

Prepared by and after
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Phillips Lytle LLP
1400 First Federal Plaza
Rochester, New York 14614
Attention: Thomas R. Burns, Esq.

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LAWNDALE H&A BOND, LP

TO

DEUTCHSE BANK NATIONAL TRUST COMPANY, as Trustee

**FIRST MORTGAGE, ASSIGNMENT OF RENTS,
SECURITY AGREEMENT AND FIXTURE FILING**

Dated: As of December 1, 2007

Location: Lawndale Restoration Apartments
4118 West 15th Street, 1136-42 South Central Park, 1259
South Central Park, 3122 West Douglas, 3206 West Douglas,
3219-29 West Douglas, 3234 West Douglas, 3239 West
Douglas, 1501 South Kedzie and 3900 West Wilcox,
all in the City of Chicago, Cook County, Illinois

Tax Index Nos.: See Exhibit A

Relating to: \$6,200,000.00
City of Chicago Multifamily Housing Revenue Bonds
(Lawndale Restoration Apartments Project), Series 2007A

\$10,550,000.00
City of Chicago Multifamily Housing Revenue Bonds
(Lawndale Restoration Apartments Project), Series 2007B

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MORTGAGE

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FIRST MORTGAGE, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING

THIS FIRST MORTGAGE, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING (the "**Mortgage**") made as of the 1st day of December, 2007, between LAWDALE H&A BOND, LP, an Illinois limited partnership, having an office and place of business located at 1333 N. Kingsbury, Suite 305, Chicago, Illinois 60622 (the "**Mortgagor**"), and DEUTSCHE BANK NATIONAL TRUST COMPANY, a national banking association duly organized and validly existing under the laws of the United States of America, as Trustee, having an office at 222 South Riverside Plaza, 25th Floor, Chicago, Illinois 60606, as Trustee for the benefit of the holders of the Bonds (as defined below) (the "**Trustee**"),

WITNESSETH:

WHEREAS, City of Chicago, a municipality and home rule unit of local government duly organized and validly existing under the Constitution and the laws of the State of Illinois (the "**Issuer**") is authorized under the laws of the State of Illinois (the "**State**") to finance, among other things, multifamily rental housing; and

WHEREAS, by Ordinance adopted pursuant to and in accordance with the provisions of the Constitution of the State, the Issuer has authorized the issuance of its City of Chicago Multifamily Housing Revenue Bonds (Lawndale Restoration Apartments Project), Series 2007A in the principal amount of Six Million Two Hundred Thousand Dollars (\$6,200,000.00) (the "**Series A Bonds**") and its City of Chicago Multifamily Housing Revenue Bonds (Lawndale Restoration Apartments Project), Series 2007B in the principal amount of Ten Million Five Hundred Fifty Thousand Dollars (\$10,550,000.00) (the "**Series B Bonds**") (the Series A Bonds and the Series B Bonds being collectively referred to as the "**Bonds**") pursuant to the Trust Indenture between the Issuer and the Trustee dated as of the date hereof (as the same may be modified, amended or supplemented from time to time, the "**Indenture**"); and

WHEREAS, the Mortgagor proposes to borrow an amount equal to the principal amount of the Bonds (the "**Loan Amount**") from the Issuer pursuant to a certain Loan Agreement dated the date hereof (as the same may be modified, amended or supplemented from time to time, the "**Loan Agreement**") by and among the Issuer, the Mortgagor and the Trustee; and

WHEREAS, the Mortgagor has executed and delivered to the Issuer that certain promissory note in the principal amount of the Series A Bonds and that certain promissory note in the principal amount of the Series B Bonds (collectively, and as either of the same may be modified, amended, renewed or replaced from time to time, the "**Note**"), which evidences the loans in the same amount (collectively, the "**Loan**") and which Loan is being made pursuant to the terms of the Loan Agreement; and

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WHEREAS, the proceeds of the Loan will be utilized by the Borrower to pay a portion of the costs of acquiring the premises described in Exhibit A attached hereto (the "**Premises**") and constructing and equipping the Improvements (as hereinafter defined); and

WHEREAS, the Note provides that the Loan matures on the final maturity date of the Bonds (the "**Maturity Date**") upon which date all of the outstanding and unpaid principal and interest under the Note will be due and payable; and

WHEREAS, the Issuer requires that this Mortgage be executed and delivered in favor of the Trustee in connection with the Loan as a condition to making the Loan; and

WHEREAS, the Issuer is assigning the Note and other agreements with respect to the Loan to the Trustee pursuant to the terms of the Indenture; and

WHEREAS, pursuant to the terms of the Loan Agreement, JPMorgan Chase Bank, N.A., a national banking association, has been engaged as servicer for the loan (in such capacity, together with its successors and assigns, the "**Servicer**").

NOW THEREFORE, to secure the payment of an indebtedness in the principal sum of Sixteen Million Seven Hundred Fifty Thousand Dollars (\$16,750,000.00), lawful money of the United States of America or so much thereof as may be advanced in accordance with the provisions of the Loan Agreement (as hereinafter defined), to be paid with interest (said indebtedness, interest and all other sums which may or shall become due hereunder being hereinafter collectively referred to as the "**Debt**") according to the Note, and any renewals, extensions, modifications, amendments or replacements of the Note, the Mortgagor has mortgaged, given, granted, bargained, sold, aliened, enfeoffed, conveyed, confirmed and assigned, and by these presents does mortgage, give, grant, bargain, sell, alien, enfeoff, convey, confirm and assign unto the Trustee for the benefit of the holders of the Bonds forever all right, title and interest of the Mortgagor now owned, or hereafter acquired, in and to the following property, rights and interests (such property, rights and interests being hereinafter collectively referred to as the "**Mortgaged Property**"):

- (a) the Premises;
- (b) all buildings and improvements now or hereafter located on the Premises (the "**Improvements**");
- (c) all of the estate, right, title, claim or demand of any nature whatsoever of the Mortgagor, either in law or in equity, in possession or expectancy, in and to the Mortgaged Property or any part thereof;
- (d) all easements, rights-of-way, gores of land, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights and powers, mineral rights, and all estates, rights, titles, interests, privileges, liberties, tenements, hereditaments, and appurtenances of any

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nature whatsoever, in any way belonging, relating or pertaining to the Mortgaged Property (including, without limitation, any and all development rights, air rights or similar or comparable rights of any nature whatsoever now or hereafter appurtenant to the Premises or now or hereafter transferred to the Premises) and all land lying in the bed of any street, road or avenue, opened or proposed, in front of or adjoining the Premises to the center line thereof;

(e) all machinery, apparatus, equipment, fittings, fixtures and other property of every kind and nature whatsoever and all additions thereto and renewals and replacements thereof, and all substitutions therefor now owned or hereafter acquired by the Mortgagor, or in which the Mortgagor has or shall have an interest, now or hereafter located upon or in, or attached to, any portion of the Mortgaged Property, or appurtenances thereto, or located off site of the Mortgaged Property but purchased with the proceeds of the Debt and used or usable in connection with the present or future operation and occupancy of the Mortgaged Property and all building equipment, materials and supplies of any nature whatsoever owned by the Mortgagor, or in which the Mortgagor has or shall have an interest, now or hereafter located upon the Mortgaged Property and whether stored at the Mortgage Property or off-site (collectively, the "**Equipment**"), and the right, title and interest of the Mortgagor in and to any of the Equipment which may be subject to any security agreements (as defined in the Uniform Commercial Code (the "**Uniform Commercial Code**")), superior in lien to the lien of this Mortgage and all proceeds and products of any of the above;

(f) all awards or payments, including interest thereon, and the right to receive the same, which may be made with respect to the Mortgaged Property, whether from the exercise of the right of eminent domain (including any transfer made in lieu of the exercise of said right), or for any other injury to or decrease in the value of the Mortgaged Property;

(g) all leases and other agreements affecting the use or occupancy of the Mortgaged Property now or hereafter entered into and all guaranties of any of the foregoing (the "**Leases**") and the right to receive and apply the rents, issues and profits of the Mortgaged Property (the "**Rents**") to the payment of the Debt;

(h) all right, title and interest of the Mortgagor in and to (i) all contracts from time to time executed by the Mortgagor or any manager or agent on its behalf relating to the ownership, construction, maintenance, repair, operation, occupancy, sale or financing of the Mortgaged Property or any part thereof and all agreements relating to the purchase or lease of any portion of the Mortgaged Property or any property which is adjacent or peripheral to the Mortgaged Property, together with the right to exercise such options and all leases of Equipment, (ii) all consents, licenses, building permits, certificates of occupancy and other governmental approvals relating to construction, completion, occupancy, use or operation of the Mortgaged Property or any part thereof, and (iii) all drawings, plans, specifications and similar or related items relating to the Mortgaged Property;

(i) all trade names, trade marks, logos, copyrights, good will and books and records relating to or used in connection with the operation of the Mortgaged Property or any

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part thereof; all general intangibles related to the operation of the Mortgaged Property now existing or hereafter arising;

(j) all accounts and revenues arising from the operation of the Mortgaged Property, including, without limitation, (i) any right to payment now existing or hereafter arising for rental of space or for goods sold or leased or for services rendered, whether or not yet earned by performance, arising from the operation of the Mortgaged Property and (ii) all rights to payment from any consumer credit-charge card organization or entity, including, without limitation, payments arising from the use of the American Express Card, the Visa Card, the Carte Blanche Card, the Mastercard, the Discover Card or any other credit card, including those now existing or hereafter created, substitutions therefor, proceeds thereof (whether cash or non-cash, movable or immovable, tangible or intangible) received upon the sale, exchange, transfer, collection or other disposition or substitution thereof and any and all of the foregoing and proceeds therefrom;

(k) all abatement certificates under federal, state or local law being now or hereafter available in connection with the Mortgaged Property, Mortgagor's rights under Borrower's Amended and Restated Agreement of Limited Partnership and all of Mortgagor's right, title and interest in and to any instrument, document or agreement relating thereto, including, and not by way of limitation, any regulatory agreement relating to the leasing of individual units comprising the Mortgaged Property;

(l) all proceeds, both cash and non-cash, of the foregoing;

(m) all proceeds of and any unearned premiums on any insurance policies covering the Mortgaged Property, including, without limitation, the right to receive and apply the proceeds of any insurance, judgments, or settlements made in lieu thereof, for damage to the Mortgaged Property; and

(n) the right, in the name and on behalf of the Mortgagor, to appear in and defend any action or proceeding brought with respect to the Mortgaged Property and to commence any action or proceeding to protect the interest of the Trustee in the Mortgaged Property.

TO HAVE AND TO HOLD the above granted and described Mortgaged Property unto and to the proper use and benefit of the Trustee for the benefit of the holders of the Bonds, and the successors and assigns of the Trustee, forever.

AND the Mortgagor covenants and agrees with and represents and warrants to the Trustee as follows:

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ARTICLE I - COLLATERAL

1.1 Payment of Debt. The Mortgagor will pay the Debt at the time and in the manner provided for its payment in the Note and in this Mortgage.

1.2 Warranty of Title; Other Representations and Warranties.

(a) Subject only to those exceptions to title specifically set forth in the title policy issued or to be issued by Chicago Title Insurance Company, (Policy No. 1301) to the Trustee and insuring the lien of this Mortgage, the Mortgagor warrants the title to the Premises, the Improvements, the Equipment and the balance of the Mortgaged Property.

(b) The Mortgagor also represents and warrants that: (i) the Mortgagor is now, and after giving effect to this Mortgage, will be in a solvent condition, (ii) there has been no material adverse change in the financial condition of the Mortgagor or any guarantor of the Debt since the date of the Mortgagor's application for the loan secured hereby, (iii) the Mortgagor is not in default under any note, loan or security agreement to which it is a party, (iv) the execution and delivery of this Mortgage by the Mortgagor does not constitute a "fraudulent conveyance" within the meaning of Title 11 of the United States Code as now constituted or under any other applicable statute, (v) no bankruptcy or insolvency proceedings are pending or contemplated by or against the Mortgagor or any general partner thereof, (vi) there are no existing or pending or to the best of Mortgagor's knowledge, threatened, actions or proceedings affecting any portion of the Mortgaged Property.

(c) The Mortgagor (and the undersigned representative of the Mortgagor, if any) additionally represents and warrants that: (i) it has full power, authority and legal right to execute this Mortgage, and to mortgage, give, grant, bargain, sell, alien, enfeoff, convey, confirm and assign the Mortgaged Property pursuant to the terms hereof and to keep and observe all of the terms of this Mortgage on the Mortgagor's part to be performed, and (ii) the Mortgagor is a duly organized and presently existing limited partnership and this Mortgage has been executed by authority of the general partner.

1.3 Insurance. The Mortgagor shall furnish to the Servicer (with evidence of the payment of premiums therefor), or if the Mortgagor shall fail to do so after the expiration of any applicable notice and grace period, the Trustee or the Servicer may obtain at the Mortgagor's expense, insurance as required by the Loan Documents. All insurance policies shall (i) be issued by an insurance Company licensed to do business in the state where the Premises is located having a rating of A- and financial size of VIII or better by A.M. Best Co. in Best's Rate Guide, (ii) name the Trustee and the Servicer and any and all subsidiaries as their interests may appear as additional insureds on all liability insurance and as mortgagee and loss payee on All Risk policy insurance, (iii) provide that the Trustee and Servicer are to receive thirty (30) days written notice prior to non-renewal or cancellation, (iv) be evidenced by a certificate of insurance to be provided to the Trustee and include either policy or binders numbers on an Accord form. Insurance required by the Trustee shall include:

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- (a) So long as the Loan Agreement shall be in force, the policies of fire insurance shall be in the so-called "All Risk Builders' Risk Completed Value Non-Reporting Form," including collapse coverage, terrorism coverage, and, if warranted, evidence of flood and earthquake coverage, all as may be required by the Trustee naming the Trustee as mortgagee and loss payee, and in amounts not less than 100% of the completed insurable value of the Improvements and which shall be sufficient to satisfy all co-insurance requirements. The Builder's Risk Policy must include an "ordinance/change in law" endorsement providing a limit of at least 25% of the property value. Upon completion of construction of the Improvements, the insurance shall be converted to a standard hazard insurance policy with extended coverage and otherwise complying with the provisions of this Mortgage in an amount not less than the full insurable value on a replacement cost basis of the insured Improvements and personal property related hereto. Such policies shall not contain an exclusion for terrorist losses. However, if such an exclusion exists in the all-risk policy, a separate terrorism policy covering Certified Acts of Terrorism must be evidenced in an amount equal to the full replacement cost of the Improvements.
- (b) Mortgagor shall maintain commercial general liability insurance with limits of not less than \$1,000,000.00 per occurrence combined single limit and \$2,000,000.00 in the aggregate for the policy period, or in whatever higher amounts as may be required by the Beneficiary from time to time by notice to the Borrower, and extended to cover: (A) Contractual Liability assumed by Borrower with the defense provided in addition to policy limits for indemnities of the named insured, (B) if any of the work is subcontracted, Independent Contractor's Liability providing coverage in connection with such portion of the work which is to be subcontracted, (C) Broad Form Property Damage Liability, (D) Products and Completed Operations for coverage, such coverage to apply for two years following the completion of construction, (E) waiver of subrogation against all parties, named as additional insured, (F) severability of interest provision, and (G) Personal Injury and Advertiser's Liability, together with umbrella/excess liability with a limit of liability of at least \$10,000,000.00.
- (c) Automobile Liability coverage on owned, hired, and non-owned automobiles and other vehicles, if used in connection with the performance of the work with bodily injury and property damage limits of not less than \$2,000,000.00 per occurrence combined single limit, with a waiver of subrogation against all parties named as additional insured.
- (d) If the Premises, or any portion thereof, are located in a federally designated "special flood hazard area," a flood insurance policy shall be delivered to the Bank. If no portion of the Facility is located in a federally designated "special flood hazard area" such fact shall be substantiated by a certificate in form satisfactory to the Trustee from a licensed surveyor, appraiser or professional engineer or other qualified person, party or entity.
- (e) If the Mortgagor has any employees, Worker's Compensation and employer's liability insurance in accordance with the applicable laws of the state where the

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Premises is located or the state in which the Mortgagor is obligated to pay compensation to employees engaged in the performance of the work. The policy limit under employers liability insurance section shall be not less than \$1,000,000.00 for any one accident.

