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Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 10/12/2007 02:37 PM Pg: 1 of 25

When recorded, return to:

Countrywide Bank, FSB
2 North LaSalle Street, Suite 1630
Chicago, Illinois 60602
Attention: Carrie Marquardt

PT 4657 10/12/07

MORTGAGE
(WITH ASSIGNMENT OF RENTS AND LEASES)

By this Mortgage (With Assignment of Rents and Leases) dated September 14, 2007, the undersigned, PRINCETON WEST L.L.C., as grantor ("Borrower," whether one or more), whose address is 1904 Wright Boulevard, Schaumburg, Illinois 60193, to secure the indebtedness and obligations hereinafter described, does hereby GRANT, BARGAIN, SELL, ASSIGN, and CONVEY, unto COUNTRYWIDE BANK, FSB ("Lender"), whose address is 3100 Monticello Avenue, Suite 600, Dallas, Texas 75205, the following described land (the "Land"), whether now owned or hereafter acquired by Borrower, located in Cook County, Illinois, described as follows:

See Exhibit A attached hereto and incorporated herein by reference for all purposes.

TOGETHER WITH the following, whether now owned or hereafter acquired by Borrower: (a) all improvements (the "Improvements") now or hereafter attached to or placed, erected, constructed or developed on the Land; (b) all equipment, fixtures, furnishings, inventory and articles of personal property (the "Personal Property") now or hereafter attached to or used in or about the Improvements or which are necessary or useful for the complete and comfortable use and occupancy of the Improvements for the purposes for which they are to be constructed, and all replacements or substitutions for any of the foregoing, whether or not the same are or shall be attached to the Land or Improvements; (c) all building materials and equipment now or hereafter delivered to and intended to be installed in or on the Land or the Improvements; (d) all plans and specifications for the Improvements; (e) all of Borrower's rights (but not its obligations) under any contracts relating to the Land, the Improvements or the Personal Property; (f) all permits, licenses, and other rights and privileges obtained in connection with the Land, the Improvements or the Personal Property; (g) all proceeds arising from or by virtue of the sale, lease or other disposition of the Land, the Improvements or the Personal Property; (h) all proceeds (including premium refunds) of each policy of insurance relating to the Land, the Improvements or the Personal Property; (i) all proceeds from the taking of any of the Land, the Improvements, the Personal Property or any rights appurtenant thereto by right of eminent

BOX 15

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domain or by private or other purchase in lieu thereof; (j) all right, title and interest of Borrower in and to all streets, roads, public places, easements and rights-of-way, existing or proposed, public or private, adjacent to or used in connection with, belonging or pertaining to the Land; (k) all of the leases, rents, royalties, bonuses, issues, profits, revenues or other benefits of the Land, the Improvements or the Personal Property, including without limitation, cash or securities deposited pursuant to leases to secure performance by the lessees of their obligations thereunder; (l) all rights, hereditaments and appurtenances pertaining to the foregoing; and (m) other interests of every kind and character that Borrower now has or at any time hereafter acquires in and to the Land, Improvements and Personal Property described herein and all property described herein and all property that is used or useful in connection therewith, including rights of ingress and egress and all reversionary rights or interests of Borrower with respect to such property. The above-described property is collectively called the "Property."

ARTICLE I

INDEBTEDNESS

This Mortgage is given to secure the following:

1.1 Note. Payment of the indebtedness evidenced by the promissory note (such note and all amendments, modifications, increases, refinancings, renewals and extensions thereof thereto, if any, collectively referred to as the "Note"), dated September 14, 2007, in the stated principal amount of FIFTEEN MILLION AND NO/100 DOLLARS (\$15,000,000.00), executed by Borrower, payable to the order of Lender, having a maturity date of ~~August 23~~ ^{September} 23, 2010 (unless extended pursuant to the Loan Agreement described below) and bearing interest and being payable as set forth therein.

This Mortgage is given in part to secure the "Revolving" obligations as evidenced and witnessed by the Note, and secures not only the indebtedness from Mortgagor existing on the date hereof, but all such future advances, whether such advances are obligatory or to be made at the option of the Mortgagee, or otherwise as are made within 20 years from the date hereof, to the same extent as if such future advances were made on the date of the execution of this Mortgage, and although there may be no indebtedness outstanding at the time any advance is made. The lien of this Mortgage as to third persons without actual notice thereof shall be valid as to all indebtedness and future advances from the time this Mortgage is filed for record in the Office of the Recorder of Deeds of the County set forth on Exhibit A attached hereto. The total amount of indebtedness that may be secured by this Mortgage may increase or decrease from time to time, but the total unpaid balances of the Note secured at any one time, shall not exceed the maximum principal amount of the Note (as amended, extended, substituted, restated, replaced or renewed from time to time), plus interest thereon and any disbursements made by the Mortgagee for the payment of taxes, special assessments, or insurance on the above described real estate, with interest on such disbursements.

1.2 Loan Agreement. Performance of all obligations of Borrower under any loan agreement (the "Loan Agreement") between Borrower and Lender pertaining to the use of the proceeds of the Note.

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1.3 Mortgage. Payment of all sums advanced by Lender to or for the benefit of Borrower contemplated hereby and performance of all obligations and covenants herein contained.

1.4 Other Indebtedness. Payment of all other indebtedness, of whatever kind or character, now owing or which may hereafter become owing by Borrower to Lender, whether such indebtedness is evidenced by note, open account, overdraft, endorsement, surety agreement, guaranty, letter(s) of credit, or otherwise, it being reasonably contemplated that such additional indebtedness owing to Lender may be incurred, from time to time, subsequent to the date hereof.

1.5 Other Amounts Secured. At all times, this Mortgage secures in addition to the Note, any other amounts as provided herein; provided, however, that in no event shall the aggregate principal indebtedness secured by this Mortgage exceed the original principal amount of the Note, multiplied by a factor of three.

This Mortgage, the Note, the Loan Agreement, any guaranty guaranteeing the payment and performance of any of the Indebtedness (hereafter defined), any subordination agreements subordinating other debt to the indebtedness (hereafter defined) and any other instrument given to evidence or further secure the Indebtedness are hereinafter collectively called the "Loan Documents." The indebtedness, covenants, obligations and liabilities under the Loan Documents are hereinafter collectively called the "Indebtedness."

ARTICLE II

WARRANTIES AND REPRESENTATIONS

Reference hereby is made to the Loan Agreement for certain warranties and representations made by Borrower with respect to the Loan and the Mortgaged Property, each of which is incorporated herein by reference.

ARTICLE III

COVENANTS

Reference hereby is made to the Loan Agreement for certain covenants made by Borrower with respect to the Loan and the Mortgaged Property, each of which is incorporated herein by reference.

ARTICLE IV

EVENTS OF DEFAULT

The term "Event of Default," as used herein and in the Loan Documents, shall mean the occurrence or happening, at any time and from time to time, of any one or more of the following:

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4.1 Payment of Indebtedness. Borrower shall fail, refuse, or neglect to pay, in full, any installment or portion of the Indebtedness within five (5) days of when the same shall become due and payable, whether at the due date thereof stipulated in the Loan Documents, upon acceleration or otherwise.

4.2 Non-Performance of Covenants. Any covenant in the Loan Documents is not fully and timely performed, or the occurrence of any default thereunder, and such non-performance or occurrence of default is not cured within thirty (30) days of when performance was due or occurrence of default occurred, respectively.

4.3 False Representation. Any representation, warranty, or statement made by Borrower, and guarantor, or others in, under, or pursuant to the Loan Documents or any affidavit or other instrument executed or delivered with respect to the Loan Documents or the Indebtedness is determined by Lender to be false or misleading in any material respect as of the date hereof or thereof or shall become so at any time prior to the repayment in full of the Indebtedness.

4.4 Default Under Other Lien Document. Borrower shall default or commit an event of default under and pursuant to any other mortgage or security agreement which covers or affects any part of the Mortgaged Property.

