherwise provided in paragraph 20, and upon default by Buyer in complying with said notice, then, Seller may avail himself of such remedies as Seller may elect, if any, from those that are by this Agreement or at law or equity provided. Disputes as to interpretation of building codes shall be determined by a City of Chicago building inspector.

13. FIXTURES AND EQUIPMENT:

At the time of delivery of possession of the premises to Buyer, Buyer also shall receive possession of the personal property to be sold to Buyer pursuant to the terms of this Agreement as well as of the fixtures and equipment permanently attached to the improvements on the premises, but until payment in full of the purchase price is made, none of such personal property, fixtures or equipment shall be removed from the premises without the prior written consent of the Seller.

14. INSURANCE:

- A. Buyer shall be named as an additional insured under Seller's existing policy of insurance. Buyer shall from and after the time specified in paragraph 5 for possession keep insured against loss or damage by fire or other casualty, the improvements now and hereafter erected on the premises with a company or companies, reasonably acceptable to Seller in policies conforming to H.O. 3, or a similar policy, with coverage not less than the balance of the purchase price hereof (Seller shall cause the policy of insurance to be increased to the purchase price herein by the time of the initial closing). The policy shall be for the benefit of the parties hereto and the interests of any mortgagee or trustee, if any, as their interests may appear; such policy or policies shall be held by Seller, and Buyer shall pay the premiums thereon when due by depositing the sums necessary to pay the insurance renewal in 1/12th monthly installments along with Buyer's payment of principal and interest.
- B. In case of loss of or damage to such improvements, whether before or after possession is given hereunder, any insurance proceeds to which either or both of the parties hereto shall be entitled on account thereof, shall be used, provided same does not conflict with the terms and conditions of the existing mortgage on the property: (1) in the event the insurance proceeds are sufficient to fully reconstruct or restore such improvements, to pay for the restoration or reconstruction of such damage or lost improvement, or (2) in the

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event the insurance proceeds are not sufficient to fully reconstruct or restore such improvements, then the proceeds of insurance shall be applied to the unpaid balance of the Seller's mortgage loan.

15. **TAXES AND CHARGES:**

It shall remain the Seller's obligation to pay immediately when due and payable and prior to the date when the same shall become delinquent all general and special taxes, special assessments, water charges, sewer service charges and other taxes, fees, liens, homeowner association assessments and charges now or hereafter levied or assessed or charges against the premises or any part thereof or any improvements thereon, including those heretofore due and to furnish Seller with the original or duplicate receipts therefore. Seller has no knowledge of any special assessments or special service areas for any improvements which could be assessed against the property. Buyer shall deposit 1/12th of the most recently ascertainable taxes in escrow along with the monthly payment of principal and interest and amounts due for the all risk policy of insurance on the premises.

16. **BUYER'S INTEREST:**

A. No right, title or interest, legal or equitable, in the premises described herein, or in any part thereof, shall vest in the Buyer until the Bill of Sale, as herein provided, shall be delivered to Buyer. In the event of the termination of this Agreement by lapse of time, forfeiture or otherwise, all improvements, whether finished or unfinished, whether installed contracted on or about said premises by the Buyer or others shall belong to and become the property of the Seller without liability or obligation on Seller's part to account to the Buyer therefore or for any part thereof.

B. Buyer reserves the right to sell said property any time as long as Buyer pays Seller in full.

17. **LIENS:**

A. Buyer shall not suffer or permit any mechanics' lien, judgment lien or other lien of any nature whatsoever to attach to or be against the property, which shall or may be superior to the rights of the Seller.

B. Each and every contract for repairs or improvements on the premises aforesaid, or any part thereof, shall contain an express, full and complete waiver and release of any and all lien or claim of lien against the subject premises, and no contract or agreement, oral or written shall be executed by the Buyer for repairs or improvements upon the premises, except if the same shall contain such express waiver or release of lien upon the part of the party contracting and a copy of each and every such contract shall be promptly delivered to Seller.

