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THIS INSTRUMENT PREPARED
BY AND RETURN TO:
DAVID J. O'KEEFE
Schain, Burney, Ross & Citron, Ltd.
222 North LaSalle Street
Suite 1910
Chicago, Illinois 60601



Doc#: 0501319113
Eugene "Gene" Moore Fee: \$48.00
Cook County Recorder of Deeds
Date: 01/13/2005 01:20 PM Pg: 1 of 13



Property of Cook County Clerk's Office

JUNIOR MORTGAGE

THIS JUNIOR MORTGAGE ("Mortgage") is made as of the 12th day of January, 2005, by **2600 HAMPDEN BUILDING CORP.**, an Illinois corporation, **454-456 DEMING BUILDING CORP.**, an Illinois corporation, **458-466-468 DEMING BUILDING CORP.**, an Illinois corporation, **2545 CLARK BUILDING LLC**, an Illinois limited liability company and **460-462 DEMING BUILDING LLC**, an Illinois limited liability company (collectively "Mortgagor"), in favor of **MB FINANCIAL BANK, N.A.**, having a mailing address of 1200 North Ashland Avenue, Chicago, Illinois 60622 ("Mortgagee").

13

WHEREAS, Mortgagor is indebted to Mortgagee in the principal sum of **SEVEN HUNDRED THOUSAND AND 00/100 DOLLARS (\$700,000.00)**, which indebtedness ("Loan") is evidenced by that certain Junior Mortgage Note of even date herewith made by Mortgagor in favor of Mortgagee in said amount (along with all modifications, substitutions, extensions and renewals thereof referred to herein as "Note") providing for repayment of principal and providing for a final payment of all sums due thereunder, if not sooner paid, on **January 12, 2006**.

WHEREAS, as a precondition to Mortgagee disbursing the Loan to Mortgagor, Mortgagee has required that Mortgagor pledge the Property (as defined below) as and for security for the repayment of the Note.

NOW, THEREFORE, TO SECURE to Mortgagee the repayment of the indebtedness evidenced by the Note, the payment of all charges provided herein and all other sums, and the performance of the covenants and agreements contained herein and in the Note, (collectively the "Indebtedness") and also in consideration of Ten Dollars (\$10.00), the receipt and sufficiency of which are hereby acknowledged, Mortgagor does hereby convey, grant, mortgage and warrant to Mortgagee the real estate ("Property") located in the County of Cook, State of Illinois and described on Exhibit "A" attached hereto, subject only to covenants, conditions, easements and restrictions set forth on Exhibit "B", if any ("Permitted Encumbrances");

To have and to hold the Property unto the Mortgagee, its successors and assigns forever, for the purposes and uses set forth herein, free from all rights and benefits under any homestead

1st AMERICAN TITLE order # 116185

464000 \$

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exemption laws of the state in which the Property is located, which rights and benefits Mortgagor does hereby expressly release and waive.

Mortgagor and Mortgagee covenant and agree as follows:

1. Payment of Principal. Mortgagor shall promptly pay or cause to be paid when due all Indebtedness.
2. Application of Payments. All payments received by Mortgagee under this Mortgage and the Note shall be applied by Mortgagee to Note principal.
3. Prior Encumbrances; Liens. Mortgagor shall perform all of Mortgagor's obligations under any mortgage, deed of trust or other security agreement (collectively "Prior Encumbrances") creating a lien having priority over this Mortgage, including Mortgagor's covenants to make payments when due. Any act or omission of Mortgagor, which, with the giving of notice or the passage of time would constitute a default, or event of default under any Prior Encumbrance shall be an Event of Default under this Mortgage. Mortgagor shall promptly deliver to Mortgagee all notices given or received of any defaults or events of default under any Prior Encumbrance. Mortgagor shall keep the Property free from mechanics' and all other liens and encumbrances, except Permitted Encumbrances and statutory liens for real estate taxes and assessments not yet due and payable.
4. Taxes and Assessments. Mortgagor shall pay or cause to be paid when due all real estate taxes and assessments attributable to the Property. Mortgagor shall provide evidence satisfactory to Mortgagee of compliance with these requirements promptly after the respective due dates for payment. Mortgagor shall pay, in full, but under protest in the manner provided by statute, any tax or assessment Mortgagor desires to contest.
5. Insurance. Mortgagor, at its sole cost and expense, shall keep insured the Property with all-risk insurance against loss to the Property, and general public liability insurance against death, bodily injury and property damage arising in connection with the Property. The all-risk and general public liability insurance shall name Mortgagee as a mortgagee-loss payee and shall be in amount not less than the fair market value of the Property. The insurance shall be evidenced by certificates of insurance.
6. Use, Preservation and Maintenance of Property. Mortgagor shall keep the Property in good condition and repair and shall not commit waste or permit impairment or deterioration of the Property. Mortgagor shall not allow store, treat or dispose of Hazardous Material, nor permit the same to exist or be stored, treated or disposed of, from or upon the Property. Mortgagor shall comply with all requirements of law or municipal ordinances with respect to the use, operation, and maintenance of the Property, including all environmental, health and safety laws and regulations, and shall make no material alterations in the Property, except as required by law, without the prior written consent of Mortgagee.