4.5 Insolvency; Bankruptcy. Borrower (i) shall execute an assignment for the benefit of creditors or an admission in writing by Borrower of Borrower's inability to pay, or Borrower's failure to pay, debts generally as the debts become due; or (ii) shall allow the levy against the Mortgaged Property or any part thereof, of any execution, attachment, sequestration or other writ which is not vacated within sixty (60) days after the levy; or (iii) shall allow the appointment of a receiver, trustee or custodian of Borrower or of the Mortgaged Property or any part thereof, which receiver, trustee or custodian is not discharged within sixty (60) days after the appointment; or (iv) files as a debtor a petition, case, proceeding or other action pursuant to, or voluntarily seeks the benefit or benefits of Title 11 of the United States Code, as now or hereafter in effect, or any other applicable law, domestic or foreign as now or hereafter in effect, relating to bankruptcy, insolvency, liquidation, receivership, reorganization, arrangement or composition, extension or adjustment of debts, or similar laws affecting the rights of creditors ("Debtor Relief Law"), or takes any action in furtherance thereof; or (v) files either a petition, complaint, answer or other instrument which seeks to effect a suspension of, or which has the effect of suspending any of the rights or powers of Lender granted in the Note, herein or in any Loan Document; or (vi) allows the filing of a petition, case, proceeding or other action against Borrower as a debtor under any Debtor Relief Law or seeks appointment of a receiver, trustee, custodian or liquidator of Borrower or of the Mortgaged Property, or any part thereof, or of any significant portion of Borrower's other property; and (a) Borrower admits, acquiesces in or fails to contest diligently the material allegations thereof, or (b) the petition, case, proceeding or other action results in the entry of an order for relief or order granting the relief sought against Borrower, or (c) the petition, case, proceeding or other action is not permanently dismissed or discharged on or before the earlier of trial thereon or thirty (30) days next following the date of filing.

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4.6 No Further Encumbrances. Borrower creates, places, or permits to be created or placed, or through any act or failure to act, acquiesces in the placing of, or allows to remain, any Subordinate Mortgage, regardless of whether such Subordinate Mortgage is expressly subordinate to the liens or security interests of the Loan Documents, with respect to the Mortgaged Property.

4.7 Condemnation. Any condemnation proceeding is instituted or threatened which would, in Lender's sole judgment, materially impair the use and enjoyment of the Mortgaged Property for its intended purposes.

4.8 Destruction of Improvements. Any of the Improvements are demolished, destroyed, or substantially damaged so that, in Lender's judgment, it cannot be restored or rebuilt with available funds to the condition existing immediately prior to such demolition, destruction, or damage within a reasonable period of time.

4.9 Abandonment. Borrower abandons all or any portion of the Mortgaged Property.

4.10 Death or Incapacity. The death or incapacity of Borrower, if an individual, or if not an individual, any person who is now or hereafter a part of the Senior Management. As used herein, the term "Senior Management" shall include the following individuals with the position noted in parenthesis: Ken Struck (Member).

4.11 Change In Management or Control. The occurrence of any change in the Senior Management or the failure of Senior Management and their respective immediate families (to the first order of consanguinity) and trusts (which shall be in form and substance acceptable to Lender) for the benefit of their respective immediate families to own and control at least one hundred percent (100%) of the ownership and control of Borrower and its Affiliates (as defined in the Loan Agreement).

4.12 Loss of Priority. The failure at any time of this Mortgage to be a valid first lien upon the Mortgaged Property, or any portion thereof.

4.13 Dissolution and Change of Ownership. If Borrower or any Guarantor, or, if Borrower or any Guarantor is a partnership, joint venture, trust or other type of business association, if any of the parties comprising Borrower or any Guarantor shall dissolve, terminate or liquidate, or merge with or be consolidated into any other entity.

4.14 Disposition of Mortgaged Property and Beneficial Interest in Borrower. If Borrower makes a Disposition (hereafter defined) of all or any portion of the Mortgaged Property without the prior written consent of Lender.

4.15 Foreclosure of Other Liens. If the holder of any lien or security interest on all or any portion of the Mortgaged Property (without hereby implying Lender's consent to the existence, placing, creating or permitting of any such lien or security interest) institutes foreclosure or other proceedings for the enforcement of its remedies thereunder, or if the Leases (hereafter defined), or Rents (hereafter defined), or any part thereof, are seized, levied or attached.

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4.16 Hazardous Materials. The discovery of any significant Hazardous Materials in, on or about the Land or Improvements subsequent to the date hereof. Any such Hazardous Materials shall be "significant" for this purpose if said Hazardous Materials, in Lender's sole discretion, have a materially adverse impact on the value of the Land and Improvements.

4.17 Transfer of Assets. The sale, assignment, pledge, hypothecation, mortgage or transfer of the assets of Borrower or any Guarantor, other than in the ordinary course of business of said entity.

4.18 Intentionally left blank.

4.19 Event of Default in Loan Documents. An Event of Default as defined in any of the Loan Documents.

ARTICLE V

REMEDIES

5.1 Lender's Remedies Upon Default. Upon the occurrence of an Event of Default or any event or circumstance which, with the lapse of time, or the giving of notice, or both, would constitute an Event of Default, Lender may, at Lender's option, do any one or more of the following:

(a) Right to Perform Borrower's Covenants. If Borrower has failed to keep or perform any covenant whatsoever contained in this Mortgage or any other of the Loan Documents, Lender may, but shall not be obligated to any person to do so, perform or attempt to perform said covenant, and any payment made or expense incurred in the performance or attempted performance of any such covenant shall be and become a part of the Indebtedness, and Borrower promises, upon demand, to pay to Lender, at the place where the Note is payable, all sums so advanced or paid by Lender, with interest from the date when paid or incurred by Lender at the Default Rate (as defined in the Note). No such payment by Lender shall constitute a waiver of any Event of Default. In addition to the liens and security interests hereof, Lender shall be subrogated to all rights, titles, liens, and security interests securing the payment of any debt, claim, tax, or assessment for the payment of which Lender may make an advance, or which Lender may pay

(b) Right of Entry. Lender may, prior or subsequent to the institution of any foreclosure proceedings, enter upon the Mortgaged Property, or any part thereof, and take exclusive possession of the Mortgaged Property and of all books, records, and accounts relating thereto and to exercise without interference from Borrower any and all rights which Borrower has with respect to the management, possession, operation, protection, or preservation of the Mortgaged Property, including without limitation the right to rent the same for the account of Borrower and to deduct from such Rents all costs, expenses, and liabilities of every character incurred by Lender in collecting such Rents and in managing, operating, maintaining, protecting, or preserving the Mortgaged Property and to apply the remainder of such Rents on the Indebtedness in such manner as Lender may elect. All such costs, expenses, and liabilities incurred by Lender in collecting such

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Rents and in managing, operating, maintaining, protecting, or preserving the Mortgaged Property, if not paid out of Rents as hereinabove provided, shall constitute a demand obligation owing by Borrower and shall bear interest from the date of expenditure until paid at the Default Rate, all of which shall constitute a portion of the Indebtedness. If necessary to obtain the possession provided for above, Lender may invoke any and all legal remedies to dispossess Borrower, including specifically one or more actions for forcible entry and detainer, trespass to try title, and restitution. In connection with any action taken by Lender pursuant to this subsection, Lender shall not be liable for any loss sustained by Borrower resulting from any failure to let the Mortgaged Property, or any part thereof, or from any other act or omission of Lender in managing the Mortgaged Property unless such loss is caused by the willful misconduct or gross negligence of Lender, nor shall Lender be obligated to perform or discharge any obligation, duty, or liability under any Lease or under or by reason hereof or the exercise of rights or remedies hereunder. Should Lender incur any such liability, the amount thereof, including without limitation costs, expenses, and reasonable attorneys' fees, together with interest thereon from the date of expenditure until paid at the Default Rate, shall be secured hereby, and Borrower shall reimburse Lender therefor immediately upon demand. Nothing in this subsection shall impose any duty, obligation, or responsibility upon Lender for the control, care, management, leasing, or repair of the Mortgaged Property, nor for the carrying out of any of the terms and conditions of any such Lease; nor shall it operate to make Lender responsible or liable for any waste committed on the Mortgaged Property by the tenants or by any other parties, or for any Hazardous Substance on or under the Mortgaged Property, or for any dangerous or defective condition of the Mortgaged Property or for any negligence in the management, leasing, upkeep, repair, or control of the Mortgaged Property resulting in loss or injury or death to any tenant, licensee, employee, or stranger. Borrower hereby assents to, ratifies, and confirms any and all actions of Lender with respect to the Mortgaged Property taken under this subsection.

The remedies in this subsection are in addition to other remedies available to Lender and the exercise of the remedies in this subsection shall not be deemed to be an election of nonjudicial or judicial remedies otherwise available to Lender. The remedies in this Article V are available under and governed by the real property laws of Illinois and are not governed by the personal property laws of Illinois, including but not limited to, the power to dispose of personal property in a commercially reasonable manner under Section 9-610 of the Uniform Commercial Code of the State where the Mortgaged Property is located (the "UCC"). No action by Lender, taken pursuant to this subsection, shall be deemed to be an election to dispose of personal property under the UCC. Any receipt of consideration received by Lender pursuant to this subsection shall be immediately credited against the Indebtedness (in the inverse order of maturity) and the value of said consideration shall be treated like any other payment against the Indebtedness.