(f) Such other insurance as the Trustee or Servicer may require, which may include, without limitation, Worker's Compensation and liability insurance with respect to the General Contractor, errors and omissions insurance with respect to the Architect and any engineers, earthquake insurance, rent abate and/or business loss.

(g) If the Mortgaged Property shall be damaged or destroyed, in whole or in part, by fire or other property hazard or casualty, the Mortgagor shall give prompt notice thereof to the Trustee and if the conditions set forth in Paragraph 1.3(h) hereof are not to Mortgagor's satisfaction then the Mortgagor hereby authorizes and empowers the Trustee, at the Trustee's option and at the Trustee's sole discretion, as attorney-in-fact for the Mortgagor, to make proof of loss, to adjust and compromise any claim under any insurance policy, to appear in and prosecute any action arising from any policy, to collect and receive insurance proceeds and to deduct therefrom the Trustee's expenses incurred in the collection process, to endorse any checks, drafts or other instruments representing any proceeds of such insurance, whether payable by reason of loss thereunder or otherwise, and to make any election required or permitted under any insurance policy relating to repair or restoration. Except as otherwise hereinafter specifically provided to the contrary in Paragraph 1.3(h) of this Mortgage, sums paid to the Trustee by any insurer may be retained and applied by the Trustee toward payment of the Debt, whether or not then due and payable, in such order, priority and proportions as the Trustee in its discretion shall deem proper or, at the discretion of the Trustee, the same may be paid, either in whole or in part, to the Mortgagor for such purposes as the Trustee shall designate. If the Trustee shall receive and retain such insurance proceeds, the lien of this Mortgage shall be reduced only by the amount thereof received and retained by the Trustee and actually applied by the Trustee in reduction of the Debt. The Trustee shall not be obligated to see to the proper application of insurance money paid over to the Mortgagor, and if the Trustee receives and retains any insurance proceeds, the lien of this Mortgage shall be affected only by a reduction of the amount of said lien by the amount of such insurance money so received and retained by the Trustee. Nevertheless, if prior to the receipt by the Trustee of any insurance proceeds, the Premises shall have been sold on foreclosure of this Mortgage, as between the Mortgagor and the Trustee, the Trustee shall have the right to receive said insurance proceeds, and the Mortgagor shall pay over to the Trustee said insurance proceeds as, if and when the Mortgagor receives same, to the extent of (i) any deficiency found to be due upon such sale, with legal interest thereon, whether or not a deficiency judgment on this Mortgage shall have been sought or recovered, and (ii) of the attorney's fees, costs and disbursements incurred by the Trustee in connection with the collection of such insurance proceeds. All remaining right, title and interest of the Mortgagor in and to all policies of insurance required by this Paragraph 3 shall, with the prior written appraisal of underwriters, if necessary, inure to the benefit of and pass to the successor-in-interest to the Mortgagor or the purchaser or grantee of the Mortgaged Property.

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(h) Notwithstanding anything to the contrary, if the Mortgaged Property shall be damaged or destroyed, in whole or in part, by fire or other casualty, the Trustee shall, in accordance with the provisions of this paragraph hereinafter set forth, make the net amount of all insurance proceeds received by the Trustee pursuant to the provisions of this Mortgage as a result of such damage or destruction, after deduction of its reasonable costs and expenses (including, but not limited to, reasonable counsel fees), if any, in collecting the same (the "**Net Proceeds**") available for the repair and restoration of the Mortgaged Property, provided that:

(i) no Event of Default shall have occurred and continued under the Loan Documents, as defined in the Loan Agreement, beyond any applicable notice and/or grace period,

(ii) the Mortgagor shall commence the repair and restoration of the Mortgaged Property, as nearly as possible to the condition the Mortgaged Property were in immediately prior to such fire or other casualty, with such alterations as may be approved by the Trustee and Servicer in its reasonable discretion, as soon as reasonably practicable (but in no event later than ninety (90) days after such damage or destruction occurs) and shall diligently pursue the same to satisfactory completion,

(iii) the Trustee and Servicer shall be satisfied that any Deficiency (as defined in the Loan Agreement) as a result of the occurrence of any such fire or other casualty will be covered out of the Net Proceeds or by other funds of or available to the Mortgagor,

(iv) the Trustee and Servicer shall be satisfied that the repair and restoration of the Mortgaged Property will be completed on or before the earlier to occur of (x) six (6) months prior to the maturity date of the Note or (y) six (6) months after the occurrence of such fire or other casualty or (z) if such fire or other casualty occurs prior to the completion of construction of the improvements being financed by the loan secured hereby pursuant to the Loan Agreement, the Completion Date, as defined in the Loan Agreement, as the same may be extended pursuant to the terms hereof,

(v) if such fire or other casualty occurs subsequent to the completion of construction of the improvements being financed by the loan secured hereby pursuant to the Loan Agreement, the Trustee and Servicer shall be satisfied that upon the completion of such repair and restoration, the Mortgaged Property, the gross cash flow and net cash flow of the Mortgaged Property will be restored to a level sufficient to cover all carrying costs and operating expenses of the Mortgaged Property, including without limitation, debt service on the Note, and

(vi) the Guarantors shall execute and deliver to the Trustee a completion guaranty in form and substance satisfactory to the Trustee and Servicer pursuant to the provisions of which they shall jointly, severally and unconditionally

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guaranty to the Trustee the lien-free completion by the Mortgagor of the repair and restoration of the Property in accordance with the provisions of this paragraph, and

(vii) Mortgagor shall deliver to the Trustee and Servicer an opinion of Bond Counsel (as defined in the Indenture) to the effect that restoration of the Property with the Net Proceeds or the release of the Net Proceeds to the Mortgagor, as the case may be, shall not adversely affect the exclusion from gross income of interest on the Bonds for federal income tax purposes.

(i) The Net Proceeds, shall be held by the Trustee in a special account, and until disbursed in accordance with the provisions of this paragraph, shall constitute additional security for the payment of the Debt. The Net Proceeds together with interest earned thereon, shall be disbursed by the Trustee to, or as directed by, the Mortgagor from time to time during the course of the repair and restoration of the Mortgaged Property, upon receipt of evidence satisfactory to the Trustee that (i) all materials installed and work and labor performed (except to the extent that they are to be paid for out of the requested disbursement) in connection with the repair and restoration of the Mortgaged Property have been paid for in full, and (ii) there exist no notices of pendency, stop orders, mechanic's or materialman's liens or notices of intention to file same, or any other liens or encumbrances of any nature whatsoever on the Mortgaged Property arising out of the repair and restoration of the Mortgaged Property which have not either been fully bonded to the satisfaction of the Trustee and discharged of record or in the alternative fully insured over to the satisfaction of the Trustee by the title insurance company insuring the lien of this Mortgage.

(j) The repair and restoration of the Mortgaged Property shall be done and completed by the Mortgagor in an expeditious and diligent fashion and in compliance with all applicable governmental laws, rules and regulations (including, without limitation, all applicable Environmental Requirements), and all plans and specifications required in connection with the repair and restoration of the Mortgaged Property shall be subject to prior review and acceptance in all respects by the Trustee at the written direction of the Servicer and by an independent consulting engineer selected by the Trustee (hereinafter referred to in this paragraph as the "**Casualty Consultant**"). The Trustee shall have the use of such plans and specifications and all permits, licenses and approvals required or obtained in connection with the repair and restoration of the Mortgaged Property. The identity of the contractors, subcontractors and materialmen engaged in the repair and restoration of the Mortgaged Property, as well as the contracts under which they have been engaged, shall be subject to prior review and acceptance by the Trustee and the Casualty Consultant. All costs and expenses incurred by the Trustee in connection with making the Net Proceeds available for the repair and restoration of the Mortgaged Property including, without limitation, reasonable counsel fees and the Casualty Consultant's fees, shall be paid by the Mortgagor.

(k) In no event shall the Trustee be obligated to make disbursements of the Net Proceeds in excess of an amount equal to the costs actually incurred from time to time for work in place as part of the repair and restoration of the Mortgaged Property, as certified by the

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Casualty Consultant, minus the Casualty Retainage. The term "**Casualty Retainage**" as used in this paragraph shall mean an amount equal to 10% of the costs actually incurred for work in place as part of the repair and restoration of the Mortgaged Property, as certified by the Casualty Consultant. The Casualty Retainage shall in no event, and notwithstanding anything to the contrary hereinabove set forth in this paragraph, be less than the amount actually held back by the Mortgagor from contractors, subcontractors and materialmen engaged in the making of the repair and restoration of the Mortgaged Property. The Trustee shall not be obligated to make disbursements of the Net Proceeds more frequently than once every thirty (30) days. The Casualty Retainage shall not be released until the Casualty Consultant certifies to the Trustee that the repair and restoration of the Mortgaged Property have been completed in accordance with the provisions of this paragraph and that all approvals necessary for the re-occupancy and use of the Mortgaged Property have been obtained from all appropriate governmental and quasi-governmental authorities, and the Trustee receives evidence satisfactory to the Trustee that the costs of the repair and restoration of the Mortgaged Property have been paid in full or will be paid in full out of the Casualty Retainage.

(l) If at any time the Net Proceeds or the undisbursed balance thereof shall not, in the opinion of the Trustee, be sufficient to pay in full the balance of the costs which will be incurred in connection with the completion of the repair and restoration of the Mortgaged Property, the Mortgagor shall deposit the deficiency (the "**Net Proceeds Deficiency**") with the Trustee before any further disbursement of the Net Proceeds shall be made, which Net Proceeds Deficiency deposit shall be held by the Trustee in a special account, and shall be disbursed, together with interest earned thereon, for costs actually incurred in connection with the repair and restoration of the Mortgaged Property on the same conditions applicable to the disbursement of the Net Proceeds, and until so disbursed pursuant to this paragraph shall constitute additional security for the payment of the Debt. Upon the occurrence of an Event of Default, the Trustee shall have the right to apply the undisbursed balance of any Net Proceeds Deficiency deposit, together with interest thereon, to the payment of the Debt in such order, priority and proportions as the Trustee shall deem to be appropriate in its discretion.

(m) All costs of the repair and restoration of the Mortgaged Property in excess of the Net Proceeds shall be paid for by the Mortgagor. All insurance proceeds received by the Trustee and not required to be disbursed for the repair and restoration of the Mortgaged Property may be retained and applied by the Trustee toward the payment of the Debt whether or not then due and payable in such order, priority and proportions as the Trustee in its discretion shall deem proper or, at the discretion of the Trustee, the same may be paid, either in whole or in part, to the Mortgagor for such purposes as the Trustee shall designate, in its discretion. If the Trustee shall receive and retain insurance proceeds, the lien of this Mortgage shall be reduced only by the amount thereof received and retained by the Trustee and actually applied by the Trustee in reduction of the Debt.

1.4 Payment of Taxes, etc. The Mortgagor shall pay all taxes, payments in lieu of taxes, assessments, water rates, sewer rents and other charges, including vault charges and license fees for the use of vaults, chutes and similar areas adjoining the Premises, now or

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hereafter levied or assessed against the Mortgaged Property (collectively, the "**Taxes**") prior to the date upon which any fine, penalty, interest or cost may be added thereto or imposed by law for the nonpayment thereof, and, in default thereof, the Trustee may, in its sole discretion, but shall not be obligated to, pay same (all such payments to be secured hereby in accordance with paragraph 2.7 hereof), and the Mortgagor shall reimburse the Trustee upon demand for such expenditures, and any such sums so paid to bear interest at the Default Rate from the date any such sums are advanced or paid by the Beneficiary until such sums are repaid by the Borrower. The Mortgagor shall deliver to the Trustee upon request receipted bills, canceled checks and other evidence satisfactory to the Trustee evidencing the payment of the Taxes prior to the date upon which any fine, penalty, interest or cost may be added thereto or imposed by law for the nonpayment thereof.

1.5 Escrow Fund. The Mortgagor will, at the option of the Trustee, pay to the Trustee on the first day of each calendar month one-twelfth of an amount (the "**Escrow Fund**") which would be sufficient to pay, on the first day of the month preceding the month in which they become due, the Taxes and the premiums on all Policies (the "**Premiums**") payable, or estimated by the Trustee to be payable, during the ensuing twelve (12) months. The Trustee will apply the Escrow Fund to the payment of Taxes and the Premiums which are required to be paid by the Mortgagor pursuant to the provisions of this Mortgage. If the amount of the Escrow Fund shall exceed the amount of the Taxes and the Premiums payable by the Mortgagor pursuant to the provisions of this Mortgage, the Trustee shall, in its discretion, (i) return any excess to the Mortgagor, or (ii) credit such excess against future payments to be made to the Escrow Fund. In allocating such excess, the Trustee may deal with the person shown on the records of the Trustee to be the owner of the Mortgaged Property. If the Escrow Fund is not sufficient to pay the Taxes and/or the Premiums, as the same become payable, the Mortgagor shall pay to the Trustee, upon request, an amount which the Trustee shall estimate as sufficient to make up the deficiency. Until expended or applied as above provided, any amounts in the Escrow Fund may be commingled with the general funds of the Trustee and shall constitute additional security for the Debt and shall not bear interest.