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7. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements contained herein shall bind, and the rights hereunder shall inure to, the respective heirs, executors, legal representatives, successors and assigns of Mortgagee and Mortgagor. If this Mortgage is executed by more than one Mortgagor, each Mortgagor shall be jointly and severally liable hereunder.

8. Notice. Except for any notice required under applicable law to be given in another manner, any notices required or given under this Mortgage shall be given by personal delivery, by nationally-recognized overnight courier service, or by certified mail-return receipt requested. Notices shall be given to Mortgagor at the address provided below and to Mortgagee at Mortgagee's address stated above. Notices shall be deemed to have been given and effective on the date of delivery if hand-delivered, the next business day after delivery to the nationally-recognized overnight courier service if by such courier service, or two (2) business days after the date of mailing shown on the certified receipt, if mailed. Any party hereto may change the address to which notices are given by notice as provided herein. Notices to Mortgagor shall be sent to:

1808 North Halsted Street
Chicago, Illinois 60614

9. Governing Law; Severability. The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of federal law to this Mortgage. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, or is adjudicated to be invalid or unenforceable same shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage or the Note are declared to be severable and the validity or enforceability of the remainder of the document in question shall be construed without reference to the conflicting, invalid or unenforceable clause or provision.

10. Prohibitions on Transfer of the Property. It shall be an immediate default if, without the prior written consent of Mortgagee, Mortgagor shall create, effect or consent to or shall suffer or permit any encumbrance, conveyance or sale of the Property or any part thereof or interest therein (a "Prohibited Transfer"). In the event of such default, Mortgagee may declare the entire unpaid balance immediately due and payable.

11. Event of Default. Each of the following shall constitute an event of default ("Event of Default") under this Mortgage:

(a) Mortgagor's failure to pay any amount due herein or secured hereby, or any installment of principal when due and payable, or Mortgagor's failure to pay any amount due under this Mortgage, which failure continues for more than five (5) days after written notice by Mortgagee to Mortgagor of such failure;

(b) Mortgagor's failure to perform or observe any other covenant, agreement, representation, warranty or other provision contained in the Note, this Mortgage (other than an Event of Default described elsewhere in this Paragraph 11) or any other document or

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instrument evidencing, guarantying or securing the Indebtedness, and such failure continues for more than thirty (30) days after written notice from Mortgagee;

(c) the occurrence of any breach of any representation or warranty contained in this Mortgage;

(d) the occurrence of a Prohibited Transfer;

(e) the abandonment of the Property by Mortgagor; or

(f) The occurrence of a default or event of default under the terms and conditions of any of the Prior Encumbrances.

12. Acceleration; Remedies. At any time after an Event of Default, Mortgagee, at Mortgagee's option, may declare all sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding. Mortgagee shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorneys' fees and costs including abstracts and title reports, all of which shall become a part of the secured indebtedness and immediately due and payable. The proceeds of any foreclosure sale of the Property shall be applied as follows: first, to all costs, expenses and fees incident to the foreclosure proceedings; second, as set forth in Paragraph 2 of this Mortgage; and third, any balance to Mortgagor.

13. Release. Upon payment of all Secured Indebtedness, Mortgagee shall release this Mortgage upon payment by Mortgagor of all costs and fees to release same, if any. Mortgagor shall be responsible for recording the release, including all related costs of recordation. Mortgagee and Mortgagor acknowledge that Mortgagor shall construct a total of one hundred six (106) residential condominiums (individually a "Unit" and collectively "Units"), sixty one (61) parking spaces and approximately one thousand four hundred (1,400) square feet of commercial space on the Premises. Notwithstanding the first sentence of this Paragraph 13, provided Mortgagor is not then in Default, each Unit will be released from the lien of this Mortgage upon the sale of such Unit to a third party upon payment to Mortgagee of the release prices as provided for in the Construction Loan Agreement of even date herewith between Borrower and Lender.

14. Environmental Compliance. Mortgagor hereby covenants and agrees with Mortgagee that the Property and Mortgagor shall comply with all Environmental Laws. All required governmental permits and licenses shall be obtained and maintained, and Mortgagor shall comply therewith. All Hazardous Material on the Property will be disposed of in a lawful manner without giving rise to liability under any Environmental Laws. Other than Disclosed Material, no Hazardous Material shall be introduced to or used, exposed, released, emitted, discharged, generated, manufactured, sold, transported, handled, stored, treated, reused, presented, disposed of or recycled on the Property without thirty (30) days' prior written notice to Mortgagee, except for *de minimis* amounts used in the ordinary course of construction.