(c) Right to Accelerate. Lender may, without notice, demand, presentment, notice of nonpayment or nonperformance, protest, notice of protest, notice of intent to accelerate, notice of acceleration, or any other notice or any other action, all of which are hereby waived by Borrower and all other parties obligated in any manner whatsoever on the Indebtedness, declare the entire unpaid balance of the Indebtedness immediately due

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and payable, and upon such declaration, the entire unpaid balance of the Indebtedness shall be immediately due and payable. The failure to exercise any remedy available to Lender shall not be deemed to be a waiver of any rights or remedies of Lender under the Loan Documents, at law or in equity.

(d) Foreclosure of Mortgage. Upon occurrence of any Event of Default, or at any time thereafter, in addition to any and all other remedies available to Lender under applicable law, Lender may proceed to foreclose the lien of this Mortgage by judicial proceedings in accordance with the laws of the state in which the Mortgaged Property is located. Any failure by Lender to exercise such option shall not constitute a waiver of its right to exercise the same at any other time.

(e) Lender's Judicial Remedies. Lender may proceed by suit or suits, at law or in equity, to enforce the payment, performance and discharge of the Indebtedness in accordance with the terms hereof, of the Note, and the other Loan Documents, to foreclose the liens and security interests of this Mortgage as against all or any part of the Mortgaged Property, and to have all or any part of the Mortgaged Property sold under the judgment or decree of a court of competent jurisdiction. This remedy shall be cumulative of any other nonjudicial remedies available to Lender with respect to the Loan Documents. Proceeding with a request or receiving a judgment for legal relief shall not be or be deemed to be an election of remedies or bar any available nonjudicial remedy of Lender.

(f) Lender's Right to Appointment of Receiver. Lender, as a matter of right and without regard to the sufficiency of the security for repayment, performance and discharge of the Indebtedness, without notice to Borrower and without any showing of insolvency, fraud, or mismanagement on the part of Borrower, and without the necessity of filing any judicial or other proceeding other than the proceeding for appointment of a receiver, shall be entitled to the appointment of a receiver or receivers of the Mortgaged Property or any part thereof, and of the Rents, and Borrower hereby irrevocably consents to the appointment of a receiver or receivers. Any receiver appointed pursuant to the provisions of this subsection shall have the usual powers and duties of receivers in such matters.

(g) Rights Relating to Leases and Rents. As set forth below, Borrower has assigned, as collateral, to Lender all Rents under each of the Leases covering all or any portion of the Mortgaged Property. Lender may at any time, and without notice, either in person, by agent, or by receiver to be appointed by a court, enter and take possession of the Mortgaged Property or any part thereof, and in its own name, sue for or otherwise collect the Rents. Borrower hereby agrees with Lender, upon notice from Lender to Borrower of the occurrence of an Event of Default, terminate the limited license granted to Borrower below, and thereafter direct the lessees under the Leases to pay direct to Lender the Rents due and to become due under the Leases and attorn in respect of all other obligations thereunder direct to Lender, without any obligation on their part to determine whether an Event of Default does in fact exist or has in fact occurred. All Rents collected by Lender shall be applied as provided for in this Mortgage; provided, however, that if the costs, expenses, and attorneys' fees shall exceed the amount of Rents

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collected, the excess shall be added to the Indebtedness, shall bear interest at the Default Rate, and shall be immediately due and payable. The entering upon and taking possession of the Mortgaged Property, the collection of Rents, and the application thereof as aforesaid shall not cure or waive any Event of Default or notice of default, if any, hereunder nor invalidate any act done pursuant to such notice, except to the extent any such default is fully cured. Failure or discontinuance by Lender, at any time or from time to time, to collect said Rents shall not in any manner impair the subsequent enforcement by Lender of the right, power and authority herein conferred upon it. Nothing contained herein, nor the exercise of any right, power, or authority herein granted to Lender shall be, or shall be construed to be, an affirmation by it of any tenancy, lease, or option, nor an assumption of liability under, nor the subordination of, the lien or charge of this Mortgage, to any such tenancy, lease, or option, nor an election of judicial relief, if any such relief is requested or obtained as to Leases or Rents, with respect to the Mortgaged Property or any other collateral given by Borrower to Lender. In addition, from time to time Lender may elect, and notice hereby is given to each lessee under any Lease, to subordinate the lien of this Mortgage to any Lease by unilaterally executing and recording an instrument of subordination, and upon such election the lien of this Mortgage shall be subordinate to the Lease identified in such instrument of subordination; provided, however, in each instance such subordination will not affect or be applicable to, and expressly excludes any lien, charge, encumbrance, security interest, claim, easement, restriction, option covenant and other rights, titles, interests or estates of any nature whatsoever with respect to all or any portion of the Mortgaged Property to the extent that the same may have arisen or intervened during the period between the recordation of this Mortgage and the execution of the Lease identified in such instrument of subordination.

(h) Other Rights. Lender (i) may surrender the insurance policies maintained pursuant to the Loan Documents, and upon receipt shall apply the unearned premiums as a credit on the Indebtedness, in accordance with the Loan Documents, and, in connection therewith, Borrower hereby appoints Lender as agent and attorney-in-fact (which is coupled with an interest and is therefore irrevocable) for Borrower to collect such premiums; and (ii) apply the reserve for Impositions and insurance premiums, if any, required by the provisions of this Mortgage, toward payment of the Indebtedness; and (iii) shall have and may exercise any and all other rights and remedies which Lender may have at law or in equity, or by virtue of any Loan Document or under the UCC, or otherwise.

(i) Lender as Purchaser. Lender may be the purchaser of the Mortgaged Property or any part thereof, at any sale thereof, and Lender shall, upon any such purchase, acquire good title to the Mortgaged Property so purchased, free of the liens and security interests hereof, unless the sale was made subject to an unmatured portion of the Indebtedness. Lender, as purchaser, shall be treated in the same manner as any third party purchaser and the proceeds of Lender's purchase shall be applied in accordance with the Loan Documents.

5.2 Other Rights of Lender. Should any part of the Mortgaged Property come into the possession of Lender, whether before or after default, Lender may (for itself or by or through

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other persons, firms, or entities) hold, lease, manage, use, or operate the Mortgaged Property for such time and upon such terms as Lender may deem prudent under the circumstances (making such repairs, alterations, additions, and improvements thereto and taking such other action as Lender may from time to time deem necessary or desirable) for the purpose of preserving the Mortgaged Property or its value, pursuant to the order of a court of appropriate jurisdiction or in accordance with any other rights held by Lender in respect of the Mortgaged Property. Borrower covenants to promptly reimburse and pay to Lender on demand, at the place where the Note is payable, the amount of all reasonable expenses (including without limitation the cost of any insurance, Impositions, or other charges) incurred by Lender in connection with Lender's custody, preservation, use, or operation of the Mortgaged Property, together with interest thereon from the date incurred by Lender at the Default Rate; and all such expenses, costs, taxes, interest, and other charges shall be and become a part of the Indebtedness. It is agreed, however, that the risk of loss or damage to the Mortgaged Property is on Borrower, and Lender shall have no liability whatsoever for decline in value of the Mortgaged Property, for failure to obtain or maintain insurance, or for failure to determine whether insurance in force is adequate as to amount or as to the risks insured. Possession by Lender shall not be deemed an election of judicial relief, if any such possession is requested or obtained, with respect to any Mortgaged Property or collateral not in Lender's possession.

5.3 Possession After Foreclosure. If the liens or security interests hereof shall be foreclosed by judicial action, or otherwise, the purchaser at any such sale shall receive, as an incident to purchaser's ownership, immediate possession of the property purchased, and if Borrower or Borrower's successors shall hold possession of said property or any part thereof subsequent to foreclosure, Borrower and Borrower's successors shall be considered as tenants at sufferance of the purchaser at foreclosure sale (without limitation of other rights or remedies, at a reasonable rental per day, due and payable daily, based upon the value of the portion of the Mortgaged Property so occupied and sold to such purchaser), and anyone occupying such portion of the Mortgaged Property, after demand is made for possession thereof, shall be guilty of forcible detainer and shall be subject to eviction and removal, forcible or otherwise, with or without process of law, and all damages by reason thereof are hereby expressly waived.