18. **PERFORMANCE:**

A. If Buyer (1) defaults by failing to pay when due ~~any two consecutive~~ installment or payment required to be made to Seller under the terms of this Agreement and such default is not cured within ~~thirty (30)~~ ten (10) days of written notice to Buyer; or (2) defaults in the performance of any other covenant or agreement hereof and such default is not cured by Buyer within thirty (30) days after written notice to Buyer (unless the default involves a dangerous condition which shall be cured forthwith; Seller may treat such a default as a breach of this Agreement and Seller shall have any one or more of the following remedies in addition to all other rights and remedies provided at law or in equity: (1) maintain an action for any unpaid installments; (2) forfeit the Buyer's interest under this Agreement and retain all sums paid as liquidated damages in full satisfaction of any claim against Buyer, and upon Buyer's failure to surrender possession, maintain an action for possession under the Forecible Entry and Detainer Act, subject to the rights of Buyer to reinstate as provided in that Act. This is a non-recourse contract. No personal

Judgment can be taken against Buyer for monetary damages.

- B. As additional security in the event of default, Buyer assigns to Seller all unpaid rents, and all rents which accrue thereafter, and in addition to the remedies provided above and in conjunction with any one of them, Seller may collect any rent due and owing and may seek the appointment of receiver.
- C. If default is based upon the failure to pay taxes, assessments, insurance or liens, Seller may elect to make such payments and add the amount to the principal balance due, which amounts shall become immediately due and payable by Buyer to Seller.
- D. Seller may impose and Buyer agrees to pay a late charge not exceeding 5% of any sum due hereunder which Seller elects to accept after the date the sum was due. If prior to Seller declaring a default, Buyer provides Seller with notice that Buyer has made a bona fide application for a mortgage which would pay Seller off in full, Seller agrees to give Buyer an additional thirty (30) days from the date of said notice. If the mortgage and closing does not occur within said thirty (30) days, Seller may proceed with his remedies.

19. **DEFAULT FEES:**

- A. Buyer and Seller shall pay all reasonable fees and costs incurred by the other in enforcing the terms and provisions of this Agreement, including forfeiture or specific performance, in defending any proceeding to which Buyer or Seller is made a party to any legal proceedings as a result of the acts or omissions of the other party.
- B. (1) All rights and remedies given to Buyer or Seller shall be distinct, separate and cumulative and the use of one or more thereof shall not exclude or waive any other right or remedy allowed by law, unless specifically waived in this Agreement; (2) no waiver of any breach or default of either party hereunder shall be implied from any omission by the other party to take any action on account of any similar or different breach or default; the payment or acceptance of money after it falls due after acknowledge of any breach of this agreement by Buyer or Seller, or after the termination of Buyer's right of possession hereunder, or after the service of any notice, or after commencement of any suit, or after final judgment for possession of the premises shall not reinstate, continue or extend this Agreement nor affect any such notice, demand or suit or any right hereunder not herein expressly waived.

20. **NOTICES:**

All notices required to be given under this Agreement shall be construed to mean notice in writing signed by or on behalf of the party giving the same, and the same may be served upon the other party or his agent personally or by certified or registered mail, return receipt requested, to the parties addresses. A copy of all notices shall be simultaneously sent to:

Bruce A. Becker, Esq.
10540 South Western Avenue
Suite 403
Chicago, IL 60643
if directed to Seller, and



Daniel G. Lauer, Esq.
1424 West Division Street
Chicago, IL 60622
if directed to Buyer.

21. **ASSIGNMENT:**

The Buyer shall not transfer, pledge or assign this Agreement, or any interest herein or hereunder nor shall the Buyer lease nor sublet the premises (except in the ordinary course of business in leasing to tenants), or any part thereof without reasonable consent of Seller. However, Seller's consent shall not be necessary so long as Buyer obtains an assignee of equal or better credit rating of Buyer and Seller receives an additional \$5000.00 towards principal. Any violation or breach of the provisions of this paragraph

by Buyer, or any acts inconsistent herewith, shall vest no right, title or interest herein or hereunder, or in the said premises in any such transferee, pledgee, assignee, lessee or sub-lessees, but Seller may, at Seller's option declare this Agreement null and void and invoke the provisions of this Agreement relating to forfeiture hereof. Buyer shall remain responsible for all ~~monetary~~ obligations under this agreement unless Seller consents in writing to the assignment.