1.6 Condemnation. Notwithstanding any taking by any public or quasi-public authority through eminent domain or otherwise, the Mortgagor shall continue to pay the Debt at the time and in the manner provided for its payment in the Note and this Mortgage and the Debt shall not be reduced until any award or payment therefor shall have been actually received and applied by the Trustee to the discharge of the Debt. Subject to the provisions of Paragraph 1.6(a) of this Mortgage, the Trustee may apply the entire amount of any such award or payment to the discharge of the Debt whether or not then due and payable in such order, priority and proportions as the Trustee in its discretion shall deem proper. The Trustee shall not be obligated to see to the proper application of any award or payment paid over to the Mortgagor, and if the Trustee receives and retains such award or payment, the lien of this Mortgage shall be affected only by a reduction of the amount of said lien by the amount of such award or payment so received and retained by the Trustee. If the Mortgaged Property is sold, through foreclosure or otherwise, prior to the receipt by the Trustee of such award or payment, the Trustee shall have the right, whether or not a deficiency judgment on the Note shall have been sought, recovered or denied, to

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receive such award or payment, or a portion thereof sufficient to pay the Debt, whichever is less, and the Mortgagor shall pay over to the Trustee said award or payment as, if and when the Mortgagor receives same, to the extent of any deficiency found to be due upon such sale, with interest thereon, whether or not a deficiency judgment on this Mortgage shall have been sought or recovered or denied, and of the attorney's fees, costs and disbursements incurred by the Trustee in connection with the collection of such award or payment. It is the express intent and agreement of the parties that in the event of any such taking, the Trustee shall receive interest at the rate set forth in the Note (the "**Note Rate**") up to and including the date of actual payment in full of the Debt, provided that the rate set forth in the Note is higher than the statutory rate, and the Mortgagor (or any assignee or successor in interest thereof) shall therefore be responsible to pay to the Trustee an amount equal to the entire difference between the amount of interest received by the Trustee from the condemning authority (or to which the Trustee is entitled under the condemnation interest statute) and the Note Rate from the date of vesting of title in such condemnation to the date of actual payment. The Mortgagor shall file and prosecute its claim or claims for any such award or payment in good faith and with due diligence and cause the same to be collected and paid over to the Trustee. The Mortgagor hereby irrevocably authorizes and empowers the Trustee, in the name of the Mortgagor or otherwise, to collect and receipt for any such award or payment and to file and prosecute such claim or claims. Although it is hereby expressly agreed that the same shall not be necessary in any event, the Mortgagor shall, upon demand of the Trustee, make, execute and deliver any and all assignments and other instruments sufficient for the purpose of assigning any such award or payment to the Trustee, free and clear of any encumbrances of any kind or nature whatsoever.

(a) Anything contained in this Paragraph 1.6 to the contrary notwithstanding, if less than all the Mortgaged Property is taken by any public or quasi public authority through eminent domain or otherwise, the Trustee shall, in accordance with the provisions of this paragraph hereinafter set forth, make the portion of the aggregate award or payment received by the Trustee pursuant to the provisions of this Mortgage as a result of such taking which is awarded for the repair and restoration of the portion of the Mortgaged Property not taken or, in the absence of any such specific award, is in the reasonable opinion of the Trustee necessary to pay for the costs which will be incurred in connection with the repair and restoration of the portion of the Mortgaged Property not taken, after deduction of its reasonable costs and expenses (including, but not limited to, reasonable counsel fees), if any, in collecting the same (the "**Net Restoration Award**") available for the repair and restoration of the Mortgaged Property, provided that:

(i) no Event of Default shall have occurred and continued under the Loan Documents, as defined in the Loan Agreement, beyond any applicable notice and/or grace period,

(ii) the Mortgagor shall commence the repair and restoration of the Mortgaged Property, as nearly as possible to the condition the Mortgaged Property were in immediately prior to such taking, with such alterations as may be approved by the Trustee and Servicer in its reasonable discretion, as soon as reasonably practicable (but in

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no event later than forty-five (45) days after the receipt of the award or payment) and shall diligently pursue the same to satisfactory completion, ...

(iii) the Trustee and Servicer shall be satisfied that any Deficiency (as defined in the Loan Agreement) with respect to the Mortgaged Property as a result of the occurrence of any such taking will be covered out of the Net Restoration Award or by other funds of the Mortgagor,

(iv) the Trustee and Servicer shall be satisfied that the repair and restoration of the Mortgaged Property will be completed on or before the earlier to occur of (x) six (6) months prior to the maturity date of the Note or (y) six (6) months after the occurrence of such fire or other casualty or (z) if such fire or other casualty occurs prior to the completion of construction of the improvements being financed by the loan secured hereby pursuant to the Loan Agreement, the Completion Date, as defined in the Loan Agreement, as the same may be extended pursuant to the terms hereof,

(v) if such fire or other casualty occurs subsequent to the completion of construction of the improvements being financed by the loan secured hereby pursuant to the Loan Agreement, the Trustee and Servicer shall be satisfied that upon the completion of such repair and restoration, the Mortgaged Property, the gross cash flow and net cash flow of the Mortgaged Property will be restored to a level sufficient to cover all carrying costs and operating expenses of the Mortgaged Property, including without limitation, debt service on the Note, and

(vi) The Guarantors shall execute and deliver to the Trustee a completion guaranty in form and substance satisfactory to the Trustee and Servicer pursuant to the provisions of which they shall jointly, severally and unconditionally guarantee to the Trustee the lien free completion by the Mortgagor of the repair and restoration of the Property in accordance with the provisions of this paragraph; and

(vii) The Mortgagor shall deliver to the Trustee and Servicer an opinion of Bond Counsel (as defined in the Indenture) to the effect that the restoration of the Property with the Net Restoration Award or the release of the Net Restoration Award to the Mortgagor, as the case may be, shall not adversely affect the exclusion from gross income of interest on the Bonds for federal income tax purposes.

(b) The Net Restoration Award shall be held by the Trustee in a special account, and until disbursed in accordance with the provisions of this paragraph, shall constitute additional security for the payment of the Debt. The Net Restoration Award, together with interest thereon, shall be disbursed by the Trustee to, or as directed by, the Mortgagor from time to time during the course of the repair and restoration of the Mortgaged Property, upon receipt of evidence satisfactory to the Trustee that (i) all materials installed and work and labor performed (except to the extent that they are to be paid for out of the requested disbursement) in connection with the repair and restoration of the Mortgaged Property have been paid for in full, and (ii) there

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exist no notices of pendency, stop orders, mechanic's or materialman's liens or notices of intention to file same, or other liens or encumbrances of any nature whatsoever on the Mortgaged Property arising out of the repair and restoration of the Mortgaged Property which have not either been fully bonded to the satisfaction of the Trustee and discharged of record or in the alternative fully insured over to the satisfaction of the Trustee by the title insurance company insuring the lien of this Mortgage.

(c) The repair and restoration of the Mortgaged Property shall be done and completed by the Mortgagor in an expeditious and diligent fashion and in compliance with all applicable governmental laws, rules and regulations (including, without limitation, all applicable Environmental Requirements), and all plans and specifications required in connection with the repair and restoration of the Mortgaged Property shall be subject to prior review and acceptance in all respects by the Trustee and by an independent consulting engineer selected by the Trustee (hereinafter referred to in this paragraph as the "**Restoration Consultant**"). The Trustee shall have the use of such plans and specifications and all permits, licenses and approvals required or obtained in connection with the repair and restoration of the Mortgaged Property. The identity of the contractors, subcontractors and materialmen engaged in the repair and restoration of the Mortgaged Property, as well as the contracts under which they have been engaged, shall be subject to prior approval, review and acceptance by the Trustee and the Restoration Consultant. All costs and expenses incurred by the Trustee in connection with making the Net Restoration Award available for the repair and restoration of the Mortgaged Property including, without limitation, appraisal fees, reasonable counsel fees and the Restoration Consultant's fees, shall be paid by the Mortgagor.

(d) In no event shall the Trustee be obligated to make disbursements of the Net Restoration Award in excess of an amount equal to the costs actually incurred for work in place as part of the repair and restoration of the Mortgaged Property, as certified by the Restoration Consultant, minus the Condemnation Retainage. The term "**Condemnation Retainage**" as used in this paragraph shall mean an amount equal to 10% of the costs actually incurred for work in place as part of the repair and restoration of the Mortgaged Property, as certified by the Restoration Consultant. The Condemnation Retainage shall in no event, and notwithstanding anything to the contrary hereinabove set forth in this paragraph, be less than the amount actually held back by the Mortgagor from contractors, subcontractors and materialmen engaged in the making of the repair and restoration of the Mortgaged Property. The Trustee shall not be obligated to make disbursements of the Net Restoration Award more frequently than once every thirty (30) days. The Condemnation Retainage shall not be released until the Restoration Consultant certifies that the repair and restoration of the Mortgaged Property have been completed in accordance with this paragraph and that all approvals necessary for the re-occupancy and use of the Mortgaged Property have been obtained from all governmental and quasi-governmental authorities, and the Trustee receives evidence satisfactory to the Trustee that the costs of the repair and restoration of the Mortgaged Property have been paid in full or will be paid in full out of the Condemnation Retainage.

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(e) If at any time the Net Restoration Award, or the undisbursed balance thereof, shall not, in the opinion of the Trustee, be sufficient to pay in full the balance of the costs which will be incurred in connection with the completion of the repair and restoration of the Mortgaged Property, the Mortgagor shall deposit the deficiency (the "**Net Award Deficiency**") with the Trustee before any further disbursement of the Net Restoration Award shall be made, which Net Award Deficiency deposit shall be held by the Trustee in a special account, and shall be disbursed, together with interest earned thereon, for costs actually incurred in connection with the repair and restoration of the Mortgaged Property on the same conditions applicable to the disbursement of the Net Restoration Award, and, until so disbursed pursuant to this paragraph, shall constitute additional security for the payment of the Debt. Upon the occurrence of an Event of Default, the Trustee shall have the right to apply the undisbursed balance of any Net Award Deficiency deposit, together with interest thereon, to the payment of the Debt in such order, priority and proportions as the Trustee shall deem to be appropriate in its discretion.

1.7 Leases and Rents.

(a) The Mortgagor hereby absolutely and unconditionally assigns, sells, transfers and conveys all of the right, title and interest in and to all existing leases, tenancies and occupancy agreements, however denominated, affecting all or any portion of the Premises and all renewals, replacements and guaranties thereof along with all rents, income and profits due thereunder to the Trustee. This Assignment is absolute in nature and not an assignment for additional security only. The Trustee waives the right to enter the Mortgaged Property for the purpose of collecting the Rents, and grants the Mortgagor the right to collect the Rents and to let the Mortgaged Property or any part thereof. The Mortgagor shall hold the Rents, or an amount sufficient to discharge all current sums due on the Debt, in trust for use in payment of the Debt. The right of the Mortgagor to collect the Rents and to let the Mortgaged Property or any part thereof may be revoked by the Trustee without notice upon any Event of Default by the Mortgagor under the terms of the Note or this Mortgage and thereafter the Trustee may let the Mortgaged Property or any part thereof and may retain and apply the Rents toward payment of the Debt in such order, priority and proportions as the Trustee, in its discretion, shall deem proper, or toward the operation, maintenance and repair of the Mortgaged Property, and irrespective of whether the Trustee shall have commenced a foreclosure of this Mortgage or shall have applied or arranged for the appointment of a receiver. The Mortgagor shall not, without the consent of the Trustee, make, or suffer to be made, any Leases or modify any Leases or cancel any Leases or accept prepayments of installments of the Rents for a period of more than one (1) month in advance or further assign the whole or any part of the Rents. Anything to the contrary notwithstanding and provided no Event of Default shall then exist hereunder beyond the expiration of any applicable notice and/or cure period specified herein within which to cure such default, the Mortgagor shall have the right to replace or modify existing residential Leases or to enter into new residential Leases with respect to vacant apartment units on a condition that the Rent payable under the replacement Lease, or the new Lease, as the case may be, shall not be more than market rents or the maximum rent allowable by law, regulation or agreement with a regulatory authority. In addition, the Mortgagor shall commencing on a

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date six months prior to the Completion Date (as defined in the Loan Agreement) and upon request, furnish to the Servicer a report of leasing activities (including an itemized rent roll) with respect to the Mortgage Property. The Mortgagor shall (i) fulfill or perform each and every provision of the Leases on the part of the Mortgagor to be fulfilled or performed, (ii) promptly send copies of all notices of default which the Mortgagor shall send or receive under the Leases to the Trustee, and (iii) enforce, short of termination of the Leases, the performance or observance of the provisions thereof by the tenants thereunder. In addition to the rights which the Trustee may have herein, in the event of any Event of Default under this Mortgage, the Trustee, at its option, may require the Mortgagor to pay monthly in advance to the Trustee, or any receiver appointed to collect the Rents, the fair and reasonable rental value for the use and occupation of such part of the Mortgaged Property as may be in possession of the Mortgagor. Upon default in any such payment, the Mortgagor will vacate and surrender possession of the Mortgaged Property to the Trustee, or to such receiver, and, in default thereof, the Mortgagor may be evicted by summary proceedings or otherwise. Nothing contained in this paragraph shall be construed as imposing on the Trustee any of the obligations of the lessor under the Leases or of a "mortgagee in possession."

(b) Perfection of Assignment of Leases and Rents for Bankruptcy Purposes.

The Mortgagor acknowledges and agrees that, upon recordation of this Mortgage the Trustee's interest in the Rents shall be deemed to be fully perfected, "choate" and enforced as to the Mortgagor and all third parties, including and not by way of limitation any subsequently appointed trustee in any case under the U.S. Bankruptcy Code, without the necessity of (i) commencing a foreclosure action with respect to this Mortgage, (ii) furnishing notice to the Mortgagor or tenants under the Leases, (iii) making formal demand for the Rents, (iv) taking possession of the Premises as a mortgagee-in-possession, (v) obtaining the appointment of a receiver of rents and profits of the Premises, (vi) sequestering or impounding the Rents, or (vii) taking any other affirmative action.

(c) Mortgage to Constitute Security Agreement for Bankruptcy Purposes.

For purposes of 11 U.S.C. § 552(b), the Mortgagor and the Trustee agree that this Mortgage shall constitute a "security agreement", that the security interest created by such security agreement extends to property of the Mortgagor acquired before the commencement of a case in bankruptcy and to all amounts paid as rents and that such security interest shall extend to all rents acquired by the estate after the commencement of a case in bankruptcy.

(d) Rents to be Treated as Cash Collateral for Bankruptcy Purposes.

The Mortgagor acknowledges and agrees that all Rents shall be deemed to be "Cash Collateral" under Section 363 of the U.S. Bankruptcy Code in the event that the Mortgagor files the voluntary petition in bankruptcy or is made subject to any involuntary bankruptcy proceeding. After the filing of such petition, the Mortgagor may not use Cash Collateral without the consent of the Trustee and/or an order of any Bankruptcy Court pursuant to 11 U.S.C. § 363(b)(2).

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1.8 Books and Records.

(a) The Mortgagor will keep and maintain, or will cause to be kept and maintained, on a fiscal year basis in accordance with generally accepted accounting principles consistently applied, proper and accurate books, records and accounts reflecting all of the financial affairs of the Mortgagor and all items of income and expense in connection with the operation of the Mortgaged Property or in connection with any services, equipment or furnishings provided in connection with the operation of the Mortgaged Property, whether such income or expense be realized by the Mortgagor or by any other person whatsoever excepting lessees unrelated to and unaffiliated with the Mortgagor who have leased from the Mortgagor portions of the Mortgaged Property for the purpose of occupying the same. The Trustee and Servicer shall have the right from time to time upon reasonable notice at all times during normal business hours to examine such books, records and accounts at the office of the Mortgagor or such other person maintaining such books, records and accounts and to make copies or extracts thereof as the Trustee or Servicer shall desire.