5.4 Application of Proceeds. The proceeds from any sale, lease, or other disposition made pursuant to this Article V, or the proceeds from the surrender of any insurance policies pursuant hereto, or any Rents collected by Lender from the Mortgaged Property, or proceeds from insurance which Lender elects to apply to the Indebtedness pursuant to the Loan Documents, shall be applied by Lender to the Indebtedness in the following order and priority: (i) to the payment of all expenses of advertising, selling, and conveying the Mortgaged Property or part thereof, and/or prosecuting or otherwise collecting Rents, proceeds, premiums or other sums including reasonable attorneys' fees; (ii) to the remainder of the Indebtedness as follows: first, to the remaining accrued but unpaid interest, second, to the matured portion of principal of the Indebtedness, and third, to prepayment of the unmatured portion, if any, of principal of the Indebtedness applied to installments of principal in inverse order of maturity; (iv) the balance, if any and to the extent applicable, remaining after the full and final payment of the Indebtedness and full performance and discharge of the obligations to the holder or beneficiary of any inferior liens covering the Mortgaged Property, if any, in order of the priority of such inferior liens (Lender shall hereby be entitled to rely exclusively on a commitment for title insurance issued to determine such priority); and (v) the cash balance, if any, to the Borrower. The application of

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proceeds of sale or other proceeds as otherwise provided herein shall be deemed to be a payment of the Indebtedness like any other payment. The balance of the Indebtedness remaining unpaid, if any, shall remain fully due and owing in accordance with the terms of the Note or the other Loan Documents.

5.5 Intentionally Left Blank.

5.6 Payment of Fees. If the Note or any other part of the Indebtedness shall be collected or if any of the Indebtedness shall be enforced by legal proceedings, whether through a probate or bankruptcy court or otherwise, or shall be placed in the hands of an attorney for collection after maturity, whether matured by the expiration of time or by an option given to Lender to mature same, or if Lender becomes a party to any suit where this Mortgage or the Mortgaged Property or any part thereof is involved, Borrower agrees to pay Lender's attorneys' fees and expenses incurred, and such fees shall be and become a part of the Indebtedness and shall bear interest from the date such costs are incurred at the Default Rate.

5.7 Miscellaneous.

(a) In case Lender shall have proceeded to invoke any right, remedy, or recourse permitted under the Loan Documents and shall thereafter elect to discontinue or abandon same for any reason, Lender shall have the unqualified right so to do and, in such event, Borrower and Lender shall be restored to their former positions with respect to the Indebtedness, the Loan Documents, the Mortgaged Property or otherwise, and the rights, remedies, recourses and powers of Lender shall continue as if same had never been invoked.

(b) In addition to the remedies set forth in this Article, upon the occurrence of an Event of Default, Lender shall, in addition, have all other remedies available to them at law or in equity.

(c) All rights, remedies, and recourses of Lender granted in the Note, this Mortgage, the other Loan Documents, any other pledge of collateral, or otherwise available at law or equity: (i) shall be cumulative and concurrent; (ii) may be pursued separately, successively, or concurrently against Borrower, the Mortgaged Property, or any one or more of them, at the sole discretion of Lender; (iii) may be exercised as often as occasion therefor shall arise, it being agreed by Borrower that the exercise or failure to exercise any of same shall in no event be construed as a waiver or release thereof or of any other right, remedy, or recourse; (iv) shall be nonexclusive; (v) shall not be conditioned upon Lender exercising or pursuing any remedy in relation to the Mortgaged Property prior to Lender bringing suit to recover the Indebtedness; and (vi) in the event Lender elects to bring suit on the Indebtedness and obtains a judgment against Borrower prior to exercising any remedies in relation to the Mortgaged Property, all liens and security interests, including the lien of this Mortgage, shall remain in full force and effect and may be exercised at Lender's option.

(d) Lender may release, regardless of consideration, any part of the Mortgaged Property without, as to the remainder, in any way impairing, affecting,

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subordinating, or releasing the lien or security interests evidenced by this Mortgage or the other Loan Documents or affecting the obligations of Borrower or any other party to pay and discharge the Indebtedness. For payment of the Indebtedness, Lender may resort to any of the collateral therefor in such order and manner as Lender may elect. No collateral heretofore, herewith, or hereafter taken by Lender shall in any manner impair or affect the collateral given pursuant to the Loan Documents, and all collateral shall be taken, considered, and held as cumulative.

(e) To the greatest extent permitted by law, (a) Borrower shall not apply for or avail itself of any appraisal, valuation, redemption, stay, extension or exemption laws, or any so-called 'moratorium laws,' now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but hereby waives the benefit of such laws; and (b) Borrower, for itself, any and all persons or entities who may claim through or under it and each and every person or entity acquiring any interest in the Mortgaged Property or title to the Mortgaged Property subsequent to the date of this Mortgage, hereby also waives (i) any and all rights to have the Mortgaged Property and estates comprising the Mortgaged Property marshaled upon any foreclosure of the lien hereof, and agrees that any court having jurisdiction to foreclose such lien may order the Mortgaged Property sold in its entirety; (ii) all notices of any Event of Default or of Lender's exercise of any right, remedy, or recourse provided for under the Loan Documents; and (iii) any and all rights of (1) redemption from sale under any order or decree of foreclosure of the lien hereof pursuant to the rights herein granted; and (2) homestead in the Mortgaged Property which Borrower may now or hereafter have under the laws of the state in which the Mortgaged Property is located; and (iii) all rights to void liens under Section 506 of the United States Bankruptcy Code (11 U.S.C. §506), or any amendment or successor thereto.

(f) Borrower and Lender mutually agree that there are no, nor shall there be any, implied covenants of good faith and fair dealing or other similar covenants or agreements in this Mortgage and the other Loan Documents. All agreed contractual duties are set forth in this Mortgage, the Note, and the other Loan Documents.

(g) The remedies in this Article are available under and governed by the real property laws of Illinois and are not governed by the personal property laws of Illinois, including but not limited to, the power to dispose of personal property in a commercially reasonable manner under the UCC.

ARTICLE VI

SPECIAL PROVISIONS

6.1 Condemnation Proceeds. Lender shall be entitled to receive any and all sums which may be awarded and become payable to Borrower for condemnation of the Mortgaged Property or any part thereof, for public or quasi-public use, or by virtue of private sale in lieu thereof, and any sums which may be awarded or become payable to Borrower for damages caused by public works or construction on or near the Mortgaged Property. All such sums are

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hereby assigned to Lender, and Borrower shall, upon request of Lender, make, execute, acknowledge, and deliver any and all additional assignments and documents as may be necessary from time to time to enable Lender to collect and receipt for any such sums. Lender shall not be, under any circumstances, liable or responsible for failure to collect, or exercise diligence in the collection of, any of such sums. Any sums received by Lender as a result of condemnation shall be applied to the Indebtedness in accordance with the provisions of Section 7.4 hereof.

6.2 Insurance Proceeds. The proceeds of any and all insurance upon the Mortgaged Property (other than proceeds of general public liability insurance) shall be collected by Lender, and Lender shall have the option, in Lender's sole discretion, to apply any proceeds so collected either to the restoration of the Mortgaged Property, in the amounts, manner, method and pursuant to such requirements and documents as Lender may require, or to the liquidation of the Indebtedness in accordance with the provisions of Section 7.4 hereof.

6.3 Reserve for Taxes and Insurance Premiums. At the request of Lender, Borrower shall create a fund or reserve for the payment of all insurance premiums, taxes and assessments against or affecting the Mortgaged Property in such amount and in such manner as Lender shall request.

6.4 **INDEMNITY**. EXCEPT TO THE EXTENT ATTRIBUTABLE TO THE INTENTIONALLY WRONGFUL ACTS OR GROSS NEGLIGENCE OF LENDER, BORROWER SHALL INDEMNIFY, DEFEND, AND HOLD HARMLESS LENDER, ITS PARENTS, SUBSIDIARIES, DIRECTORS, OFFICERS, EMPLOYEES, REPRESENTATIVES, AGENTS, SUCCESSORS, AND ASSIGNS FROM AND AGAINST ANY AND ALL LIABILITY, DAMAGE, LOSS, COST, OR EXPENSE (INCLUDING, WITHOUT LIMITATION, REASONABLE OUT OF POCKET ATTORNEYS' FEES AND EXPENSES), ACTION, CAUSE OF ACTION, PROCEEDING, CLAIM OR DISPUTE INCURRED OR SUFFERED BY LENDER, WHETHER VOLUNTARILY OR INVOLUNTARILY INCURRED OR SUFFERED, IN RESPECT OF THE FOLLOWING:

(1) ANY LITIGATION CONCERNING THIS MORTGAGE, THE OTHER LOAN DOCUMENTS OR THE MORTGAGED PROPERTY, OR ANY INTEREST OF BORROWER OR LENDER THEREIN, OR THE RIGHT OF OCCUPANCY THEREOF BY BORROWER OR LENDER, WHETHER OR NOT ANY SUCH LITIGATION IS PROSECUTED TO A FINAL, NON-APPEALABLE JUDGMENT;