22. **FINAL CLOSING:**

A. Buyer shall be entitled to delivery of the Deed of conveyance aforesaid Affidavit of title and a Bill of Sale to the personal property to be transferred to Buyer under this Agreement at any time upon payment of all amounts due hereunder in the form of cash or cashier's or certified check made payable to Seller, which amount shall be without premium or penalty. At the time Buyer provides notice to Seller that he is prepared to prepay all amounts due hereunder, Seller forthwith either shall produce and record at his expense a release deed from the prior mortgage or obtain a currently dated loan repayment letter reflecting the amount necessary to discharge and release the prior mortgage. Seller shall have the right to repay and discharge such prior mortgage in whole or in part from sums due hereunder from Buyer. The repayment of the prior mortgage shall be supervised and administered by Buyer's mortgage lender, if any. Upon repayment of the prior mortgage Seller shall receive the canceled note and a release deed inform satisfactory for recording which, shall be delivered to Buyer. Seller shall give Buyer a credit against the balance of the purchase price for the cost of recording such release. In the event Buyer does not have a mortgage lender, then the delivery of the canceled Note to Seller shall be simultaneous with the delivery of the Deed from Seller to Buyer, and to facilitate the delivery of documents and the payment of the prior mortgage and the balance of the amount due hereunder, the parties agree to complete such exchange at the office of the holder of the note secured by the prior mortgage. At the time of delivery of the Deed, Buyer and Seller shall execute and furnish such real estate transfer declaration as may be required to comply with State, County or local law. Seller shall pay the amount of any stamp tax then imposed by State or County law on the transfer of title to Buyer, and Buyer shall pay any such stamp tax and meet with requirements as then may be established by any local ordinance with regard to the transfer of title to Buyer unless otherwise provided in the local ordinance. Seller's attorney shall cause the commitment of title insurance to remain open until the final closing in the full amount of the purchase price herein, and shall execute an acknowledgment that he is in possession of the direction to convey to the Land Trustee to issue a Trustee's Warranty Deed, transfer declarations, and water certification or other necessary certifications, and shall hold same in escrow for the mutual benefit of the parties hereto. Any increase in the transfer taxes applicable to this transaction shall be borne by the party responsible for that tax under this agreement.

23. **RECORDING:**

The parties shall record this Agreement or a memorandum thereof at Buyer's expense.

24. **BINDING ON HEIRS, TIME OF ESSENCE:**

This Agreement shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors and assigns of the Seller and Buyer. Time is of the essence of this Agreement.

25. **CAPTIONS AND PRONOUNS:**

The captions and heading of the various sections or paragraphs of this Agreement are for convenience only, and are not to be construed as confining or limiting in any way the scope or intent of the provisions hereof. Whenever the context requires or permits the singular shall include the plural, the plural shall include the singular and masculine, feminine and neuter shall be freely interchangeable.

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26. PROVISIONS SEVERABLE:

The unenforceability or invalidity of any provisions or provisions hereof shall not render any other provision or provisions herein contained unenforceable or invalid.

27. REAL ESTATE BROKER:

Seller and Buyer represent and warrant that no real estate brokers were involved in this transaction.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seal this 8 day of July, 1998.

BUYERS:

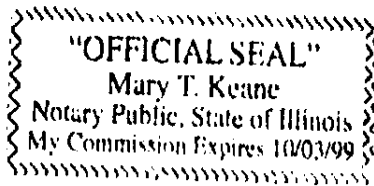
Lawrence R. Friend
Lawrence R. Friend

Atanacio Hernandez
Atanacio Hernandez

SELLER:

Peter Mahonchak
Peter Mahonchak

Cook Cty - I the undersigned - a Notary Public personally known to me to be the same persons & Lawrence R. Friend, Atanacio Hernandez and Peter Mahonchak signed at their free will -



Mary T. Keane
July 8, 1998

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THAT PART OF LOTS 76 AND 77, IN DIVISION 4 OF THE SOUTH SHORE SUBDIVISION IN SECTION 30, TOWNSHIP 38 NORTH, RANGE 15, EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT ON THE EASTERLY LINE OF COLFAX AVENUE, 221.82 FEET SOUTHEASTERLY OF THE SOUTH LINE OF EAST 74TH STREET, MEASURED ALONG THE EASTERLY LINE OF SAID COLFAX AVENUE; THENCE NORTHEASTERLY AT RIGHT ANGLES, TO SAID COLFAX AVENUE, 100 FEET; THENCE SOUTHEASTERLY ON A LINE, PARALLEL TO THE EASTERLY LINE OF SAID COLFAX AVENUE, 116.08 FEET; THENCE SOUTHWESTERLY AT RIGHT ANGLES, TO THE SAID LAST MENTIONED LINE, 100 FEET TO THE NORTHEASTERLY LINE OF COLFAX AVENUE; AND THENCE NORTHWESTERLY ALONG THE EAST LINE OF SAID COLFAX AVENUE, 116.08 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

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