

# UNOFFICIAL COPY

98627320

THIS JUNIOR PURCHASE  
MONEY MORTGAGE  
IS SECONDARY AND  
SUBORDINATE TO ANY  
AND ALL DEBT OWED TO  
~~NOVA STAR MORTGAGE CORP.~~  
ALTERNATIVE  
LENDING

. DEPT-01 RECORDING \$35.00  
. T60009 TRAN 3294 07/20/98 12:12:00  
. 45817 # RC #-98-627320  
. COOK COUNTY RECORDER

JUNIOR PURCHASE MONEY  
MORTGAGE

THIS MORTGAGE is made  
this 16th day of July, 1998, between  
Carleton Rhines whose address is  
4031 South Ellis Avenue, Chicago,  
Illinois (hereinafter referred to as "Borrower"), and David J. Dubin whose address is 2836 North  
Southport, Chicago, Illinois (hereinafter referred to as "Lender").

WITNESSETH

Borrower is justly indebted to Lender in the principal sum of Sixty Two Thousand Five  
Hundred and No/100 (\$62,500.00) Dollars, as evidenced by that Note of Borrower dated of even  
date herewith, made payable to Lender, providing for a payment of the balance of all principal  
and interest due thereunder, if not sooner paid, due and payable on the 1st day of August, 2023.

To secure the payment of the principal sum of money evidenced by the Note, with  
interest thereon as provided therein, and the payment of all other sums advanced to protect the  
security of this Junior Purchase Money Mortgage, with interest thereon, and the performance  
by Borrower of all of the covenants and conditions contained herein and in said Note and all  
other sums due and owing by Borrower to Lender and in further consideration of Ten Dollars  
(\$10.00) in hand paid, the receipt of which is acknowledged, the Borrower does hereby by these  
presents, GRANT, MORTGAGE AND CONVEY to Lender, its successors and assigns the  
following described real estate and all of its estate, right, title and interest therein, situated,  
lying and being in the City of Chicago, County of Cook and State of Illinois, legally described on  
Exhibit "A" attached hereto and by this reference incorporated herein, together with all  
improvements, tenements, easements, hereditaments and appurtenances thereunto belonging and  
all rents, issues and profits thereof for so long and during all such times as the Borrower may  
be entitled thereto (which are pledged primarily and on a parity with said real estate and not  
secondarily), and all the structures, buildings, additions and improvements, and replacements  
thereof, erected upon said realty, including any on-site systems providing electricity, heating,  
air conditioning, lighting, ventilation, water, and all plants and fixtures of every kind and nature

  
Initials

July 16, 1998

BOX 300-CTI

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whatsoever forming part of said structures or buildings or of any structures or buildings heretofore or hereafter standing on the realty or on any part thereof or now or hereafter used in connection with the use and enjoyment of said realty, whether or not physically attached thereto, and together with all of Borrower's rights further to encumber said property for debt except by such encumbrance, which, by its actual terms and specifically expressed intent, shall be, and at all times remain, subject and subordinate to the lien of this Junior Purchase Money Mortgage. All of the above-mentioned and described real estate, property and rights are hereinafter referred to as "Property".

TO HAVE AND TO HOLD the Property unto said Lender, its successors and assigns forever, for the purposes and uses therein set forth.

IT IS FURTHER UNDERSTOOD AND AGREED THAT:

1. Obligations Relating to Property. Borrower shall: (a) keep said Property in similar condition and repair, as of the date hereof; (b) comply with all requirements of law, municipal ordinances, or restrictions of record with respect to the Property and the use thereof; (c) not use or suffer or permit use of the Property for any purpose other than permitted by law; (d) pay each item of indebtedness secured by this Mortgage when due according to the terms hereof or of the Note; and (e) pay all filing, registration and recording fees, incident to this Junior Purchase Money Mortgage.

2. Taxes. Borrower shall pay before any penalty attaches all general taxes, special taxes, special assessments, water charges, sewer service charges and other charges against the Property when due.

3. Insurance. Borrower shall provide liability insurance with such limits for personal injury and death and property damage as Lender may require. All policies of insurance to be furnished hereunder shall be in forms, companies and amounts satisfactory to Lender.