(2) ANY DISPUTE, INCLUDING DISPUTES AS TO THE DISBURSEMENT OF PROCEEDS OF THE NOTE NOT YET DISBURSED, AMONG OR BETWEEN ANY OF THE CONSTITUENT PARTIES, EMPLOYEES, OFFICERS, DIRECTORS OR SHAREHOLDERS, MEMBERS, TRUSTEES OR OTHER RESPONSIBLE PARTIES OF BORROWER;

(3) ANY ACTION TAKEN OR NOT TAKEN BY LENDER WHICH IS ALLOWED OR PERMITTED UNDER THIS MORTGAGE OR ANY OF THE

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OTHER LOAN DOCUMENTS RELATING TO BORROWER, THE MORTGAGED PROPERTY, ANY CONSTITUENT PARTIES OR OTHERWISE IN CONNECTION WITH THE LOAN DOCUMENTS, INCLUDING WITHOUT LIMITATION, THE PROTECTION OR ENFORCEMENT OF ANY LIEN, SECURITY INTEREST, ASSIGNMENT AND/OR ENFORCEMENT OF THE ASSIGNMENT OF LEASES AND RENTS, OR OTHER RIGHT, REMEDY OR RECOURSE CREATED OR AFFORDED BY THIS MORTGAGE OR THE OTHER LOAN DOCUMENTS;

(4) THE EXERCISE OF THE RIGHTS OR REMEDIES HEREUNDER, AND FROM ANY AND ALL CLAIMS AND DEMANDS WHATSOEVER WHICH MAY BE ASSERTED AGAINST LENDER BY REASON OF ANY ALLEGED OBLIGATIONS OR UNDERTAKINGS ON ITS PART TO PERFORM OR DISCHARGE ANY OF THE TERMS, COVENANTS, OR AGREEMENTS CONTAINED IN ANY LEASE; AND

(5) ANY ACTION BROUGHT BY LENDER AGAINST BORROWER UNDER THIS MORTGAGE OR THE OTHER LOAN DOCUMENTS, WHETHER OR NOT SUCH ACTION IS PROSECUTED TO A FINAL, NON-APPEALABLE JUDGMENT.

LENDER MAY EMPLOY AN ATTORNEY OR ATTORNEYS TO PROTEST OR ENFORCE ITS RIGHTS, REMEDIES AND RECOURSES UNDER THIS MORTGAGE AND THE OTHER LOAN DOCUMENTS, AND TO ADVISE AND DEFEND LENDER WITH RESPECT TO ANY SUCH ACTIONS AND OTHER MATTERS. BORROWER SHALL REIMBURSE LENDER FOR ITS REASONABLE OUT OF POCKET ATTORNEYS' FEES AND EXPENSES (INCLUDING EXPENSES AND COSTS FOR EXPERTS) IMMEDIATELY UPON RECEIPT OF A WRITTEN DEMAND THEREFOR, WHETHER ON A MONTHLY OR OTHER TIME INTERVAL, AND WHETHER OR NOT AN ACTION IS ACTUALLY COMMENCED OR CONCLUDED. ALL OTHER REIMBURSEMENT AND INDEMNITY OBLIGATIONS HEREUNDER SHALL BECOME DUE AND PAYABLE WHEN ACTUALLY INCURRED BY LENDER. ANY PAYMENTS NOT MADE WITHIN FIVE (5) DAYS AFTER WRITTEN DEMAND THEREFOR SHALL BEAR INTEREST AT THE DEFAULT RATE FROM THE DATE OF SUCH DEMAND UNTIL FULLY PAID. THE PROVISIONS OF THIS SECTION 6.4 SHALL SURVIVE REPAYMENT OF THE INDEBTEDNESS AND PERFORMANCE OF THE INDEBTEDNESS, THE RELEASE OF THE LIEN OF THIS MORTGAGE, ANY FORECLOSURE (OR ACTION IN LIEU OF FORECLOSURE) AND THE EXERCISE BY LENDER OF ANY AND ALL REMEDIES SET FORTH HEREIN OR IN THE LOAN DOCUMENTS.

6.5 Subrogation. Borrower waives any and all right to claim, recover, or subrogation against Lender or its officers, directors, employees, agents, attorneys, or representatives for loss or damage to Borrower, the Mortgaged Property, Borrower's property or the property of others under Borrower's control from any cause insured against or required to be insured against by the provisions of the Loan Documents.

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6.6 Waiver of Setoff. The Indebtedness, or any part thereof, shall be paid by Borrower without notice, demand, counterclaim, setoff, deduction, or defense and without abatement, suspension, deferment, diminution, or reduction by reason of: (i) any damage to, destruction of, or any condemnation or similar taking of the Mortgaged Property; (ii) any restriction or prevention of or interference with any use of the Mortgaged Property; (iii) any title defect or encumbrance or any eviction from the Mortgaged Property by superior title or otherwise; (iv) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation, or other like proceeding relating to Lender, or Borrower, or any action taken with respect to this Mortgage by any trustee or receiver of Lender or Borrower, or by any court, in any such proceeding; (v) any claim which Borrower has or might have against Lender; (vi) any default or failure on the part of Lender to perform or comply with any of the terms hereof or of any other agreement with Borrower; or (vii) any other occurrence whatsoever, whether similar or dissimilar to the foregoing, whether or not Borrower shall have notice or knowledge of any of the foregoing. Except as expressly provided herein, Borrower waives all rights now or hereafter conferred by statute or otherwise to any abatement, suspension, deferment, diminution, or reduction of the Indebtedness.

6.7 Setoff. Lender shall be entitled to exercise both the rights of setoff and banker's lien, if applicable, against the interest of Borrower in and to each and every account and other property of Borrower which are in the possession of Lender to the full extent of the outstanding balance of the Indebtedness.

6.8 Consent to Disposition. It is expressly agreed that Lender may predicate Lender's decision to grant or withhold consent to any sale, lease, exchange, assignment, conveyance, transfer, trade, or other disposition (separately and collectively, "Disposition") of all or any portion of the Mortgaged Property (or any interest therein) on such terms and conditions as Lender may require, in Lender's sole discretion, including without limitation (i) consideration of the creditworthiness of the party to whom such Disposition will be made and its management ability with respect to the Mortgaged Property, (ii) consideration of whether the security for repayment, performance and discharge of the Indebtedness, or Lender's ability to enforce its rights, remedies, and recourses with respect to such security, will be impaired in any way by the proposed Disposition, (iii) an increase in the rate of interest payable under the Note or any other change in the terms and provisions of the Note and other Loan Documents, (iv) reimbursement of Lender for all costs and expenses incurred by Lender in investigating the creditworthiness and management ability of the party to whom such Disposition will be made and in determining whether Lender's security will be impaired by the proposed Disposition, (v) payment to Lender of a transfer fee to cover the cost of documenting the Disposition in its records, (vi) payment of Lender's reasonable attorneys' fees in connection with such Disposition, (vii) the express assumption of payment and performance and discharge of the Indebtedness by the party to whom such Disposition will be made (with or without the release of Borrower from liability for such Indebtedness and covenants, obligations and liabilities under the Loan Documents), (viii) the execution of assumption agreements, modification agreements, supplemental loan documents, and financing statements, satisfactory in form and substance to Lender, (ix) endorsements (to the extent available under applicable law) to any existing mortgagee title insurance policies insuring Lender's liens and security interests covering the Mortgaged Property, and (x) require additional security for the payment, performance and discharge of the Indebtedness.

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6.9 Consent to Subordinate Mortgage. In the event of consent by Lender to the granting of a subordinate Mortgage or mortgage (a "Subordinate Mortgage"), or in the event the above-described right of Lender to declare the Indebtedness to be immediately due and payable upon the granting of a Subordinate Mortgage without the prior written consent of Lender is determined by a court of competent jurisdiction to be unenforceable under the provisions of any applicable law, Borrower will not execute or deliver any Subordinate Mortgage unless (i) it shall contain express covenants to the effect: (a) that the Subordinate Mortgage is in all respects unconditionally subject and subordinate to the lien and security interest evidenced by this Mortgage and each term and provision hereof; (b) that if any action or proceeding shall be instituted to foreclose the Subordinate Mortgage (regardless of whether the same is a judicial proceeding or pursuant to a power of sale contained therein), no tenant of any portion of the Mortgaged Property will be named as a party defendant, nor will any action be taken with respect to the Mortgaged Property which would terminate any occupancy or tenancy of the Mortgaged Property without the prior written consent of Lender; (c) that the rents and profits, if collected through a receiver or by the holder of the Subordinate Mortgage, shall be applied first to the payment, performance and discharge of the Indebtedness, next to the payment of the Impositions; and (d) that if any action or proceeding shall be brought to foreclose the Subordinate Mortgage (regardless of whether the same is a judicial proceeding or pursuant to a power of sale contained therein), written notice of the commencement thereof will be given to Lender contemporaneously with the commencement of such action or proceeding; and (ii) a copy thereof shall have been delivered to Lender not less than ten (10) days prior to the date of the execution of such Subordinate Mortgage.