(b) The Mortgagor will furnish the Servicer annually, within one hundred twenty (120) days next following the end of each fiscal year of the Mortgagor, with: (i) a complete executed copy of an audited annual financial statement, on the Servicer's standard form of such statement, prepared in accordance with generally accepted accounting principles by an independent certified public accountant of recognized standing selected by the undersigned and acceptable to the Servicer, covering the operation of the Mortgaged Property for such fiscal year and containing a fully itemized statement of profit and loss and of surplus and a balance sheet, and otherwise in form and substance satisfactory to the Servicer, and (ii) a complete executed copy of an audited annual financial statement of the Mortgagor, for such fiscal year, prepared in accordance with generally accepted accounting principles by an independent certified public accountant of recognized standing selected by the Mortgagor and acceptable to the Servicer, and containing a fully itemized statement of profit and loss and of surplus and a balance sheet, and otherwise in form and substance satisfactory to the Servicer. Together with each such financial statement, the Mortgagor shall furnish to the Trustee and Servicer a certificate signed by the chief financial officer of the Mortgagor certifying on the date thereof that: (i) such financial statement is true, complete and accurate and (ii) either that there does or does not exist an event which constitutes, or which upon notice or lapse of time or both would constitute, a default or an Event of Default under this Mortgage and, if such Event of Default exists, the nature thereof and the period of time it has existed (a "**Certification**"). The Mortgagor shall furnish to the Servicer, within ten (10) days after request, such further detailed financial and other information (including, but not limited to, financial statements) as may be requested by the Trustee with respect to the Mortgaged Property and the Mortgagor, any Guarantor or entity controlled by the Mortgagor as of a date not earlier than that specified by the Trustee in such request, together with a Certification with respect thereto.

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1.9 Transfer or Encumbrance of the Mortgaged Property.

Except as may be permitted under the Loan Agreement, no part of the Mortgaged Property nor any interest of any nature whatsoever therein nor any interest of any nature whatsoever in the Mortgagor (whether partnership, stock, equity, beneficial, profit, loss or otherwise) shall in any manner, directly or indirectly, be further encumbered, sold, transferred, assigned or conveyed, or permitted to be further encumbered, sold, transferred, assigned or conveyed without the prior written consent of the Trustee, which consent except as specifically set forth to the contrary below, may be withheld in the sole and reasonable discretion of the Trustee and which such restricted transfers shall include: (i) the sale or transfer of the general partnership interests in the Mortgagor, (ii) the sale or transfer of limited partnership interests in the Mortgagor to anyone other than an affiliate of Apollo Housing Capital, L.L.C. ("Investor Partner"), (iii) the dilution of the present control by the issuance of new partnership interests, or (iv) a transfer by any Guarantor of all or substantially all of its assets. The provisions of the foregoing sentence of this paragraph shall apply to each and every such further encumbrance, sale, transfer, assignment or conveyance, regardless of whether or not the Trustee has consented to, or waived by its action or inaction its rights hereunder with respect to, any such previous further encumbrance, sale, transfer, assignment or conveyance, and irrespective of whether such further encumbrance, sale, transfer, assignment or conveyance is voluntary, by reason of operation of law or is otherwise made. In addition, the Mortgagor shall not enter into any transaction of merger or consolidation, or liquidate or dissolve itself (or suffer any liquidation or dissolution), or acquire by purchase or otherwise all or substantially all the business or assets or, or any stock or other evidence of beneficial ownership of, any entity; and if the Mortgagor is a partnership, the Mortgagor shall not dissolve or terminate or materially amend the terms of its partnership agreement.

Notwithstanding anything to the contrary contained herein, a Permitted Partnership Transfer (as defined in the Loan Agreement) shall not require the consent of Trustee except as set forth in the Loan Agreement and shall not otherwise constitute a default under any of the Loan Documents or accelerate the maturity of the Loan. Notwithstanding the foregoing, any general partner shall assume all of the rights and obligations of any removed general partner under all of the Loan Documents.

1.10 Maintenance of the Mortgaged Property; Compliance with Laws, Regulations, Covenants and Easements.

(a) The Mortgagor shall cause the Mortgaged Property to be maintained in good condition and repair and, to the extent of any renovations that are made by the Mortgagor, the same shall be made in compliance with the requirements of all governmental authorities having jurisdiction over the Mortgaged Property. The Mortgagor will not commit or suffer to be committed any waste of the Mortgaged Property. The Improvements and the Equipment shall not be removed, demolished or materially altered (except for normal replacement of the Equipment and for renovations contemplated to be made by the Mortgagor with the approval of the Trustee and, if appropriate, in accordance with the approved plans and specifications)

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without the prior written consent of the Trustee. The Mortgagor shall promptly repair, replace or rebuild any part of the Mortgaged Property which may be damaged or destroyed by fire or other property hazard or casualty (including any fire or other property hazard or casualty for which insurance was not obtained or obtainable) or which may be affected by any taking by any public or quasi-public authority through eminent domain or otherwise, and shall complete and pay for, within a reasonable time, any structure at any time in the process of construction or repair on the Premises.

(b) The Mortgagor represents and warrants that upon Substantial Completion, as defined in the Loan Agreement, the Mortgaged Property will be in compliance with, and the Mortgagor shall in the future promptly comply with, all existing and future governmental laws, orders, ordinances, rules and regulations affecting the Mortgaged Property, or any portion thereof or the use thereof, including specifically, but not limited to, provisions of the Americans with Disabilities Act. The Mortgagor shall comply with the requirements of all, and shall not modify, amend or terminate any, easements and restrictive covenants which from time to time affect the whole or any portion of the Mortgaged Property. The Mortgagor shall also comply with the requirements of, and to the extent reasonably within the Mortgagor's control, maintain, preserve, enforce and renew, all rights of way, easements, grants, privileges, licenses, franchises and restrictive covenants which from time to time benefit or pertain to the whole or any portion of the Mortgaged Property, and the Mortgagor shall not modify, amend or terminate, or surrender any of its rights under, any of such rights of way, easements, grants, privileges, licenses, franchises or restrictive covenants. The Mortgagor will not, without obtaining the prior written consent of the Trustee and Servicer, initiate, join in or consent to any new private restrictive covenant, zoning ordinance, or other public or private restrictions, limiting or affecting the uses which may be made of the Mortgaged Property or any part thereof. The Mortgagor will not alter the use of the Mortgaged Property without the prior written consent of the Trustee and Servicer.

1.11 Environmental Provisions.

(a) For the purposes of this paragraph the following terms shall have the following meanings: (i) the term "**Hazardous Material**" shall mean any material or substance that, whether by its nature or use, is now or hereafter defined or regulated as a hazardous waste, hazardous substance, pollutant or contaminant under any Environmental Requirement, or which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise hazardous or which is or contains petroleum, gasoline, diesel fuel, another petroleum hydrocarbon product, asbestos, asbestos-containing materials or polychlorinated biphenyls, (ii) the term "**Environmental Requirements**" shall collectively mean all present and future laws, statutes, common law, ordinances, rules, regulations, orders, codes, licenses, permits, decrees, judgments, directives or the equivalent of or by any Governmental Authority and relating to or addressing the protection of the environment or human health, and (iii) the term "**Governmental Authority**" shall mean the Federal government, or any state or other political subdivision thereof, or any agency, court or body of the Federal government, any state or other

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political subdivision thereof, exercising executive, legislative, judicial, regulatory or administrative functions.

(b) The Mortgagor hereby represents and warrants to the Trustee that (i) no Hazardous Material is currently located at, on, in, under or about the Mortgaged Property, except as specifically set forth in the environmental reports described on Exhibit B attached hereto and made a part hereof (collectively, the "**Report**"), (ii) no Hazardous Material is currently located at, in, on, under or about the Mortgaged Property in a manner which violates any Environmental Requirement, or which requires cleanup or corrective action of any kind under any Environmental Requirement, (iii) no releasing, emitting, discharging, leaching, dumping, disposing or transporting of any Hazardous Material from the Mortgaged Property onto any other property or from any other property onto or into the Mortgaged Property has occurred or is occurring in violation of any Environmental Requirement, (iv) no notice of violation, non-compliance, liability or potential liability, lien, complaint, suit, order or other notice with respect to the Mortgaged Property is presently outstanding under any Environmental Requirement, nor does the Mortgagor have knowledge or reason to believe that any such notice will be received or is being threatened, and (v) the Mortgaged Property and the operation thereof are in full compliance with all Environmental Requirements.

(c) The Mortgagor shall comply, and shall cause all tenants or other occupants of the Mortgaged Property to comply, in all respects with all Environmental Requirements, and will not generate, store, handle, process, dispose of or otherwise use, and will not permit any tenant or other occupant of the Mortgaged Property to generate, store, handle, process, dispose of or otherwise use, Hazardous Materials at, in, on, or about the Mortgaged Property in a manner that could lead or potentially lead to the imposition on the Mortgagor, the Trustee or the Mortgaged Property of any liability or lien of any nature whatsoever under any Environmental Requirement. The Mortgagor shall notify the Trustee and Servicer promptly in the event of any spill or other release of any Hazardous Material at, in, on, under or about the Mortgaged Property which is required to be reported to a Governmental Authority under any Environmental Requirement, will promptly forward to the Trustee and Servicer copies of any notices received by the Mortgagor relating to alleged violations of any Environmental Requirement or any potential liability under any Environmental Requirement and will promptly pay when due any fine or assessment against the Trustee, the Servicer, the Mortgagor or the Mortgaged Property relating to any Environmental Requirement. If at any time it is determined that the operation or use of the Mortgaged Property is in violation of any applicable Environmental Requirement or that there are Hazardous Materials located at, in, on, under or about the Mortgaged Property which violate any applicable Environmental Requirement or that there are Hazardous Materials located at, in, on, under or about the Mortgaged Property which, under any Environmental Requirement, require special handling in collection, storage, treatment or disposal, or any form of cleanup or corrective action, the Mortgagor shall, within thirty (30) days after receipt of notice thereof from any Governmental Authority or from the Trustee or Servicer, take, at the Mortgagor's sole cost and expense, such actions as may be necessary to fully comply in all respects with all Environmental Requirements, provided, however, that if such compliance cannot reasonably be completed within such thirty (30) day period, the Mortgagor shall

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commence such necessary action within such thirty (30) day period and shall thereafter diligently and expeditiously proceed to fully comply in all respects and in a timely fashion with all Environmental Requirements.

(d) In the event that radon mitigation is required to be implemented, pursuant to any Environmental Requirements, the Mortgagor further covenants and agrees to conduct radon sampling in the Improvements on the Premises. In the event that such radon sampling results reveal that levels of radon in the Improvements on the Premises are in excess of the United States Environmental Protection Agency threshold, the Mortgagor covenants and agrees to undertake measures necessary to reduce radon levels in the Improvements at the Premises and bring the Premises into compliance with applicable Environmental Laws.

(e) In the event that the Mortgagor is covered by a commercial general liability insurance policy which contains an exclusion, or otherwise does not provide coverage, for loss or damage caused by mold, dangerous fungi, bacterial or microbial matter contamination or pathogenic organisms that reproduce through the release of spores or the splitting of cells (collectively, "**Mold**") or a property insurance policy which contains an exclusion, or otherwise does not provide coverage for loss or damage caused by Mold, in connection with another covered peril (e.g., Mold in connection with water damage caused by a storm or fire), Mortgagor shall obtain a policy that provides such coverage or demonstrate to the satisfaction of Trustee and the Servicer that such insurance without the aforementioned exclusions is not available at ordinary and customary insurance rates. If the latter, (i) Mortgagor shall demonstrate to the satisfaction of the Trustee and the Servicer in their sole discretion, that the potential risk for loss or damage caused by Mold at the Property is minimal because of precautionary measures or techniques to be utilized in the construction or rehabilitation of the Improvements, including without limitation, the use of vapor barriers or other liners to limit moisture intrusion and the growth and reproduction of Mold; or (ii) Mortgagor shall implement a pro-active moisture management and Mold control program (the "**Moisture Management Program**") for the Improvements at the Property to prevent the occurrence of Mold at, on or under the Property. The Moisture Management Program shall include, at a minimum: (a) periodic inspections of the Improvements at the Property for Mold, (b) prompt removal and cleanup of any Mold in a manner consistent with applicable Environmental Laws and best industry practices and utilizing an experienced remediation contractor acceptable to and approved by Trustee and Servicer, and (c) in the event that the Mold identified at the Improvements at the Property cannot be promptly removed or cleaned from any impacted building materials (e.g., porous materials such as carpeting, certain types of ceiling materials, wallboard, sheetrock or drywall, etc.), fixtures and/or equipment, prompt removal of all impacted building materials, fixtures and/or equipment from the Property, all in accordance with the procedures set forth in the United States Environmental Protection Agency's ("**EPA**") guide entitled "Mold Remediation in Schools and Commercial Buildings", EPA No. 402-K-01-001, dated March 2001, applicable Environmental Laws and in a manner consistent with best industry practices and utilizing an experienced remediation contractor acceptable to and approved by Trustee and Servicer. The Mortgagor further covenants and agrees that, in connection with any Mold remediation or cleanup undertaken by or on behalf of the Mortgagor hereunder, the source(s), any contributing factors,

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and any areas conducive to growth (e.g., leaking pipes, water damage, water infiltration or penetration, faulty or inadequate construction or building materials, building humidity, sub-performing HVAC systems, etc.) at the Improvements at the Property shall be promptly identified and remediated, cleared, repaired and restored, as appropriate, to prevent the occurrence or re-occurrence of any Mold.

(f) If the Mortgagor fails to timely take, or to diligently and expeditiously proceed to complete in a timely fashion, any such action described in this paragraph 1.11, the Trustee or Servicer may, in its sole and absolute discretion, make advances or payments toward the performance or satisfaction of the same, but shall in no event be under any obligation to do so. All sums so advanced or paid by the Trustee or Servicer (including, without limitation, counsel and consultant fees and expenses, investigation and laboratory fees and expenses, and fines or other penalty payments) and all sums advanced or paid in connection with any judicial or administrative investigation or proceeding relating thereto, will immediately, upon demand, become due and payable from the Mortgagor and shall bear interest at the Default Rate from the date any such sums are so advanced or paid by the Trustee or Servicer until the date any such sums are repaid by the Mortgagor. The Mortgagor will execute and deliver, promptly upon request, such instruments as the Trustee or Servicer may deem useful or necessary to permit the Trustee to take any such action, and such additional notes and mortgages, as the Trustee or Servicer may require to secure all sums so advanced or paid. If a lien is filed against the Mortgaged Property by any Governmental Authority resulting from the need to expend or the actual expending of monies arising from an action or omission, whether intentional or unintentional, of the Mortgagor or for which the Mortgagor is responsible, resulting in the releasing, spilling, leaking, leaching, pumping, emitting, pouring, emptying or dumping of any Hazardous Material into the waters or onto land located within or without the State where the Mortgaged Property is located, then the Mortgagor will within thirty (30) days from the date that the Mortgagor is first given notice that such lien has been placed against the Mortgaged Property (or within such shorter period of time as may be specified by the Trustee or Servicer if such Governmental Authority has commenced steps to cause the Mortgaged Property to be sold pursuant to such lien), either (i) pay the claim and remove the lien, or (ii) furnish a cash deposit, bond, or such other security with respect thereto as is satisfactory in all respects to the Trustee and Servicer and is sufficient to effect a complete discharge of such lien on the Mortgaged Property.