4. Prepayment. The Borrower shall have the privilege of making prepayments on the principal of said Note (in addition to the required payments) in accordance with the terms and conditions, if any, set forth in said Note.

5. Variation. If the payment of the indebtedness or any part thereof be extended or varied or if any part of the security be released, all persons now or at any time hereafter liable therefor, 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, the right of recourse against all such persons being expressly reserved by Lender, notwithstanding such extension, variation or release.

6. Rights of Lender. In case of default herein, Lender may, but need not, make any payment or perform any act herein required of Borrower in any form and manner deemed

  
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expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting said premises or contest any tax or assessment. All monies paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' fees, and any other monies advanced by Lender to protect the Property and the lien hereof, shall be so much additional indebtedness secured hereby and shall become immediately due and payable without notice and with interest thereon from the date of the disbursement at the rate stated in the Note.

7. Duties When Paying Property Obligations. Lender in making any payment hereby authorized (a) relating to taxes and assessments or insurance premiums, may do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof; or (b) for the purchase, discharge, compromise or settlement of any other prior lien, may do so without inquiry as to the validity or amount of any claim for lien which may be asserted.

8. Default. If: (a) default be made in the due and punctual payment of the Note, or any installment due in accordance with the terms hereof, either of principal or interest or in any payment required to be made under the terms of said Note or this Junior Purchase Money Mortgage after applicable cure periods; or (b) a petition shall be filed by or against the Borrower in voluntary or involuntary bankruptcy or under Chapters VII, XI, XII or XIII of the Federal Bankruptcy Act or any similar law, state or federal, whether now or hereafter existing; or (c) the Borrower shall be adjudicated a bankrupt, or a trustee or a receiver shall be appointed for the Borrower or for all Borrower's property or the major part thereof in any proceeding, or any court shall have taken jurisdiction of the property of the Borrower or the major part thereof in any proceeding for the arrangement, liquidation or winding up of the affairs of the Borrower; or (d) the Borrower shall make an assignment for the benefit of creditors, or shall admit in writing inability to pay Borrower's debts generally as they become due; or (e) default shall be made in the due observance or performance of any other of the covenants, agreements or conditions hereinbefore or hereinafter contained, required to be kept or performed or observed by the Borrower and the same shall continue for thirty (30) days after prior written notice thereof, then and in every such case the whole of said principal sum hereby secured shall, at once, at the option of Lender become immediately due and payable, together with accrued interest thereon, without notice to Borrower.

9. Foreclosure. When the indebtedness hereby secured, or any part thereof, shall become due, whether by acceleration or otherwise, Lender shall have the right to foreclose the lien hereof for such indebtedness or part thereof. In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale all expenditures and expenses which may be paid or incurred by or on behalf of Lender for attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimated as to items to be expended after entry of

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the decree) for procuring all such abstracts of title, title searches and examinations, title insurance policies, Torrens certificates and similar data and assurances with respect to title as Lender may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the Property.

All expenditures and expenses of the nature in this Paragraph mentioned, and such expenses and fees as may be incurred in the protection of said Property and the maintenance of the lien of this Mortgage, including the fees of any attorney employed by Lender in any litigation or proceeding affecting this Junior Purchase Money Mortgage, the Note or said Property, including probate and bankruptcy proceedings, or in preparations for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by Borrower, with interest from the date of disbursement at the rate stated in the Note and shall be secured by this Junior Purchase Money Mortgage.

The proceeds of any foreclosure sale of the premises shall be distributed and applied 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 which under the terms hereof constitute secured indebtedness additional to that evidenced by the Note, with interest thereon as herein provided; third, all principal and interest remaining unpaid on the Note secured hereby; fourth, any surplus to Borrower, its heirs, legal representatives or assigns, as its rights may appear.

10. Inspection. Lender shall have the right to inspect the Property at all reasonable times and access thereto shall be permitted for that purpose.