6.10 Contest of Certain Claims. Notwithstanding the provisions of any Loan Document to the contrary, Borrower shall not be in default for failure to pay or discharge any Imposition or mechanic's or materialman's lien asserted against the Mortgaged Property if, and so long as, (a) Borrower shall have notified Lender of same within five (5) days of obtaining knowledge thereof; (b) Borrower shall diligently and in good faith contest the same by appropriate legal proceedings which shall operate to prevent the enforcement or collection of the same and the sale of the Mortgaged Property or any part thereof, to satisfy the same; (c) Borrower shall have furnished to Lender a cash deposit, or an indemnity bond satisfactory to Lender with a surety satisfactory to Lender, in the amount of the Imposition or mechanic's or materialman's lien claim, plus a reasonable additional sum to pay all costs, interest and penalties that may be imposed or incurred in connection therewith, to assure payment of the matters under contest and to prevent any sale or forfeiture of the Mortgaged Property or any part thereof; (d) Borrower shall promptly upon final determination thereof pay the amount of any such Imposition or claim so determined, together with all costs, interest and penalties which may be payable in connection therewith; (e) the failure to pay the Imposition or mechanic's or materialman's lien claim does not constitute a default under any other Mortgage, mortgage or security interest covering or affecting any part of the Mortgaged Property; and (f) notwithstanding the foregoing, Borrower shall immediately upon request of Lender pay (and if Borrower shall fail so to do, Lender may, but shall not be required to, pay or cause to be discharged or bonded against) any such Imposition or claim notwithstanding such contest, if in the reasonable opinion of Lender the Mortgaged Property shall be in jeopardy or in danger of being forfeited or foreclosed. Lender may pay over any such cash deposit or part thereof to the claimant entitled thereto at any time when, in the judgment of Lender, the entitlement of such claimant is established.

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6.11 Fixtures. Some of the items of the Mortgaged Property described herein are goods that are or are to become fixtures related to the Land, and it is intended that, as to those goods, this Mortgage shall be effective as a financing statement filed as a fixture filing from the date of its filing for record in the real estate records of the county in which the Mortgaged Property is situated. Information concerning the security interest created by this instrument may be obtained from Lender, as secured party, at the address of Lender stated above. The mailing address of the Borrower, as debtor, is as stated above.

6.12 Construction Mortgage and Fixture Filing. This Mortgage secures future advances to be used for construction of improvements on the Land pursuant to the Loan Agreement. Accordingly, this Mortgage constitutes a "construction mortgage" under the UCC. This Mortgage shall also constitute a "fixture filing" for the purposes of the UCC. All or part of the Mortgaged Property are or are to become fixtures; information concerning the security interest herein granted may be obtained from either party at the address of such party set forth in the initial paragraph of this Mortgage.

6.13 Security Interest. This Mortgage shall be a security agreement between Borrower, as the debtor, and Lender, as the secured party, covering the Mortgaged Property constituting personal property or fixtures governed by the UCC, and Borrower grants to Lender a security interest in such portion of the Mortgaged Property. In addition to Lender's other rights hereunder, Lender shall have all rights of a secured party under the UCC.

6.14 Interest Laws. Borrower hereby warrants and represents that the proceeds of the Note will be paid to an entity and/or used for the purposes specified in Section 205/4(1)(l) of Chapter 815, of the Illinois Compiled Statutes and that the principal obligations secured hereby constitutes a business loan which comes within the purview and operation of such paragraph. It being the intention of Lender and Borrower to comply with the laws of the State of Illinois, it is agreed that notwithstanding any provision to the contrary in the Note or this Mortgage, no such provision shall require the payment or permit the collection of any amount ("Excess Interest") in excess of the maximum amount of interest permitted by law to be charged. In determining whether or not any Excess Interest is provided for, the provisions contained in the Note with respect to such determination shall control. If any Excess Interest is provided for, or is adjudicated to be provided for, in the Note or this Mortgage, then in such event (a) the provisions of this Section shall govern and control; (b) Borrower shall not be obligated to pay any Excess Interest; and (c) any Excess Interest that Lender may have received hereunder shall, at the option of Lender, be (i) applied as a credit against the then unpaid principal balance under the Note, or accrued and unpaid interest thereon not to exceed the maximum amount permitted by law, or both, (ii) refunded to the payor thereof, or (iii) any combination of the foregoing.

ARTICLE VII

ASSIGNMENT OF LEASES AND RENTS

7.1 Assignment of Rents. All of the rents, royalties, bonuses, issues, profits, revenue, income, and other benefits derived from the Mortgaged Property or arising from the use or enjoyment of any portion thereof or from any lease or agreement pertaining thereto and

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liquidated damages following default under such leases, and all proceeds payable under any policy of insurance covering loss of rents resulting from untenability caused by damage to any part of the Mortgaged Property, together with any and all rights that Borrower may have against any tenant under such leases or any subtenants or occupants of any part of the Mortgaged Property (hereinafter called the "Rents") are hereby absolutely and unconditionally assigned to Lender to be applied by Lender in payment of the Indebtedness. Notwithstanding any provision of this Mortgage or any other of the Loan Instruments which might be construed to the contrary, the assignment in this Section is an absolute assignment and not merely a security interest. However, Lender's rights as to the assignment shall be exercised only upon the occurrence of an Event of Default (as hereinafter defined). Prior to an Event of Default, Borrower shall have a license to collect and receive all Rents as trustee for the benefit of Lender and Borrower, and Borrower shall apply the funds so collected first to the payment of the Indebtedness in such manner as Lender elects and thereafter to the account of Borrower. All Rents not actually paid to Lender to apply on the Indebtedness shall not constitute payment on the Indebtedness.

7.2 Assignment of Leases. Borrower hereby assigns to Lender all existing and future leases, including subleases thereof, and any and all extensions, renewals, modifications, and replacements thereof, upon any part of the Mortgaged Property (the "Leases"). Borrower hereby further assigns to Lender all guarantees of tenants' performance under the Leases. Prior to an Event of Default, Borrower shall have the right, without joinder of Lender, to enforce the Leases, unless Lender directs otherwise.

7.3 Leasing. Borrower covenants and agrees that, without the prior written consent of Lender, it shall not enter into any Lease of the Mortgaged Property.

7.4 Lender in Possession; Indemnification. Lender's acceptance of this assignment shall not, prior to entry upon and taking possession of the Mortgaged Property by Lender, be deemed to constitute Lender a "mortgagee in possession," nor obligate Lender to appear in or defend any proceeding relating to any of the Leases or to the Mortgaged Property, take any action hereunder, expend any money, incur any expenses, or perform any obligation or liability under the Leases, or assume any obligation for any deposits delivered to Borrower by any lessee and not delivered to Lender. Lender shall not be liable for any injury or damage to person or property in or about the Mortgaged Property. Borrower hereby indemnifies and holds Lender harmless from all liability, damage or expense incurred by Lender from any claims under the Leases, including, without limitation, claims by tenants for security deposits or for rental payments more than one (1) month in advance and not delivered to Lender. All amounts indemnified against hereunder, including reasonable attorneys' fees, if paid by Lender shall bear interest at the maximum lawful rate and shall be payable by Borrower immediately without demand, and shall be secured hereby.

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ARTICLE VIII

MISCELLANEOUS

8.1 Release. If Borrower shall perform each of the covenants and agreements herein contained, then this conveyance shall become null and void and shall be released at Borrower's written request and expense; otherwise, it shall remain in full force and effect. No release or modification of this conveyance, or of any of the liens, security interests or assignments created and evidenced hereby, shall be valid unless executed by Lender.

8.2 Partial Release of Lien, Extension, etc. Any part of the Mortgaged Property may be released by Lender without affecting the liens, security interests and assignments hereof against the remainder. The lien, security interest and other rights granted hereby shall not affect or be affected by any other security taken for the Indebtedness. The taking of additional security, or the extension or renewal of the Indebtedness or any part thereof, shall not release or impair the lien, security interest and other rights granted hereby, or affect the liability of any endorser or guarantor or improve the right of any permitted junior lienholder; and this Mortgage, as well as any instrument given to secure any renewal or extension of the Indebtedness, or any part thereof, shall be and remain a first and prior lien, except as otherwise provided herein, on all of the Mortgaged Property not expressly released until the Indebtedness is paid.