(g) The Trustee or Servicer may, at its option, at intervals of not less than one year or more frequently if either the Trustee or Servicer reasonably believes that a Hazardous Material or other environmental condition violates or threatens to violate any Environmental Requirement, cause an environmental audit of the Mortgaged Property or portions thereof to be conducted to confirm the Mortgagor's compliance with the provisions of this paragraph, and the Mortgagor shall cooperate in all reasonable ways with the Trustee and Servicer connection with any such audit. If such audit discloses that a violation of or a liability under an Environmental Requirement exists or if such audit was required or prescribed by law, regulation or governmental or quasi-governmental authority, the Mortgagor shall pay all costs and expenses incurred in connection with such audit.

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(h) If this Mortgage is foreclosed, or if the Mortgaged Property is sold pursuant to the provisions of this Mortgage, or if the Mortgagor tenders a deed or assignment in lieu of foreclosure or sale, the Mortgagor shall deliver the Mortgaged Property to the purchaser at foreclosure or sale or to the Trustee, Servicer, its nominee, or wholly-owned subsidiary, as the case may be, in a condition that complies in all respects with all Environmental Requirements.

(i) The Mortgagor will defend, indemnify, and hold harmless the Trustee, the Servicer and their respective participants, employees, agents, officers, and directors, from and against any and all claims, demands, penalties, causes of action, fines, liabilities, settlements, damages, costs, or expenses of whatever kind or nature, known or unknown, foreseen or unforeseen, contingent or otherwise (including, without limitation, reasonable counsel and consultant fees and expenses, investigation and laboratory fees and expenses, court costs, and litigation expenses) arising out of, or in any way related to, (i) any breach by the Mortgagor of any of the provisions of this paragraph 1.11, (ii) the presence, disposal, spillage, discharge, emission, leakage, release, or threatened release of any Hazardous Material which is at, in, on, under, about, from or affecting the Mortgaged Property, including, without limitation, any damage or injury resulting from any such Hazardous Material to or affecting the Mortgaged Property or the soil, water, air, vegetation, buildings, personal property, persons or animals located on the Mortgaged Property or on any other property or otherwise, (iii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to any such Hazardous Material, (iv) any lawsuit brought or threatened, settlement reached, or order or directive of or by any Governmental Authority relating to such Hazardous Material, or (v) any violation of any Environmental Requirement or any policy or requirement of the Trustee hereunder. The aforesaid indemnification shall notwithstanding any exculpatory or other provision of any other document or instrument now or hereafter executed and delivered in connection with the loan evidenced by the Note and secured by this Mortgage, constitute the personal recourse undertakings, obligations and liabilities of the Mortgagor. This obligation shall include, but shall not be limited to, (a) the burden of defending all claims, suits, and administrative proceedings, even if such claims, suits, or proceedings are groundless, false, fraudulent, or frivolous, and conducting all negotiations of any description, (b) paying and discharging, when and as the same shall become due, any and all judgments, penalties, or other sums due against any Indemnitee, (c) all costs of removal and/or remediation of any kind, and disposal of such Hazardous Materials (whether or not such Hazardous Material may be legally allowed to remain upon, about or beneath the Mortgaged Property if removal or remediation is prudent), (d) all costs of determining whether the Mortgaged Property is in compliance and causing the Mortgaged Property to be in compliance with all applicable Environmental Requirements, (e) all costs associated with claims for Damages to persons, property or natural resources, and (f) reasonable attorneys' fees, consultants' fees and court costs.

(j) The obligations and liabilities of the Mortgagor under this paragraph 1.11 shall survive and continue in full force and effect and shall not be terminated, discharged or released, in whole or in part, irrespective of whether the Debt has been paid in full and irrespective of any foreclosure of this Mortgage, sale of the Mortgaged Property pursuant to the

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provisions of this Mortgage or acceptance by the Trustee, its nominee or affiliate of a deed or assignment in lieu of foreclosure or sale and irrespective of any other fact or circumstance of any nature whatsoever.

1.12 Performance of Other Agreements. The Mortgagor shall observe and perform each and every term to be observed or performed by the Mortgagor pursuant to the terms of any agreement or recorded instrument affecting or pertaining to the Mortgaged Property.

1.13 Other Security for the Debt. The Mortgagor shall observe and perform all of the terms, covenants and provisions contained in the Note, Loan Agreement and in all other mortgages and other instruments or documents evidencing, securing or guaranteeing payment of the Debt, in whole or in part, or otherwise executed and delivered in connection with the Note, this Mortgage, the Loan Agreement or the loan evidenced and secured thereby or hereby.

1.14 Right of Entry. The Trustee, the Servicer and their respective agents shall have the right to enter and inspect the Mortgaged Property upon prior notice to the Mortgagor at all reasonable times, subject to the rights of Mortgagor's tenants in possession under residential leases of individual units.

1.15 Trust Fund. Mortgagor acknowledges and agrees that a portion of the loan proceeds are being used to pay for the construction of Improvements on the Property. The Mortgagor shall receive the advances secured hereby and shall hold the right to receive such advances as a trust fund to be applied first for the purpose of paying the cost of any improvement and shall apply such advances first to the payment of the cost of any such improvement on the Mortgaged Property before using any part of the total of the same for any other purpose.

1.16 Loan Agreement. This is a building loan and "construction loan" mortgage, the proceeds of which are loaned for the purpose of financing the construction of certain improvements on the Premises. This Mortgage is subject to all of the terms, covenants and conditions of the Loan Agreement, which Loan Agreement and all of the terms, covenants and conditions thereof are by this reference incorporated herein and made a part hereof with the same force and effect as if set forth at length herein. The proceeds of the building loan secured hereby are to be advanced by the Trustee to the Mortgagor in accordance with the provisions of the Loan Agreement. The Mortgagor shall observe and perform all of the terms, covenants, conditions, provisions and agreements of the Loan Agreement on the Mortgagor's part to be observed or performed. All advances made and all indebtedness arising and accruing under the Loan Agreement from time to time shall be secured hereby. In the event of any conflict or ambiguity between the terms, covenants and conditions of this Mortgage and the Loan Agreement, the terms, covenants and conditions which shall enlarge the rights and remedies of the Trustee and the interest of the Trustee in the Mortgaged Property, afford the Trustee greater financial security in the Mortgaged Property and better assure payment of the Debt in full, shall control.

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ARTICLE II - DEFAULTS AND REMEDIES

2.1 Events of Default. The Debt shall become due at the option of the Trustee and upon the written direction of the Servicer upon the occurrence of any one or more of the following events (each of which is hereby deemed and referred to as an "**Event of Default**"; provided, however, that the occurrence of an event described in subparagraph (l) below shall result in an automatic acceleration of the Debt):

(a) if any portion of the Debt is not paid within five (5) days after notice by the Trustee to the Mortgagor that the same is past due or if the Debt is not paid in full on maturity;

(b) if the Mortgagor shall fail to pay within twenty (20) days of notice and demand by the Trustee, any installment of any assessment against the Mortgaged Property for local improvements heretofore or hereafter laid, which assessment is or may become payable in annual or periodic installments and is or may become a lien on the Mortgaged Property;

(c) if any Federal tax lien is filed against the Mortgagor, any Guarantor or the Mortgaged Property and the same is not discharged of record within thirty (30) days after the same is filed;

(d) if, except as specifically provided to the contrary in Paragraph 1.9 above, without the consent of the Trustee (which consent may be withheld in the sole and absolute discretion of the Trustee), any part of the Mortgaged Property or any interest of any nature whatsoever therein or any interest of any nature whatsoever in the Mortgagor or its general partner (whether partnership, stock, equity, membership beneficial, profit, loss or otherwise) is in any manner, by operation of law or otherwise, whether directly or indirectly, further encumbered, sold, transferred, assigned or conveyed, and irrespective of whether any such further encumbrance, sale, transfer, assignment or conveyance is voluntary, by reason or operation of law or is otherwise made;

(e) if (except as required under the Loan Agreement) without the written consent of the Trustee or Servicer, any Improvement or Equipment (except for the normal replacement of the Equipment) is removed, demolished or materially altered, or if the Mortgaged Property is not kept in reasonably good condition and repair;

(f) if the Mortgagor shall fail to comply with any requirement or order or notice of violation of law or ordinance issued by any governmental department claiming jurisdiction over the Mortgaged Property within three (3) months from the issuance thereof, or the time period set forth therein, whichever is less;

(g) if the Policies are not kept in full force and effect, or if the Policies are not delivered to the Trustee or Servicer within ten (10) days of request;

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(h) if on application of the Trustee or Servicer two or more fire insurance companies lawfully doing business in the state where the Premises is located refuse to issue Policies;

(i) if the Mortgagor shall fail to pay the Trustee or Servicer on demand for all Premiums and/or Taxes paid pursuant to this Mortgage, together with any late payment charge and interest thereon calculated at the Default Rate;

(j) if (except as otherwise specifically provided to the contrary in Paragraph 1.7 of this Mortgage) without the consent of the Servicer any Leases are made, canceled or modified, or if the Mortgagor shall consent to any assignment thereof or subletting thereunder, or if any portion of the Rents is paid for a period of more than one (1) month in advance or if any of the Rents are further assigned;

(k) if any representation or warranty of the Mortgagor, or of any person or entity (a "**Guarantor**") guaranteeing payment of the Debt or any portion thereof, or of operating expenses of the Mortgaged Property or performance by the Mortgagor of any of the terms of this Mortgage made herein or in any such guaranty (a "**Guaranty**"), or in any certificate, report, financial statement or other instrument furnished in connection with the making of the Note, this Mortgage, or any such Guaranty, shall prove false or misleading in any material respect;

(l) if the Mortgagor, any Guarantor or any general partner of the Mortgagor (each of whom is hereinafter in this subparagraph referred to as an "**Obligor**") shall commence any case, proceeding or other action relating to it in bankruptcy or seeking reorganization, liquidation, dissolution, winding-up, arrangement, composition or readjustment of its debts, or for any other relief, under bankruptcy, insolvency, reorganization, liquidation, dissolution, winding-up, arrangement, composition, readjustment of debt or other similar act or law of any jurisdiction, domestic or foreign, now or hereafter existing; or if an Obligor shall apply for a receiver, custodian or trustee of it or for all or a substantial part of its property; or if an Obligor shall make an assignment for the benefit of creditors; or if an Obligor shall be unable to, or shall admit in writing the inability to pay its debts generally as they become due; or if an Obligor shall take any action indicating its consent to, approval of, acquiescence in, or in furtherance of, any of the foregoing; or if any case, proceeding or other action against an Obligor shall be commenced in bankruptcy or seeking reorganization, liquidation, dissolution, winding-up, arrangement, composition or readjustment of its debts, or any other relief, under any bankruptcy, insolvency, reorganization, liquidation, dissolution, arrangement, composition, readjustment of debt or other similar act or law of any jurisdiction, domestic or foreign, now or hereafter existing, and such condition shall continue for a period of sixty (60) days undismissed, undischarged or unbonded; or if a receiver, custodian or trustee of an Obligor or for all or a substantial part of its property shall be appointed and such condition shall continue for a period of sixty (60) days undismissed, undischarged or unbonded; or if a warrant of attachment, execution or distraint, or similar process, shall be issued against any substantial part of the property of an Obligor and such condition shall continue for a period of thirty (30) days undismissed, undischarged or unbonded; provided, however, that no Event of Default shall be deemed to have occurred if the above

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pertains to a Guarantor and Mortgagor provides an alternative for Guarantor acceptable to the Servicer within the above sixty day period;

(m) if the Mortgagor or any Guarantor shall be in default beyond any applicable notice and/or grace period under the Note, the Loan Agreement, the Loan Document or under any other mortgage, instrument or document evidencing, securing or guaranteeing payment of the Debt, in whole or in part, or otherwise executed and delivered in connection with the Note, this Mortgage or the loan evidenced and secured thereby or hereby;

(n) if the Mortgagor or any other person shall be in default beyond any applicable notice and/or grace period under any mortgage or deed of trust covering any part of the Mortgaged Property whether superior or inferior in lien to this Mortgage, and including, without limitation, any such mortgage or deed of trust now or hereafter held by the Trustee or Servicer or if the Mortgagor or any Guarantor shall be in default beyond the expiration of any applicable notice and/or grace period therein expressly provided in respect of any other indebtedness (except consumer debt) owed by the Mortgagor or any Guarantor to the Trustee, the Issuer or the Servicer, or any other person;

(o) if the Mortgaged Property shall become subject (i) to any tax lien, other than a lien for local real estate taxes and assessments not due and payable, or (ii) to any lis pendens, notice of pendency, stop order, notice of intention to file mechanic's or materialman's lien, mechanic's or materialman's lien or other lien of any nature whatsoever and the same shall not either be discharged of record or in the alternative bonded and/or insured over to the satisfaction of the Trustee and Servicer by the title insurance company insuring the lien of this Mortgage within a period of thirty (30) days after the same is filed or recorded, and irrespective of whether the same is superior or subordinate in lien or other priority to the lien of this Mortgage and irrespective of whether the same constitutes a perfected or inchoate lien or encumbrance on the Mortgaged Property or is only a matter of record or notice;

(p) except as set permitted under the Loan Agreement, if without the prior written consent of the Trustee, the Mortgagor shall grant or shall permit to exist any pledge, lien, charge security interest or other encumbrance with respect to any of its assets, except in favor of Trustee or Permitted Encumbrances (as defined in the Loan Agreement);

(q) if the Mortgagor shall be in default with respect to its obligations under Paragraph 1.11 of this Mortgage beyond any applicable grace period;

(r) if any Guarantor or any other person shall be in default beyond any applicable notice and/or grace period under any Guaranty.

2.2 Appointment of Receiver. The holder of this Mortgage, in any action to foreclose it, shall be entitled to the appointment of a receiver. In addition, upon the actual or threatened waste to any part of the Mortgaged Property or upon the occurrence of any default hereunder, the holder of this Mortgage shall be at liberty, without notice, to apply for the appointment of a

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receiver of the Rents, and shall be entitled to the appointment of such receiver as a matter of right, without regard to the value of the Mortgaged Property as security for the Debt, or the solvency or insolvency of any person then liable for the payment of the Debt.

2.3 Sale of Mortgaged Property.

(a) One or More Parcels. If this Mortgage is foreclosed, the Mortgaged Property, or any interest therein, may, at the discretion of the Trustee, be sold in one or more parcels or in several interests or portions and in any order or manner.

(b) Non-Judicial Foreclosure. In the event of an Event of Default hereunder, the Trustee, to the extent permitted by law, may or upon direction from the Servicer shall choose to commence a non-judicial foreclosure by power of sale of this Mortgage. To the extent permitted by law, the Mortgagor waives any right to challenge Trustee's election to enforce this Mortgage by means of such non-judicial foreclosure by power of sale.