15. Interpretation. This Mortgage shall be construed pursuant to the laws of the State of Illinois. The headings of sections and paragraphs in this Note are for convenience only and shall not

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be construed in any way to limit or define the content, scope, or intent of the provisions. The use of singular and plural nouns, and masculine, feminine, and neuter pronouns, shall be fully interchangeable, where the context so requires. If any provision of this Mortgage, or any paragraph, sentence, clause, phrase or word, or the application thereof, in any circumstances, is adjudicated to be invalid, the validity of the remainder of this Mortgage shall be construed as if such invalid part were never included. Time is of the essence of the payment and performance of this Mortgage.

(SIGNATURES APPEAR ON THE FOLLOWING PAGE)

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IN WITNESS WHEREOF, Mortgagor has executed this Mortgage.

2600 HAMPDEN BUILDING CORP., an Illinois corporation

By: [Signature]
Name: Richard Werner
Its: President

454-456 DEMING BUILDING CORP., an Illinois corporation

By: [Signature]
Name: Richard Werner
Its: President

458-466-468 DEMING BUILDING CORP., an Illinois corporation

By: [Signature]
Name: Richard Werner
Its: President

2545 CLARK BUILDING LLC, an Illinois limited liability company

By: [Signature]
Name: Richard Werner
Its: Manager

460-462 DEMING BUILDING LLC, an Illinois limited liability company

By: [Signature]
Name: Richard Werner
Its: Manager

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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, MARIE A. CZAPINSKI, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that RICHARD WEXNER, PRESIDENT of **2600 HAMPDEN BUILDING CORP.**, an Illinois corporation, 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, sealed and delivered the said instrument, as his free and voluntary act and as the free and voluntary act of said Corporation, for the uses and purposes therein set forth.

GIVEN under my hand and seal, this 11 day of January, 2005.

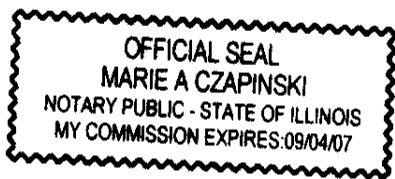


Marie A. Czapski
Notary Public

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, MARIE A. CZAPINSKI, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that RICHARD WEXNER, PRESIDENT of **454-456 DEMING BUILDING CORP.**, an Illinois corporation, 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, sealed and delivered the said instrument, as his free and voluntary act and as the free and voluntary act of said Corporation, for the uses and purposes therein set forth.

GIVEN under my hand and seal, this 11 day of January, 2005.



Marie A. Czapski
Notary Public

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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, MARIE A. CZAPINSKI, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that RICHARD WEXNER, PRESIDENT of **458-466-468 DEMING BUILDING CORP.**, an Illinois corporation, 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, sealed and delivered the said instrument, as his free and voluntary act and as the free and voluntary act of said Corporation, for the uses and purposes therein set forth.

GIVEN under my hand and seal, this 11 day of January, 2005.



Marie A. Czapski
Notary Public

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, MARIE A. CZAPINSKI, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that RICHARD WEXNER, MANAGER of **2545 CLARK BUILDING LLC**, an Illinois limited liability company, 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, sealed and delivered the said instrument, as his free and voluntary act and as the free and voluntary act of said Corporation, for the uses and purposes therein set forth.

GIVEN under my hand and seal, this 11 day of January, 2005.



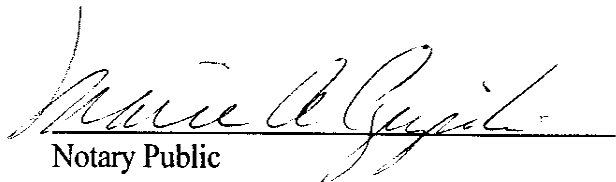
Marie A. Czapski
Notary Public

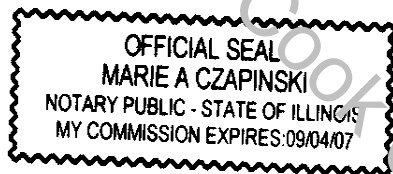
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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, MARIE A. CZAPINSKI, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that RICHARD WEXLER, MEMBER of **460-462 DEMING BUILDING LLC**, an Illinois limited liability company, 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, sealed and delivered the said instrument, as his free and voluntary act and as the free and voluntary act of said Corporation, for the uses and purposes therein set forth.

GIVEN under my hand and seal, this 11 day of January, 2005.