8.3 Recording and Filing. Borrower will cause the Loan Documents (requested by Lender) and all amendments and supplements thereto and substitutions therefor to be recorded, filed, re-recorded, and refiled in such manner and in such places as Lender shall reasonably request, and will pay all such recording, filing, re-recording and re-filing taxes, documentary stamp taxes, fees, and other charges.

8.4 Notices. All notices or other communications required or permitted to be given hereunder shall be in writing and shall be considered as properly given if (i) mailed by first class United States mail, postage prepaid, registered or certified with return receipt requested, (ii) by delivering same in person to the intended addressee, or (iii) by delivery to an independent third party commercial delivery service for same day or next day delivery and providing for evidence of receipt at the office of the intended addressee. Notice so mailed shall be effective upon its deposit with the United States Postal Service or any successor thereto; notice sent by such a commercial delivery service shall be effective upon delivery to such commercial delivery service; notice given by personal delivery shall be effective only if and when received by the addressee; and notice given by other means shall be effective only if and when received at the designated address of the intended addressee. For purposes of notice, the addresses of the parties shall be as set forth in the first paragraph of this Mortgage or to Lender at its address set forth in Section 1.1 hereof; provided, however, that either party shall have the right to change its address for notice hereunder to any other location within the continental United States by the giving of thirty (30) days' notice to the other party in the manner set forth herein. Copies of all notices provided to Borrower shall also be provided to Borrower's counsel, provided, however, that failure of any notice to be delivered to Borrower's counsel in accordance with this Section 8.4 shall not be a violation of this Section 8.4 or a default under this Agreement.

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8.5 Successors and Assigns. All of the terms of the Loan Documents shall apply to, be binding upon, and inure to the benefit of the parties thereto, their successors, assigns, heirs, and legal representatives, and all other persons claiming by, through, or under them.

8.6 No Waiver; Severability. Any failure by Lender to insist, or any election by Lender not to insist, upon strict performance by Borrower or others of any of the terms, provisions, or conditions of the Loan Documents shall not be deemed to be a waiver of same or of any other terms, provisions, or conditions thereof, and Lender shall have the right at any time or times thereafter to insist upon strict performance by Borrower or others of any and all of such terms, provisions, and conditions. The Loan Documents are intended to be performed in accordance with, and only to the extent permitted by, all applicable legal requirements. If any provision of any of the Loan Documents or the application thereof to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, then neither the remainder of the instrument in which such provision is contained nor the application of such provision to other persons or circumstances nor the other instruments referred to herein shall be affected thereby, but rather shall be enforced to the greatest extent permitted by law.

8.7 Counterparts. To facilitate execution, this Mortgage may be executed in as many counterparts as may be convenient or required. It shall not be necessary that the signature and acknowledgment of, or on behalf of, each party, or that the signature and acknowledgment of all persons required to bind any party, appear on each counterpart. All counterparts shall collectively constitute a single instrument. It shall not be necessary in making proof of this Mortgage to produce or account for more than a single counterpart containing the respective signatures and acknowledgment of, or on behalf of, each of the parties hereto. Any signature and acknowledgment page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures and acknowledgments thereon and thereafter attached to another counterpart identical thereto except having attached to it additional signature and acknowledgment pages.

8.8 Applicable Law. The Loan Documents shall be governed by and construed according to the laws of the State of Illinois from time to time in effect except to the extent preempted by United States federal law.

8.9 Change of Security. Any part of the Mortgaged Property may be released, regardless of consideration, by Lender from time to time without impairing, subordinating, or affecting in any way the lien, security interest, and other rights hereof against the remainder. The lien, security interest, and other rights granted hereby shall not be affected by any other security taken for the Indebtedness or any part thereof. The taking of additional collateral, or the amendment, extension, renewal, or rearrangement of the Indebtedness, or any part thereof, shall not release or impair the lien, security interest, and other rights granted hereby, or affect the liability of any endorser or guarantor or improve the right of any junior lienholder; and this Mortgage, as well as any instrument given to secure any amendment, extension, renewal, or rearrangement of the Indebtedness, or any part thereof, shall be and remain a first and prior lien, except as otherwise provided herein, on all of the Mortgaged Property not expressly released until the Indebtedness is fully paid, performed and discharged.

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8.10 Headings. The Article, Section, and Subsection entitlements hereof are inserted for convenience of reference only and shall in no way alter, modify, or define, or be used in construing the text of such Articles, Sections, or Subsections.

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EXECUTED as of the date first above written.

BORROWER:

PRINCETON WEST, L.L.C., an Illinois limited liability company

By: Kenar, Ltd; an Illinois corporation,
its ~~Manager~~ Member
By: [Signature]
Ken Struck, its president

STATE OF ILLINOIS §
 §
COUNTY OF Cook §

The foregoing instrument was acknowledged before me this 14th day of September, 2007, by Ken Struck, the President of Kenar, Ltd, an Illinois corporation, the Member of PRINCETON WEST, L.L.C., an Illinois limited liability company, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such president, appeared before me this day in person and acknowledged that such person signed and delivered the said instrument as such person's own free and voluntary act and as the free and voluntary act of said limited liability company, for the uses and purposes therein set forth.

[SEAL]

My Commission Expires:

[Signature]
Notary Public, State of Illinois
Joseph S. Kayne
Printed Name of Notary Public



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LEGAL DESCRIPTION

PARCEL 1:

THAT PART OF SECTION 6 AND 7, TOWNSHIP 41 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT A POINT ON THE NORTH LINE OF SAID SECTION 6, BEING ALSO THE NORTH LINE OF HANOVER TOWNSHIP, 855.00 FEET, AS MEASURED ALONG SAID NORTH LINE, WEST OF THE NORTHEAST CORNER OF SAID SECTION 6; THENCE SOUTH 03 DEGREES 38 MINUTES 39 SECONDS WEST (DEED SOUTH 03 DEGREES 38 MINUTES WEST) ALONG A LINE HEREINAFTER REFERRED TO AS THE WEST LINE OF THE ASSESSOR'S DIVISION 356.52 FEET TO AN INTERSECTION OF SAID WEST LINE OF THE ASSESSOR'S DIVISION WITH THE SOUTHERLY LINE AS MONUMENTED, OF LAND CONVEYED TO NORTHERN ILLINOIS GAS COMPANY BY DOCUMENT NO. 17588255, SAID POINT OF INTERSECTION BEING THE PLACE OF BEGINNING; THENCE CONTINUING SOUTH 03 DEGREES 38 MINUTES 39 SECONDS WEST ALONG SAID WEST LINE OF THE ASSESSOR'S DIVISION 3,422.92 FEET TO AN INTERSECTION WITH THE NORTHERLY LINE OF SHOE FACTORY ROAD; THENCE WESTERLY ALONG THE NORTHERLY LINE OF SAID SHOE FACTORY ROAD, BEING A CURVED LINE CONVEX SOUTHERLY AND HAVING A RADIUS OF 13,172.18 FEET, AN ARC DISTANCE OF 5.00 FEET TO AN INTERSECTION WITH A LINE 5.00 FEET, AS MEASURED AT RIGHT ANGLES, WEST OF AND PARALLEL WITH SAID WEST LINE OF THE ASSESSOR'S DIVISION (THE CHORD OF SAID ARC BEARS NORTH 88 DEGREES, 02 MINUTES, 56 SECONDS WEST, 5.00 FEET); THENCE NORTH 03 DEGREES 38 MINUTES 39 SECONDS EAST ALONG SAID LAST DESCRIBED PARALLEL LINE, BEING ALSO THE EAST LINE OF THE EASEMENT FOR ACCESS AND RIGHT-OF-WAY OVER EXISTING ROADWAY, ACCORDING TO THE INSTRUMENT RECORDED DECEMBER 24, 1987 AS DOCUMENT NO. 87674536, 2,789.50 FEET TO THE NORTH LINE OF SAID EASEMENT; THENCE NORTH 89 DEGREES 51 MINUTES 04 SECONDS WEST ALONG THE NORTH LINE OF SAID EASEMENT, 66.12 FEET TO AN INTERSECTION WITH A LINE 71.00 FEET, AS MEASURED AT RIGHT ANGLES, WEST OF AND PARALLEL WITH SAID WEST LINE OF THE ASSESSOR'S DIVISION; THENCE NORTH 03 DEGREES 38 MINUTES 39 SECONDS EAST ALONG SAID LAST DESCRIBED PARALLEL LINE, 318.80 FEET TO A POINT OF SAID PARALLEL LINE, 3,109.01 FEET, AS MEASURED ALONG SAID PARALLEL LINE, NORTH OF THE INTERSECTION OF SAID LAST DESCRIBED PARALLEL LINE WITH THE ORIGINAL NORTHERLY LINE OF SHOE FACTORY ROAD; THENCE NORTH 89 DEGREES 51 MINUTES 04 SECONDS WEST, 1,009.19 FEET; THENCE NORTH 00 DEGREES 09 MINUTES 49 SECONDS EAST, 313.39 FEET TO A POINT ON THE SOUTHERLY LINE AS MONUMENTED, OF LAND CONVEYED TO NORTHERN ILLINOIS GAS COMPANY BY DOCUMENT NO. 17588255, SAID POINT BEING 1,099.41 FEET, AS MEASURED ALONG SAID SOUTHERLY LINE, WESTERLY OF THE INTERSECTION OF SAID SOUTHERLY LINE AS MONUMENTED, OF LAND CONVEYED TO THE NORTHERN ILLINOIS GAS COMPANY WITH THE SAID WEST LINE OF THE ASSESSOR'S DIVISION; THENCE SOUTH 89 DEGREES 52 MINUTES 35 SECONDS EAST ALONG SAID SOUTHERLY LINE AS MONUMENTED OF LAND CONVEYED TO THE NORTHERN ILLINOIS GAS COMPANY BY DOCUMENT NO. 17588255, 1,099.41 FEET TO THE PLACE OF BEGINNING, IN COOK COUNTY, ILLINOIS.