2.4 Security Agreement.

(a) This Mortgage constitutes both a real property mortgage and a "**Security Agreement,**" within the meaning of the Uniform Commercial Code, and the Mortgaged Property includes both real and personal property and all other rights and interests, whether tangible or intangible in nature, of the Mortgagor in the Mortgaged Property. The Mortgagor by executing and delivering this Mortgage has granted to the Trustee, as security for the Debt, a security interest in the Equipment. If the Mortgagor shall default under the Note or this Mortgage, the Trustee, in addition to any other rights and remedies which it may have, shall have and may exercise immediately and without demand, any and all rights and remedies granted to a secured party upon default under the Uniform Commercial Code, including, without limiting the generality of the foregoing, the right to take possession of the Equipment or any part thereof, and to take such other measures as the Trustee may deem necessary for the care, protection and preservation of the Equipment. Upon request or demand of the Trustee, the Mortgagor shall at its expense assemble the Equipment and make it available to the Trustee at a convenient place acceptable to the Trustee. The Mortgagor shall pay to the Trustee on demand any and all expenses, including legal expenses and attorneys' fees, incurred or paid by the Trustee in protecting its interest in the Equipment and in enforcing its rights hereunder with respect to the Equipment. Any notice of sale, disposition or other intended action by the Trustee with respect to the Equipment sent to the Mortgagor in accordance with the provisions of this Mortgage at least ten (10) days prior to the date of any such sale, disposition or other action, shall constitute reasonable notice to the Mortgagor, and the method of sale or disposition or other intended action set forth or specified in such notice shall conclusively be deemed to be commercially reasonable within the meaning of the Uniform Commercial Code unless objected to in writing by the Mortgagor within five (5) days after receipt by the Mortgagor of such notice. The proceeds of any sale or disposition of the Equipment, or any part thereof, may be applied by the Trustee to the payment of the Debt in such order, priority and proportions as the Trustee in its discretion shall deem proper. If any change shall occur in the Mortgagor's name, the Mortgagor shall

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promptly cause to be filed at its own expense, new financing statements as required under the Uniform Commercial Code to replace those on file in favor of the Trustee.

(b) From the date of its recording, this Mortgage shall be effective as a financing statement filed with respect to all Equipment which is or is to become fixtures relating to the real estate described herein. For this purpose, the following information is set forth:

(i) Name and address of Debtor:

Lawndale H&A Bond, LP
1333 North Kingsbury, Suite 305
Chicago, Illinois 60622

(ii) Name and address of Secured Party:

Deutchse Bank National Trust Company
222 South Riverside Plaza, 25th Floor
Chicago, Illinois 60606

(iii) This document covers goods which are to become fixtures;

(iv) State of Debtor's organization and organizational identification no.:
State: Illinois
Id No.: C022200

(v) This filing is made in connection with a public finance transaction.

2.5 Recovery of Sums Required To Be Paid. The Trustee and Servicer shall have the right from time to time to take action to recover any sum or sums which constitute a part of the Debt as the same become due, without regard to whether or not the balance of the Debt shall be due, and without prejudice to the right of the Trustee or the Servicer thereafter to bring an action of foreclosure, or any other action, for a default or defaults by the Mortgagor existing at the time such earlier action was commenced.

2.6 Actions and Proceedings. The Trustee and/or the Servicer shall have the right to appear in and defend any action or proceeding brought with respect to the Mortgaged Property and to bring any action or proceeding, in the name and on behalf of the Mortgagor, which the Trustee and/or the Servicer, in its discretion, feels should be brought to protect the Trustee's interest in the Mortgaged Property.

2.7 Right to Cure Defaults. Upon an Event of Default, hereunder, the Trustee or the Servicer may, at its discretion, remedy the same and for such purpose shall have the right to enter upon the Mortgaged Property or any portion thereof without thereby becoming liable to the Mortgagor or any person in possession thereof holding under or claiming under or through the

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Mortgagor, it being understood and agreed that nothing contained in this Mortgage shall in any manner obligate the Trustee or Servicer to remedy any default hereunder. If the Trustee or Servicer shall remedy such a default or appear in, defend, or bring any action or proceeding to protect the Trustee's interest in the Mortgaged Property or to foreclose this Mortgage or collect the Debt, the costs and expenses thereof (including reasonable attorneys' fees to the extent permitted by law), with interest as provided in this paragraph, shall be paid by the Mortgagor upon demand. All such costs and expenses incurred by the Trustee or Servicer in remedying such default or in appearing in, defending, or bringing any such action or proceeding shall be paid by the Mortgagor upon demand, with interest at a rate per annum (calculated for the actual number of days elapsed on the basis of a 360-day year) equal to 5% in excess of the rate being charged under the Note (the "**Default Rate**"), provided, however, that the Default Rate shall in no event exceed the maximum interest rate which the Mortgagor may by law pay, for the period after notice from the Trustee that such costs or expenses were incurred to the date of payment thereof to the Trustee. To the extent any of the aforementioned costs or expenses paid by the Trustee or Servicer after default by the Mortgagor shall constitute payment of (i) taxes, charges or assessments which may be imposed by law upon the Mortgaged Property, (ii) premiums on insurance policies covering the Mortgaged Property, (iii) expenses incurred in upholding the lien of this Mortgage, including, but not limited to, the costs and expenses of any litigation to collect the indebtedness secured by this Mortgage or to prosecute, defend, protect or preserve the rights and the lien created by this Mortgage, or (iv) any amount, cost or charge to which the Trustee or Servicer becomes subrogated, upon payment, whether under recognized principles of law or equity, or under express statutory authority; then, and in each such event, such costs, expenses and amounts, together with interest thereon at the Default Rate, shall be added to the indebtedness secured by this Mortgage and shall be secured by this Mortgage.

2.8 Late Payment Charge. If any payment under the Note or this Mortgage is not paid within five (5) days after the date on which it is due, the Mortgagor shall pay to the Trustee upon demand, in addition to any interest, if any, payable pursuant to Paragraph 2.7 above, an amount equal to 5% of such unpaid installment as a late payment charge.

2.9 Sole Discretion. Except as may otherwise be expressly provided to the contrary, wherever pursuant to the Note, this Mortgage, the Loan Agreement, or any other document or instrument now or hereafter executed and delivered in connection therewith or otherwise with respect to the Debt secured hereby, the Trustee or Servicer exercises any right given to it to consent or not consent, or to approve or disapprove, or any arrangement or term is to be satisfactory to the Trustee or Servicer, the decision of the Trustee or Servicer to consent or not consent, or to approve or disapprove, or to decide that arrangements or terms are satisfactory or not satisfactory, shall be in the sole and absolute discretion of the Trustee or Servicer and shall be final and conclusive.

2.10 Non-Waiver. The failure of the Trustee or Servicer to insist upon strict performance of any term of this Mortgage shall not be deemed to be a waiver of any term of this Mortgage. No delay or omission by the Trustee or Servicer to exercise any right, power or remedy accruing under this Mortgage shall be construed to be a waiver of any default or

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acquiescence therein. A waiver in one or more instances to exercise any right, power or remedy accruing hereunder shall apply only to the particular instance or instances, and at the particular time or times only, and no such waiver shall be deemed a continuing waiver, but every term, covenant, provision or condition establishing such right, power or remedy shall survive and continue to remain in full force and effect. The Mortgagor shall not be relieved of the Mortgagor's obligation to pay the Debt at the time and in the manner provided for its payment in the Note and this Mortgage by reason of: (i) failure of the Trustee or Servicer to comply with any request of the Mortgagor to take any action to foreclose this Mortgage or otherwise enforce any of the provisions hereof or of the Note or any other mortgage, instrument or document evidencing, securing or guaranteeing payment of the Debt or any portion thereof, (ii) the release, regardless of consideration, of the whole or any part of the Mortgaged Property or any other security for the Debt, or (iii) any agreement or stipulation between the Trustee and any subsequent owner or owners of the Mortgaged Property or other person extending the time of payment or otherwise modifying or supplementing the terms of the Note, this Mortgage or any other mortgage, instrument or document evidencing, securing or guaranteeing payment of the Debt or any portion thereof, without first having obtained the consent of the Mortgagor, and in the latter event, the Mortgagor shall continue to be obligated to pay the Debt at the time and in the manner provided in the Note and this Mortgage, as so extended, modified and supplemented, unless expressly released and discharged from such obligation by the Trustee in writing. Regardless of consideration, and without the necessity for any notice to or consent by the holder of any subordinate lien, encumbrance, right, title or interest in or to the Mortgaged Property), the Trustee may release any person at any time liable for the payment of the Debt or any portion thereof or any part of the security held for the Debt and may extend the time of payment or otherwise modify the terms of the Note or this Mortgage, including, without limitation, a modification of the interest rate payable on the principal balance of the Note, without in any manner impairing or affecting this Mortgage or the lien hereof or the priority of this Mortgage, as so extended and modified, as security for the Debt over any such subordinate lien, encumbrance, right, title or interest. The Trustee or Servicer may resort for the payment of the Debt to any other security held by the Trustee in such order and manner as the Trustee or Servicer, in its discretion, may elect. The Trustee may take action to recover the Debt, or any portion thereof, or to enforce any covenant hereof without prejudice to the right of the Trustee thereafter to foreclose this Mortgage. The Trustee and Servicer shall not be limited exclusively to the rights and remedies herein stated but shall be entitled to every additional right and remedy now or hereafter afforded by law or equity. The rights of the Trustee and Servicer under this Mortgage shall be separate, distinct and cumulative and none shall be given effect to the exclusion of the others. No act of the Trustee or Servicer shall be construed as an election to proceed under any one provision herein to the exclusion of any other provision.

2.11 Absolute and Unconditional Obligation. The Mortgagor acknowledges that the Mortgagor's obligation to pay the Debt in accordance with the provisions of the Note and this Mortgage is and shall at all times continue to be absolute and unconditional in all respects, and shall at all times be valid and enforceable irrespective of any other agreements or circumstances of any nature whatsoever which might otherwise constitute a defense to the Note or this Mortgage or the obligation of the Mortgagor thereunder to pay the Debt or the obligations of any

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other person relating to the Note or this Mortgage or the obligations of the Mortgagor under the Note or this Mortgage or otherwise with respect to the loan secured hereby, and the Mortgagor absolutely, unconditionally and irrevocably waives any and all right to assert any setoff, counterclaim or crossclaim of any nature whatsoever with respect to the obligation of the Mortgagor to pay the Debt in accordance with the provisions of the Note and this Mortgage or the obligations of any other person relating to the Note or this Mortgage or obligations of the Mortgagor under the Note or this Mortgage or otherwise with respect to the loan secured hereby in any action or proceeding brought by the Trustee to collect the Debt, or any portion thereof, or to enforce, foreclose and realize upon the lien and security interest created by this Mortgage or any other document or instrument securing repayment of the Debt, in whole or in part (provided, however, that the foregoing shall not be deemed a waiver of the Mortgagor's right to assert any compulsory counterclaim maintained in a court of the United States, or of the State of Illinois if such counterclaim is compelled under local law or rule of procedure, nor shall the foregoing be deemed a waiver of the Mortgagor's right to assert any claim which would constitute a defense, setoff, counterclaim or crossclaim of any nature whatsoever against the Trustee in any separate action or proceeding).

2.12 Offsets, Counterclaims and Defenses. Any assignee of this Mortgage and the Note shall take the same free and clear of all offsets, counterclaims or defenses of any nature whatsoever which the Mortgagor may have against any assignor of this Mortgage and the Note, and no such offset, counterclaim or defense shall be interposed or asserted by the Mortgagor in any action or proceeding brought by any such assignee upon this Mortgage or the Note and any such right to interpose or assert any such offset, counterclaim or defense in any such action or proceeding is hereby expressly waived by the Mortgagor.

2.13 Waiver of Statutory Rights. The Mortgagor shall not and will not apply for or avail itself of any appraisal, valuation, 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 to the full extent that the Mortgagor may do so under applicable law. The Mortgagor for itself and all who may claim through or under it waives any and all right to have the property and estates comprising the Mortgaged Property marshaled upon any foreclosure of the lien of this Mortgage and agrees that any court having jurisdiction to foreclose such lien may order the Mortgaged Property sold as an entirety. The Mortgagor hereby waives for itself and all who may claim through or under it, and to the full extent the Mortgagor may do so under applicable law, any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage or granted under any statute now existing or hereafter enacted.

2.14 Acceleration; Remedies. At any time during the existence of an Event of Default, Trustee, at Trustee's option, may and at the written direction of the Servicer shall, declare all of the Debt to be immediately due and payable without further demand, and may foreclose this Mortgage by judicial proceeding and may invoke any other remedies permitted by Illinois law or provided in this Mortgage or any other Loan Document. The Debt shall include, Trustee shall be entitled to collect, and any decree which adjudicates the amount secured by this Mortgage shall

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include, all costs and expenses incurred in pursuing such remedies, including reasonable attorneys' fees, costs of documentary evidence, abstracts and title reports, any of which may be estimated to reflect the costs and expenses to be incurred after the entry of such a decree.

2.15 Release. Upon payment of the Debt, Trustee shall release this Mortgage. Mortgagor shall pay Trustee's and Servicer's reasonable costs incurred in releasing this Mortgage.

ARTICLE III - MISCELLANEOUS

3.1 Notice. Any notice, request, demand, statement, authorization, approval or consent made hereunder shall be in writing and shall be sent by Federal Express, or other reputable courier service, or by postage pre-paid registered or certified mail, return receipt requested, and shall be deemed given when received or refused (as indicated on the receipt) and addressed as follows:

If to the Mortgagor:

Lawndale H&A Bond, LP
 c/o Holsten Real Estate Development Corporation
 1333 North Kingsbury, Suite 305
 Chicago, Illinois 60622
 Attention: Peter M. Holsten

With copies to:

Acorn Housing Corporation of Illinois
 209 West Jackson, 3rd Floor
 Chicago, Illinois 60606
 Attention: Martin Shalloo

and

Applegate & Thorne-Thomsen
 322 South Green Street, Suite 400
 Chicago, Illinois 60607
 Attention: Thomas Thorne-Thomsen, Esq.

and

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Apollo Housing Capital, L.L.C.
600 Superior Street, Suite 2300
Cleveland, Ohio 44114
Attention: President and General Counsel

If to the Trustee:

Deutsche Bank National Trust Company
222 South Riverside Plaza, 25th Floor
Chicago, Illinois 60606
Attention: Victoria Y. Douyon, Vice President

With copies to:

Kevin Cahill, Esq.
40 North Wells Street, Suite 300
Chicago, Illinois 60606

and

JPMorgan Chase Bank, N.A.
c/o Community Development Real Estate
10 South Dearborn, IL1-0953
Chicago, Illinois 60670
Attention: John D. Bernhard, Vice President

and

JPMorgan Chase Bank, N.A.
Legal Department
270 Park Avenue, 39th Floor
New York, New York 10017
Attention: Michael R. Zients, Vice President
and Assistant General Counsel

it being understood and agreed that each party will use reasonable efforts to send copies of any notices to the addresses marked "**With a copy to**" hereinabove set forth; provided, however, that failure to deliver such copy or copies shall have no consequence whatsoever to the effectiveness of any notice made to the Mortgagor or the Trustee. Notice shall be deemed given by telecopy to the numbers hereinabove set forth when confirmation of receipt is received by the sender, provided the original of such telecopy is delivered by the close of business of the next business day to the party to whom such telecopy was sent. Each party may designate a change of address

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by notice given, as herein provided, to the other party, at least fifteen (15) days prior to the date such change of address is to become effective.