11. Condemnation. Borrower hereby assigns, transfers and sets over unto Lender the entire proceeds of any award or any claim for damages for any of the mortgaged Property taken or damaged under the power of eminent domain or by condemnation. Lender may elect to apply the proceeds of the award upon or in reduction of the indebtedness secured hereby, whether due or not, or to require Borrower to restore or rebuild. Any surplus which may remain out of said award after payment of such cost of rebuilding or restoration shall, at the option of Lender, be applied on account of the indebtedness secured hereby or be paid to any other party entitled thereto. If the Property is abandoned by Borrower or if after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within thirty (30) days of the date of such notice, Lender is authorized to collect and apply the proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Junior Purchase Money Mortgage.

12. Release. Lender shall release this Junior Purchase Money Mortgage and the lien thereof by proper instrument upon the full payment of all amounts due under the Junior Purchase Money Note secured by this Mortgage.

  
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13. Notice. Any notice which either party hereto may desire or be required to give to the other party shall be in writing and receipt of the mailing thereof by certified mail addressed to the Borrower or Lender at the address set forth above, or at such other place as any party hereto may by notice in writing designate as a place for service of notice, shall constitute service of notice hereunder.

14. Forbearance. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any right or remedy hereunder. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Junior Purchase Money Mortgage.

15. Waiver. Borrower waives the benefit and agrees not to invoke any appraisal, valuation, stay, extension or exemption laws, or any so-called "moratorium laws," not existing or hereafter enacted, in order to prevent or hinder the enforcement of foreclosure of this Junior Purchase Money Mortgage.

16. Binding. This Junior Purchase Money Mortgage and all provisions hereof shall extend to and be binding upon Borrower and all persons claiming under or through Borrower, and the word "Borrower" when used herein shall include the singular or plural as the context may require. The word "Lender" when used herein shall include the successors and assigns of Lender named herein, and the holder or holders, from time to time, of the Note secured hereby.

17. Captions. The captions and headings of various paragraphs of this Junior Purchase Money Mortgage are for convenience only and are not to be construed as defining or limiting in any way the scope or intent of the provisions hereof. Wherever used, the singular number shall include the plural and the plural the singular, and the use of any gender shall be applicable to all genders.

18. Unauthorized Transfer. No action for 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 interposing same in an action at law upon the Note hereby secured. Any sale, conveyance, assignment, pledge, mortgage, lease, hypothecation, encumbrance or other transfer of title to, or any interest in, or the placing of any lien upon the Property or any portion of any entity owning any interest therein (whether voluntary or by operation of law) without Lender's prior written consent shall be an event of default hereunder, except for the senior and superior mortgage lien of ~~Nova Star Mortgage~~ in the amount of \$187,500.00. Lender acknowledges and agrees that the lien of this Mortgage is and shall remain subject and subordinate to the lien and mortgage of ~~Nova Star Mortgage~~.

\* ALTERNATIVE LENDING

\* IF CORP.

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IN WITNESS WHEREOF, Borrower has executed this Junior Purchase Money Mortgage as of the day and year first above written.

BORROWER:

  
\_\_\_\_\_  
CARLETON RHINES

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STATE OF ILLINOIS            )  
   ) SS.  
 COUNTY OF COOK             )

I, the undersigned a Notary Public, in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT Carleton Rhines, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered said instrument as his own free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 16 day of July, 1998.

*[Handwritten Signature]*  
 \_\_\_\_\_  
 Notary Public

My Commission Expires:

\_\_\_\_\_

**OFFICIAL SEAL**  
**Azeez Abd Martinkus**  
**Notary Public, State of Illinois**  
**My Commission Expires May 14, 2002**

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OFFICIAL SEAL  
Joseph Abd Martinus  
Notary Public, State of Illinois  
My Commission Expires May 14, 2005

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## EXHIBIT A

LOT 1 IN 96 HBAGC PARADE OF HOMES RESUBDIVISION, BEING A RESUBDIVISION IN THE NORTH PART OF FRACTIONAL SECTION 2, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN AND THE SOUTH PART OF SECTION 35, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Permanent Index Number: 20-02-107-004-0000, 20-02-107-005-0000 and 20-02-107-006-0000  
(affects property in question and other property)

Common Address: 4031 South Ellis Avenue  
Chicago, Illinois

*Mace to*  
This Document Prepared By:

Bradley D. Kaplan, Esq.  
Masuda, Funai, Eifert & Mitchell, Ltd.  
One East Wacker Drive, Suite 3200  
Chicago, Illinois 60601

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