EXCEPTING HOWEVER, ANY PORTION OF THE FOLLOWING PROPERTY:

THAT PART OF SECTION 6 AND 7, TOWNSHIP 41 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT A POINT ON THE NORTH LINE OF SAID SECTION 6, BEING ALSO THE NORTH LINE OF HANOVER TOWNSHIP, 855.00 FEET, AS MEASURED ALONG SAID NORTH LINE, WEST OF THE NORTHEAST

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CORNER OF SAID SECTION 6; THENCE SOUTH 03 DEGREES 38 MINUTES 39 SECONDS WEST (DEED SOUTH 03 DEGREES 38 MINUTES WEST) ALONG A LINE HEREINAFTER REFERRED TO AS THE WEST LINE OF THE ASSESSOR'S DIVISION 356.52 FEET TO AN INTERSECTION OF SAID WEST LINE OF THE ASSESSOR'S DIVISION WITH THE SOUTHERLY LINE AS MONUMENTED, OF LAND CONVEYED TO NORTHERN ILLINOIS GAS COMPANY BY DOCUMENT NO. 17588255; THENCE CONTINUING SOUTH 03 DEGREES 38 MINUTES 39 SECONDS WEST ALONG SAID WEST LINE OF THE ASSESSOR'S DIVISION, 633.30 FEET, TO A POINT ON THE EASTERLY EXTENSION OF THE NORTH LINE OF AN EASEMENT FOR ACCESS AND RIGHT-OF-WAY OVER EXISTING ROADWAY, ACCORDING TO THE INSTRUMENT RECORDED DECEMBER 24, 1987 AS DOCUMENT NUMBER 87674536 AND THE POINT OF BEGINNING: THENCE CONTINUING SOUTH 03 DEGREES 38 MINUTES 39 SECONDS WEST ALONG SAID WEST LINE OF THE ASSESSOR'S DIVISION, 2,789.62 FEET TO AN INTERSECTION WITH THE NORTHERLY LINE OF SHOE FACTORY ROAD; THENCE WESTERLY ALONG THE NORTHERLY LINE OF SAID SHOE FACTORY ROAD, BEING A CURVED LINE CONVEX SOUTHERLY AND HAVING A RADIUS OF 13,172.18 FEET, AN ARC DISTANCE OF 5.00 FEET TO AN INTERSECTION WITH A LINE 5.00 FEET, AS MEASURED AT RIGHT ANGLES, WEST OF AND PARALLEL WITH SAID WEST LINE OF THE ASSESSOR'S DIVISION (THE CHORD OF SAID ARC BEARS NORTH 88 DEGREES 02 MINUTES 56 SECONDS WEST, 5.00 FEET); THENCE NORTH 03 DEGREES 38 MINUTES 39 SECONDS EAST ALONG SAID LAST DESCRIBED PARALLEL LINE, BEING ALSO THE EAST LINE OF SAID EASEMENT FOR ACCESS AND RIGHT-OF-WAY OVER EXISTING ROADWAY, 2789.50 FEET, MORE OR LESS, TO A POINT ON THE NORTH LINE OF SAID EASEMENT; THENCE SOUTH 89 DEGREES 51 MINUTES 04 SECONDS EAST, ALONG THE EASTERLY EXTENSION OF SAID NORTH LINE, 5.01 FEET, TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PERMANENT INDEX NO: 06-06-200-051-0000

PARCEL 2:

LOTS 3 AND 6 AT PRINCETON WEST PHASE 1, BEING A SUBDIVISION OF PART OF THE EAST ½ OF FRACTIONAL SECTION 6 AND THE NORTHEAST ¼ OF FRACTIONAL SECTION 7, TOWNSHIP 41 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 21, 2003 AS DOCUMENT 0332534090 AND CORRECTED BY CERTIFICATE RECORDED SEPTEMBER 24, 2004 AS DOCUMENT 0426844031, IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 1204 FREDERICK COURT, ELGIN, IL 60120
 PERMANENT INDEX NO: 06-07-222-003-0000
 (AFFECTS LOT 3)

COMMON ADDRESS: 1207 FREDERICK COURT, ELGIN, IL 60120
 PERMANENT INDEX NO: 06-07-222-006-0000
 (AFFECTS LOT 6)

PARCEL 3:

LOT 33 AT PRINCETON WEST PHASE 2, BEING A SUBDIVISION OF PART OF THE EAST ½ OF FRACTIONAL SECTION 6 AND THE NORTHEAST ¼ OF FRACTIONAL SECTION 7, TOWNSHIP 41 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED MAY 21, 2004 AS DOCUMENT 0414218122 AND CERTIFICATE OF CORRECTION RECORDED SEPTEMBER 24, 2004 AS DOCUMENT 426844032, IN COOK COUNTY, ILLINOIS.

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COMMON ADDRESS: 1184 SHAWFORD WAY, ELGIN, IL 60120
PERMANENT INDEX NO: 06-06-200-054-0000

PARCEL 4:

LOT 90 (PRIVATE ROAD), OUTLOT D (DESIGNATED PARK), PART OF LOT 88 (EXCEPT BUILDING 3), PART OF LOT 91 (EXCEPT BUILDINGS 4 AND 5), AND PART OF LOT 92 (EXCEPT BUILDINGS 18, 19 AND 20), ALL AT PRINCETON WEST PHASE 2, BEING A SUBDIVISION OF PART OF THE EAST ½ OF FRACTIONAL SECTION 6 AND THE NORTHEAST ¼ OF FRACTIONAL SECTION 7, TOWNSHIP 41 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED MAY 21, 2004 AS DOCUMENT 0414218122 AND CERTIFICATE OF CORRECTION RECORDED SEPTEMBER 24, 2004 AS DOCUMENT 426844032, IN COOK COUNTY, ILLINOIS.

PERMANENT INDEX NO: 06-06-200-060-0000, 06-06-200-059-0000, 06-06-200-064-0000, 06-06-200-063-0000, 06-06-200-062-0000

PARCEL 5:

UNIT 5-1-1254 IN PRINCETON WEST CONDOMINIUMS, AS DELINEATED ON A SURVEY OF THE FOLLOWING DESCRIBED REAL ESTATE: CERTAIN LOTS IN PRINCETON WEST PHASE 1 AND 2, BEING A SUBDIVISION OF PART OF THE EAST ½ OF FRACTIONAL SECTION 6 AND THE NORTHEAST ¼ OF FRACTIONAL SECTION 7, TOWNSHIP 41 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 21, 2003 AS DOCUMENT 0332534090, IN COOK COUNTY, ILLINOIS, WHICH SURVEY IS ATTACHED AS EXHIBIT "B" TO THE DECLARATION OF CONDOMINIUM RECORDED AS DOCUMENT 0423939094, TOGETHER WITH ITS UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS APPURTENANT TO SAID UNIT AS SET FORTH IN SAID DECLARATION, AS AMENDED FROM TIME TO TIME, IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 1254 BRADLEY CIRCLE, ELGIN, IL 60120
PERMANENT INDEX NO: 06-06-200-063-0000