3.2 Waiver of Notice. The Mortgagor shall not be entitled to any notices of any nature whatsoever from the Trustee except with respect to matters for which this Mortgage specifically and expressly provides for the giving of notice by the Trustee to the Mortgagor, and the Mortgagor hereby expressly waives the right to receive any notice from the Trustee or Servicer with respect to any matter for which this Mortgage does not specifically and expressly provide for the giving of notice by the Trustee or Servicer to the Mortgagor.

3.3 Estoppel Certificates. The Mortgagor, within ten (10) days after request by the Trustee or Servicer and at the Mortgagor's expense, will furnish the Trustee and Servicer with a statement, duly acknowledged and certified, setting forth the amount of the Debt and the offsets or defenses thereto, if any.

3.4 Changes in Laws Regarding Taxation. In the event of the passage after the date of this Mortgage of any law of the State of Illinois deducting from the value of real property for the purpose of taxation any lien or encumbrance thereon or changing in any way the laws for the taxation of mortgages or debts secured by mortgages for state or local purposes or the manner of the collection of any such taxes, and imposing a tax, either directly or indirectly, on this Mortgage, the Note or the Debt, the Mortgagor shall, if permitted by law, pay any tax imposed as a result of any such law within the statutory period or within fifteen (15) days after demand by the Trustee, whichever is less, provided, however, that if, in the opinion of the attorneys for the Trustee, the Mortgagor is not permitted by law to pay such taxes, the Trustee shall have the right at its option, to declare the Debt due and payable on a date specified in a prior notice to the Mortgagor of not less than thirty (30) days.

3.5 No Credits on Account of the Debt. The Mortgagor will not claim or demand or be entitled to any credit or credits on account of the Debt for any part of the Taxes assessed against the Mortgaged Property or any part thereof and no deduction shall otherwise be made or claimed from the taxable value of the Mortgaged Property, or any part thereof, by reason of this Mortgage or the Debt. If at any time this Mortgage shall secure less than all of the principal amount of the Debt, it is expressly agreed that any repayment of the principal amount of the Debt shall not reduce the amount of the lien of this Mortgage until the lien amount shall equal the principal amount of the Debt outstanding.

3.6 Documentary Stamps. If at any time the United States of America, any state thereof, or any governmental subdivision of any such state or the State of Illinois, shall require revenue or other stamps to be affixed to the Note or this Mortgage, or the payment of any taxes or charges for the recording of this Mortgage, the Mortgagor will, upon demand, pay for the same, with interest and penalties thereon, if any.

3.7 Filing of Mortgage, etc. The Mortgagor forthwith upon the execution and delivery of this Mortgage and thereafter, from time to time, will cause this Mortgage and any

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extension, modification, renewal or replacement hereof, and any security instrument creating a lien or evidencing the lien hereof upon the Mortgaged Property and each instrument of further assurance to be filed, registered or recorded in such manner and in such places as may be required by any present or future law in order to publish notice of and fully to protect, preserve and perfect the lien hereof upon, and the interest of the Trustee in, the Mortgaged Property. The Mortgagor will pay all title insurance fees and charges, all filing, registration and recording fees, and all expenses incident to the preparation, execution and acknowledgment of this Mortgage, any mortgage supplemental hereto, any security instrument with respect to the Mortgaged Property, and any instrument of further assurance, and all Federal, state, county and municipal taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of this Mortgage, any mortgage supplemental hereto, any security instrument with respect to the Mortgaged Property or any instrument of further assurance. The Mortgagor shall hold harmless and indemnify the Trustee, the Servicer and their respective successors and assigns, against any liability incurred by reason of the imposition of any tax on the making and recording of this Mortgage.

3.8 Further Acts, etc. The Mortgagor will, at the cost of the Mortgagor, and without expense to the Trustee or Servicer, do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, mortgages, assignments, notices of assignments, transfers and assurances as the Trustee or Servicer shall, from time to time, require for the better assuring, conveying, assigning, transferring and confirming unto the Trustee the property and rights hereby mortgaged or intended now or hereafter so to be, or which the Mortgagor may be or may hereafter become bound to convey or assign to the Trustee, or for carrying out the intention or facilitating the performance of the terms of this Mortgage or for filing, registering or recording this Mortgage and, on demand, will execute and deliver and hereby authorizes the Trustee to execute in the name of the Mortgagor to the extent the Trustee may lawfully do so, one or more chattel mortgages or comparable security instruments, and hereby authorizes Trustee to file one or more financing statements to evidence more effectively the lien hereof upon the Mortgaged Property. Trustee and/or Servicer shall have the right to order new Appraisals of the Mortgaged Property from time to time. Each Appraisal is subject to review and approval by Trustee and Servicer. Mortgagor agrees upon demand to pay the cost and expense for such Appraisals and a fee for Servicer's review of each Appraisal. Mortgagor's obligation to pay such cost and expense shall be limited to those Appraisals ordered once during every 5 year period or as required by applicable law or regulation.

3.9 Usury Laws. This Mortgage and the Note are subject to the express condition that at no time shall the Mortgagor be obligated or required to pay interest on the principal balance due under the Note at a rate which could subject the holder of the Note to either civil or criminal liability as a result of being in excess of the maximum interest rate which the Mortgagor is permitted by law to contract or agree to pay. If, by the terms of this Mortgage or the Note, the Mortgagor is at any time required or obligated to pay interest on the principal balance due under the Note at a rate in excess of such maximum rate, the rate of interest under the Note shall be deemed to be immediately reduced to such maximum rate and the interest payable shall be computed at such maximum rate and all prior interest payments in excess of such maximum rate

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shall be applied and shall be deemed to have been payments in reduction of the principal balance of the Note.

3.10 Brokerage. The Mortgagor covenants and agrees that no brokerage commission or other fee, commission or compensation is to be paid by the Trustee or Servicer on account of the financing obligations evidenced by the Note and/or secured by this Mortgage and the Mortgagor agrees to indemnify the Trustee and Servicer against any claims for any of the same.

3.11 Indemnity. Anything in this Instrument or the other Loan Documents to the contrary notwithstanding, the Mortgagor shall indemnify and hold the Trustee, the Beneficiary and the Servicer (the "**Indemnified Parties**") harmless and defend the Trustee and the Servicer at the Mortgagor's sole cost and expense against any loss or liability, cost or expense (including, without limitation, reasonable attorneys' fees and disbursements of their respective counsel, whether in-house staff, retained firms or otherwise), and all claims, actions, procedures and suits (the "Claims") arising out of or in connection with (i) any ongoing matters arising out of the transaction contemplated hereby, the Debt, this Instrument, or any other Loan Documents and/or the Property, including, but not limited to, all costs of reappraisal of the Property or any part thereof, whether required by law, regulation, the Trustee, the Beneficiary and the Servicer or any governmental or quasi-governmental authority (other than the failure to pay the principal of, any interest and premium on, the Loan, the Note or the Bonds), (ii) any amendment to, or restructuring of, the Debt and this Instrument, the Note or any of the other Loan Documents (other than the failure to pay the principal of, any interest and premium on, the Loan, the Note or the Bonds), and (iii) the past, current and/or future sale or offering for sale of limited partnership interests in the Mortgagor, including, without limitation, liabilities under any applicable securities or blue sky laws; as well as (vi) any and all lawful action that may be taken by the Trustee, the Beneficiary and the Servicer in connection with the enforcement of the provisions of this Instrument or the Note or any of the other Loan Documents, whether or not suit is filed in connection with the same, or in connection with the Mortgagor, any Guarantor and/or any partner, joint venturer or shareholder thereof becoming a party to a voluntary or involuntary federal or state bankruptcy, insolvency or similar proceeding. *THIS OBLIGATION SHALL INCLUDE ANY CLAIMS RESULTING FROM THE NEGLIGENCE OF ANY INDEMNIFIED PARTY, but shall not include claims resulting solely from the gross negligence or willful misconduct of an Indemnified Party. All sums expended by the Trustee and the Servicer shall be payable on demand and, until reimbursed by the Mortgagor pursuant hereto, shall be deemed additional principal of the Debt and secured hereby and shall bear interest at the Default Rate. The obligations of the Mortgagor under this paragraph shall, notwithstanding any exculpatory or other provisions of any nature whatsoever set forth in the Loan Documents, constitute the personal recourse undertakings, obligations and liabilities of the Mortgagor.*

3.12 No Oral Change. This Mortgage may only be modified, amended or changed by an agreement in writing signed by the Mortgagor and the Trustee, and may only be released, discharged or satisfied of record by an agreement in writing signed by the Trustee. No waiver of any term, covenant or provision of this Mortgage shall be effective unless given in writing by the Trustee and if so given by the Trustee shall only be effective in the specific instance in which

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given. The Mortgagor acknowledges that the Note, this Mortgage, the Loan Agreement and the other documents and instruments executed and delivered in connection therewith or otherwise in connection with the loan secured hereby set forth the entire agreement and understanding of the Mortgagor and the Trustee with respect to the loan secured hereby and that no oral or other agreement, understanding, representation or warranty exists with respect to the loan secured hereby other than those set forth in the Note, this Mortgage, the Loan Agreement and such other executed and delivered documents and instruments.

3.13 Enforceability. This Mortgage was negotiated in the State of Illinois, and made by the Mortgagor and accepted by the Trustee in the State of Illinois, and the proceeds of the loan secured hereby were disbursed from the State of Illinois, which State the parties agree has a substantial relationship to the parties and to the underlying transaction embodied hereby, and in all respects, including, without limiting the generality of the foregoing, matters of construction, validity and performance, this Mortgage and the obligations arising hereunder shall be governed by, and construed in accordance with, the laws of the State of Illinois applicable to contracts made and performed in such State and any applicable laws of the United State of America, except with respect to the provisions hereof which relate to the realization upon the security covered by this Mortgage, in which case such provisions shall be governed by the State in which the Mortgaged Property is located, it being understood that, to the fullest extent permitted by the law of such State, the law of the State of Illinois shall govern the validity and enforceability of this Mortgage, the Note, and other documents executed and delivered in connection with the Debt, and the obligations arising hereunder and thereunder. Whenever possible, each provision of this Mortgage shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Mortgage shall be unenforceable or prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such unenforceability, prohibition or invalidity, without invalidating the remaining provisions of this Mortgage. If any term, covenant or condition of this Mortgage shall be held to be invalid, illegal or unenforceable in any respect, this Mortgage shall be construed without such provision.

3.14 Relationship. The relationship of the Trustee to the Mortgagor hereunder is strictly and solely that of lender and borrower and mortgagor and mortgagee and nothing contained in the Note, this Mortgage, the Loan Agreement or any other document or instrument now or hereafter executed and delivered in connection therewith or otherwise in connection with the loan secured hereby is intended to create, or shall in any event or under any circumstance be construed as creating, a partnership, joint venture, tenancy-in-common, joint tenancy or other relationship of any nature whatsoever between the Trustee, and the Mortgagor other than as lender and borrower and mortgagor and mortgagee.

3.15 Liability. If the Mortgagor consists of more than one person, the obligations and liabilities of each such person hereunder shall be joint and several.

3.16 Certain Definitions. Unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, words used in this Mortgage shall be used interchangeably in singular or plural form and the word "**Mortgagor**" shall mean each the

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Mortgagor and any subsequent owner or owners of the Mortgaged Property or any part thereof or interest therein; the word "**Trustee**" shall mean the Trustee or any subsequent holder of the Note; the word "**Note**" shall mean the Note, any amendment, extension, modification, restatement or replacement thereof or any other evidence of indebtedness secured by this Mortgage; the word "**Guarantor**" shall mean each person guaranteeing payment of the Debt or any portion thereof or performance by the Mortgagor of any of the terms of this Mortgage and their respective heirs, executors, administrators, legal representatives, successors and assigns; the word "**person**" shall include an individual, corporation, partnership, trust, unincorporated association, government, governmental authority, or other entity; the words "**Loan Agreement**" shall mean the Loan Agreement and any and all modifications, amendments and/or replacements thereof; the words "**Mortgaged Property**" shall include any portion of the Mortgaged Property or interest therein; and the word "**Debt**" shall mean all sums secured by this Mortgage; and the word "**default**" shall mean the occurrence of any default by the Mortgagor or other person in the observance or performance of any of the terms, covenants or provisions of the Note or this Mortgage on the part of the Mortgagor or such other person to be observed or performed without regard to whether such default constitutes or would constitute upon notice or lapse of time, or both, an Event of Default under this Mortgage, and "**Appraisal**" means a written statement setting forth an opinion of the market value of the Premises and the Improvements that (i) has been independently and impartially prepared by a qualified appraiser directly engaged by the Trustee or its agent, (ii) complies with all applicable federal and state laws and regulations dealing with appraisals or valuations of real property, and (iii) has been reviewed as to form and content and approved by the Trustee, in its reasonable judgment. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa.

3.17 Headings, etc. The headings and captions of various paragraphs of this Mortgage are for convenience of reference only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

3.18 Duplicate Originals. This Mortgage may be executed in any number of duplicate originals, and each such duplicate original shall be deemed to constitute but one and the same instrument.

3.19 Reasonableness. If at any time the Mortgagor believes that the Trustee has not acted reasonably in granting or withholding any approval or consent under the Note, this Mortgage, the Loan Agreement or any other document or instrument now or hereafter executed and delivered in connection therewith or otherwise with respect to the loan secured hereby, as to which approval or consent either the Trustee has expressly agreed to act reasonably, or absent such agreement, a court of law having jurisdiction over the subject matter would require the Trustee to act reasonably, then the Mortgagor's sole remedy shall be to seek injunctive relief or specific performance and no action for monetary damages or punitive damages shall in any event or under any circumstance be maintained by the Mortgagor against the Trustee.

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3.20 Nonrecourse. Following Stabilization (as such term is defined in the Loan Agreement), the obligations of the Mortgagor under this Mortgage shall be nonrecourse to the Mortgagor except to the extent provided in Section 8.12 of the Loan Agreement.

3.21 Patriot Act. The Trustee hereby notifies the Mortgagor that pursuant to the requirements of the U.S.A. Patriot Act (Title III of Public Law 107-56), it is required to obtain, verify and record information that identifies the Mortgagor, which information includes the name and address of the Mortgagor and other information that will allow the Trustee to identify the Mortgagor in accordance with the aforesaid Patriot Act. Without the prior written consent of the Trustee, the Mortgagor will not: (1) be or become subject at any time to any law, regulation, or list of any government agency (including, without limitation, the U.S. Office of Foreign Asset Control list) that prohibits or limits Trustee from making any advance or extension of credit to Mortgagor or from otherwise conducting business with Mortgagor, or (2) fail to provide documentary and other evidence of Mortgagor's identity as may be requested by Trustee at any time to enable Trustee to verify Mortgagor's identity or to comply with any applicable law or regulation, including, without limitation, Section 326 of the USA Patriot Act of 2001, 31 U.S.C. Section 5318.