Notary Public



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EXHIBIT "A"

LEGAL DESCRIPTION

PARCEL 1:

THE EASTERLY 50 FEET OF LOTS 1, 2 AND 3 OF THE SUBDIVISION OF PART OF OUTLOT "B", EXCEPT THE SOUTH 320 FEET, IN WRIGHTWOOD, A SUBDIVISION OF THE SOUTHWEST QUARTER OF SECTION 28, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 14-28-318-010

STREET ADDRESS: 466-468 WEST DEMING AVENUE, CHICAGO, ILLINOIS

PARCEL 2:

LOT 52 AND THE WESTERLY 5 FEET OF LOT 51 IN DEMING'S SUBDIVISION OF OUTLOT "B", EXCEPT THE SOUTH 320 FEET THEREOF, IN WRIGHTWOOD, A SUBDIVISION OF THE SOUTHWEST QUARTER OF SECTION 28, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 14-28-318-044

STREET ADDRESS: 460-462 WEST DEMING AVENUE, CHICAGO, ILLINOIS

PARCEL 3:

THE NORTHEASTERLY 25 FEET OF THE SOUTHWESTERLY 30.00 FEET OF LOT 51, EXCEPT THE NORTHWESTERLY 15 FEET THEREOF, IN THE SUBDIVISION OF PART OF OUTLOT "B" IN WRIGHTWOOD, BEING A SUBDIVISION OF THE SOUTHWEST QUARTER OF SECTION 28, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

AND ALSO

THE NORTHEASTERLY 25 FEET OF THE SOUTHWESTERLY 30 FEET OF THE NORTHWESTERLY 15.00 FEET OF LOT 51, IN THE SUBDIVISION OF PART OF OUTLOT "B" IN WRIGHTWOOD, BEING A SUBDIVISION OF THE SOUTHWEST QUARTER OF SECTION 28, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 14-28-318-045

STREET ADDRESS: 458 WEST DEMING AVENUE, CHICAGO, ILLINOIS

UNOFFICIAL COPY**PARCEL 4:**

THE SOUTHWESTERLY 34 FEET OF LOT 50 AND LOT 51, EXCEPT THE SOUTHWESTERLY 30.00 FEET THEREOF, IN THE SUBDIVISION OF PART OF OUTLOT "B" IN WRIGHTWOOD, BEING A SUBDIVISION OF THE SOUTHWEST QUARTER OF SECTION 28, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

AND ALSO

THAT PART OF LOT 8, EXCEPT THE NORTHWESTERLY 44.00 FEET THEREOF, IN THE SUBDIVISION OF BLOCK 3 IN OUTLOT "A", OF WRIGHTWOOD, BEING A SUBDIVISION OF THE SOUTHWEST QUARTER OF SECTION 28, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTHWESTERLY OF THE NORTHWESTERLY EXTENSION OF THE NORTHEASTERLY LINE OF THE SOUTHWESTERLY 34.00 FEET OF LOT 50 IN THE SUBDIVISION OF PART OF OUTLOT "B" IN WRIGHTWOOD, BEING A SUBDIVISION OF THE SOUTHWEST QUARTER OF SECTION 28, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ALL IN COOK COUNTY, ILLINOIS.

PIN: 14-28-318-082
14-28-318-080

STREET ADDRESS: 454-456 WEST DEMING AVENUE, CHICAGO, ILLINOIS

PARCEL 5:

LOT 48 EXCEPT THE EASTERLY 16.0 FEET THEREOF; ALL OF LOT 49 AND THE EASTERLY 16.0 FEET OF LOT 50 IN THE SUBDIVISION OF BLOCK 3 IN OUTLOT "B" IN WRIGHTWOOD, A SUBDIVISION IN THE SOUTHWEST QUARTER OF SECTION 28, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

AND ALSO

THE EASTERLY 100.0 FEET OF LOT 8, EXCEPT THE NORTHERLY 44.0 FEET THEREOF, IN THE SUBDIVISION OF PART OF OUTLOT "A" IN WRIGHTWOOD, A SUBDIVISION THE SOUTHWEST QUARTER OF SECTION 28, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 14-28-318-081
14-28-318-079

STREET ADDRESS: 2600 NORTH HAMPDEN COURT, CHICAGO, ILLINOIS

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PARCEL 6:

THE WESTERLY 150 FEET OF LOT 1 AND THE WESTERLY 150 FEET OF THE NORTHERLY HALF OF LOT 2 IN THE SUBDIVISION OF THE NORTH PART OF OUTLOT "B" IN WRIGHTWOOD, A SUBDIVISION OF THE SOUTHWEST QUARTER OF SECTION 28, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 14-28-318-009

STREET ADDRESS: 2545-2549 NORTH CLARK STREET, CHICAGO, ILLINOIS

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EXHIBIT "B"

PERMITTED ENCUMBRANCES

(ALL MATTERS SHOWN ON THE LOAN POLICY OF TITLE INSURANCE
OBTAINED BY LENDER IN CONNECTION WITH THE LOAN)

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