3.22 Servicer. The Mortgagor acknowledges that the Trustee has appointed the Servicer as the Trustee's agent for purposes of servicing the Loan and enforcing this Instrument. The Mortgagor consents to such appointment and agrees to perform its obligations hereunder for the benefit of the Servicer to the extent set forth herein or in the Servicing Agreement. If at any time there is no Servicer acting on behalf of the Trustee, for whatever reason, then the references in this Instrument to the Servicer shall be ignored during such period of time as there shall be no Servicer, and the Trustee shall act without any reference thereto.

3.23 Cure by Investor Partner and/or City of Chicago. In the event of an Event of Default, the Trustee agrees to accept cure by the Investor Partner and/or City of Chicago at the time and in the manner as is allowed to the Mortgagor. Provided, however, nothing in this paragraph shall be deemed to extend any applicable notice and/or cure period set forth in this Mortgage.

3.24 Waiver of Special Damages. **To the full extent permitted by applicable law, the Mortgagor shall not assert, and hereby waives, any claim against the Trustee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Mortgage or any agreement or instrument contemplated hereby, the transactions, the Note, or the use of the proceeds thereof.**

3.25 Waiver of Homestead and Redemption. Mortgagor releases and waives all rights under the homestead and exemption laws of the State of Illinois. Mortgagor acknowledges that the Mortgaged Property does not include "agricultural real estate" or "residential real estate" as those terms are defined in 735 ILCS 5/15-1201 and 5/15-1219. Pursuant to 735 ILCS 5/15-1601(b), Mortgagor waives any and all rights of redemption from sale under any order of

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foreclosure of this Mortgage, or other rights of redemption, which may run to Mortgagor or any other Owner of Redemption, as that term is defined in 735 ILCS 5/15-1212. Mortgagor waives all rights of reinstatement under 735 ILCS 5/15-1602 to the fullest extent permitted by Illinois law.

3.26 Maximum Amount of Debt. Notwithstanding any provision to the contrary in this Mortgage, the Note or any other Loan Document which permits any additional sums to be advanced on or after the date of this Mortgage, whether as additional loans or for any payments authorized by this Mortgage, the total amount of the principal component of the Debt shall not at any time exceed one hundred twenty-five percent (125%) of the original principal amount of the Note set forth on the first page of this Mortgage.

3.27 Illinois Collateral Protection Act. Unless Mortgagor provides Trustee with evidence of the insurance coverage required by this Mortgage, Trustee may purchase insurance at Mortgagor's expense to protect Trustee's interest in the Mortgaged Property. This insurance may, but need not, protect Mortgagor's interests. The coverage that Trustee purchases may not pay any claim that Mortgagor may make or any claim that is made against Mortgagor in connection with the Mortgaged Property. Mortgagor may cancel any insurance purchased by Trustee, but only after providing Trustee with evidence that Mortgagor has obtained insurance as required by this Mortgage. If Trustee purchases insurance for the Mortgaged Property, Mortgagor will be responsible for the costs of that insurance, including interest and any other charges that Trustee may impose in connection with the placement of such insurance, until the effective date of the cancellation or expiration of such insurance. Without limitation of any other provision of this Mortgage, the cost of such insurance shall be added to the cost of the Debt secured hereby. The cost of such insurance may be more than the cost of insurance Mortgagor may be able to obtain on its own.

3.28 Applicability of Illinois Mortgage Foreclosure Law. To ensure the maximum degree of flexibility of the Loan Documents under the Illinois Mortgage Foreclosure Law, if any provision of this Mortgage is inconsistent with any applicable provision of the Illinois Mortgage Foreclosure Law, 735 ILCS 5/15-101, et seq., as amended from time to time (the "Act"), the provisions of the Act shall take precedence over the provisions of this Mortgage, but the Act shall not invalidate or render unenforceable any other provision of this Mortgage that can be fairly construed in a manner consistent with the Act. Without in any way limiting any of the Trustee's rights, remedies, powers and authorities provided in this Mortgage or otherwise, and in addition to all of such rights, remedies, powers and authorities, Trustee shall also have all rights, remedies, powers and authorities permitted to the holder of a mortgage under the Act. If any provision of this Mortgage shall grant to Trustee any rights, remedies, powers or authorities upon default of the Mortgagor which are more limited than what would be vested in Trustee under the Act in the absence of such provision, Trustee shall have such rights, remedies, powers and authorities that would be otherwise vested in it under the Act. Without limitation, all expenses (including Attorneys' Fees and Costs) incurred by Trustee to the extent reimbursable under 735 ILCS 5/15-1510, 5/15-1512 or any other provision of the Act, whether incurred before or after

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any judgment of foreclosure, shall be added to the Debt and included in the judgment of foreclosure.

3.29 **WAIVER OF TRIAL BY JURY.** MORTGAGOR AND MORTGAGEE EACH (A) COVENANTS AND AGREES NOT TO ELECT A TRIAL BY JURY WITH RESPECT TO ANY ISSUE ARISING OUT OF THIS MORTGAGE OR THE RELATIONSHIP BETWEEN THE PARTIES AS MORTGAGOR AND MORTGAGEE THAT IS TRIABLE OF RIGHT BY A JURY AND (B) WAIVES ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO SUCH ISSUE TO THE EXTENT THAT ANY SUCH RIGHT EXISTS NOW OR IN THE FUTURE. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS SEPARATELY GIVEN BY EACH PARTY, KNOWINGLY AND VOLUNTARILY WITH THE BENEFIT OF COMPETENT LEGAL COUNSEL.

[Signature Pages Follow]

Doc # 02-132612.5

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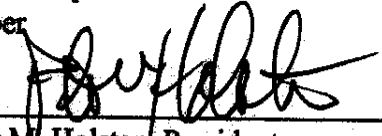
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IN WITNESS WHEREOF, the Mortgagor has duly executed this Mortgage the day and year first above written.

LAWNDALE H&A BOND, LP
an Illinois limited partnership

By: Lawndale H&A Bond Development, LLC
an Illinois limited liability company,
its General Partner

By: Holsten Real Estate Development Corporation
an Illinois corporation
a Member

By: 
Peter M. Holsten, President

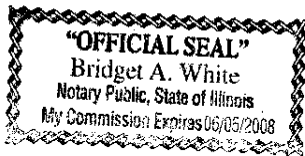
By: ACORN Housing Corporation of Illinois
an Illinois not-for-profit corporation
a Member

By: 
Brian Freeman, Illinois Project Director

STATE OF ILLINOIS)
COUNTY OF COOK) ss:

I, the undersigned, a Notary Public in and for the county and State aforesaid, do hereby certify that Peter M. Holsten, President of Holsten Real Estate Development Corporation, an Illinois corporation as a member of Lawndale H&A Bond, L.P., an Illinois limited partnership, and who is personally known to me to be the same person whose name is subscribed to the foregoing instrument in such capacity, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act and as the free and voluntary act of said Holsten Real Estate Development Corporation as a member of Lawndale H&A Bond, Development LLC, the General Partner of Lawndale Bond, LP, for the uses and purposes therein set forth.

Given under my hand and official seal this 12th day of December, 2007.




Notary Public

(SEAL)

[Signature Page to First Mortgage, Assignment of Rents,
Security Agreement and Fixture Filing]

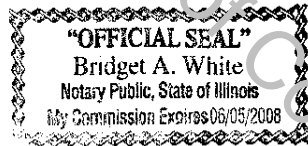
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STATE OF ILLINOIS)
COUNTY OF COOK) ss:

I, the undersigned, a Notary Public in and for the county and State aforesaid, do hereby certify that Brian Freeman, the Illinois Project Director of ACORN Housing Corporation of Illinois, an Illinois not-for-profit corporation as a member of Lawndale H&A Bond Development, LLC, the General Partner of Lawndale H&A Bond, LP, an Illinois limited partnership, and who is personally known to me to be the same person whose name is subscribed to the foregoing instrument in such capacity, appeared before me this day in person and acknowledged that she/he signed and delivered the said instrument as her/his own free and voluntary act and as the free and voluntary act of said ACORN Housing Corporation of Illinois as a member of Lawndale H&A Bond, Development LLC, the General Partner of Lawndale Bond, LP, for the uses and purposes therein set forth.

Given under my hand and official seal this 12th day of December, 2007.

Bridget A. White
Notary Public



(SEAL)

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EXHIBIT A

PARCEL 1:

LOT 3 AND THE EAST $\frac{1}{2}$ OF LOT 4 IN SHAW, KERRIGAN AND SALOMON'S SUBDIVISION OF BLOCK 6 IN CIRCUIT COURT PARTITION OF THE EAST $\frac{1}{2}$ OF THE NORTHEAST $\frac{1}{4}$ AND THAT PART OF THE EAST $\frac{1}{2}$ OF THE SOUTH EAST $\frac{1}{4}$ LYING NORTH OF THE CENTER LINE OF OGDEN AVENUE, IN SECTION 23, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 3239 W. DOUGLAS, CHICAGO, IL

PERMANENT TAX NUMBER: 16-23-220-006-0000

PARCEL 2:

LOT 14 IN BLOCK 2 IN PRESCOTT'S DOUGLAS PARK ADDITION TO CHICAGO BEING A SUBDIVISION OF BLOCK 2 IN CIRCUIT COURT PARTITION OF THE EAST $\frac{1}{2}$ OF THE NORTHEAST $\frac{1}{4}$ AND THAT PART OF THE EAST $\frac{1}{2}$ OF THE SOUTH EAST $\frac{1}{4}$ LYING NORTH OF THE CENTER LINE OF OGDEN AVENUE, IN SECTION 23, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 3234 W. DOUGLAS, CHICAGO, IL

PERMANENT TAX NUMBER: 16-23-212-034-0000

PARCEL 3:

LOTS 16, 17, 18 AND 19 (EXCEPT THE WEST 5 FEET) IN BLOCK 2 OF PRESCOTT'S DOUGLAS PARK ADDITION TO CHICAGO BEING A SUBDIVISION OF BLOCK 1 IN CIRCUIT COURT PARTITION OF THE EAST $\frac{1}{2}$ OF THE NORTHEAST $\frac{1}{4}$ AND THAT PART OF THE EAST $\frac{1}{2}$ OF THE SOUTH EAST $\frac{1}{4}$ LYING NORTH OF THE CENTER LINE OF OGDEN AVENUE, IN SECTION 23, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 3206 W. DOUGLAS, CHICAGO, IL

PERMANENT TAX NUMBER: 16-23-213-027-0000

PARCEL 4:

THE WEST 51 FEET OF THE EAST 300 FEET OF BLOCK 1 IN DOUGLAS PARK ADDITION TO CHICAGO, A SUBDIVISION OF THE EAST $\frac{1}{2}$ OF THE SOUTH EAST $\frac{1}{4}$ OF SECTION 23, THAT LIES SOUTH OF THE SOUTHWESTERN PLANK ROAD; ALSO OF LOTS 4 AND 5 OF CIRCUIT COURT PARTITION OF THE WEST $\frac{1}{2}$ OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 3122 W. DOUGLAS, CHICAGO, IL

PERMANENT TAX NUMBER: 16-24-103-032-0000

PARCEL 5:

LOTS 1,2,3,4, 5 AND 6 IN THE SUBDIVISION OF LOTS 1 TO 6 IN THE SUBDIVISION OF LOTS 27 TO 36 AND VACATED ALLEY IN BLOCK 3 IN DOUGLAS PARK ADDITION TO CHICAGO IN THE WEST $\frac{1}{2}$ OF THE NORTHWEST $\frac{1}{4}$ OF SECTION 24, TOWNSHIP 39

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NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 1501 S. KEDZIE, CHICAGO, IL

PERMANENT TAX NUMBER: 16-24-105-001-0000

PARCEL 6:

LOTS 26, 27, 28 AND 29 IN GIVINS AND GILBERT'S SUBDIVISION OF THE SOUTH 15 ACRES OF THE EAST ½ OF THE EAST ½ OF THE SOUTHWEST ¼ OF SECTION 14, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

COMMON ADDRESS: 1136-42 S. CENTRAL PARK, 3601-09 W. GRENSHAW CHICAGO, IL

PERMANENT TAX NUMBER: 16-14-328-038-0000; 16-14-328-039-0000

PARCEL 7:

LOT 1 IN RISSMAN'S RESUBDIVISION OF LOTS 25, 26, 27, 28, 29 AND THE WEST 21 FEET OF LOT 30 IN BLOCK 3 IN D. GOODWIN'S SUBDIVISION OF THE NORTHWEST ¼ OF THE NORTHEAST ¼ OF SECTION 23, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 1259 S. CENTRAL PARK, CHICAGO, IL

PERMANENT TAX NUMBER: 16-23-202-020-0000

PARCEL 8:

LOTS 47 AND 48 IN BLOCK 3 IN LAMBERT TREE'S SUBDIVISION OF THE WEST ½ OF THE NORTHWEST ¼ OF SECTION 14, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

COMMON ADDRESS: 3900 W. WILCOX, CHICAGO, IL

PERMANENT TAX NUMBER: 16-14-102-032-0000

PARCEL 9:

LOTS 14 AND 15 IN BLOCK 3 IN OUR HOME ADDITION TO CHICAGO, BEING A SUBDIVISION OF THE EAST ½ OF THE NORTHEAST ¼ OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPT THE NORTH 50 ACRES THEREOF), IN COOK COUNTY, ILLINOIS

COMMON ADDRESS: 4118 W 15TH STREET, CHICAGO, IL

PERMANENT TAX NUMBER: 16-22-220-022-0000

PARCEL 10:

LOTS 8 THROUGH 11 IN SHERMAN AND WALTER'S SUBDIVISION OF BLOCK 7 IN CIRCUIT COURT PARTITION OF THE EAST ½ OF THE NORTHEAST ¼ AND THAT PART OF THE EAST ½ OF THE SOUTHEAST ¼ LYING NORTH OF THE CENTER LINE OF OGDEN AVENUE, IN SECTION 23, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

COMMON ADDRESS: 3219-29 W. DOUGLAS, CHICAGO, IL

PERMANENT TAX NUMBER: 16-23-221-037-0000

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EXHIBIT B

Description of Environmental Reports

Phase I Environmental Site Assessment dated December 20, 2006 by Midwest Environmental Consulting Services, Inc. (MEC Project #06-09-366-EA)

Comprehensive NESHAP Asbestos Survey dated January 16, 2007 by Midwest Environmental Consulting Services, Inc. (MEC Project #06-06-247-INSP - 3206-14 W. Douglas Blvd., Chicago, IL 60623)

Comprehensive NESHAP Asbestos Survey dated January 16, 2007 by Midwest Environmental Consulting Services, Inc. (MEC Project #06-06-247-INSP- 1501-11 S. Kedzie Avenue/3149-51 W. 15th Place, Chicago, IL 60623)

Comprehensive NESHAP Asbestos Survey dated January 16, 2007 by Midwest Environmental Consulting Services, Inc. (MEC Project #06-06-247-INSP- 1413-17 S. Sawyer Avenue/3219-25 W. Douglas Blvd., Chicago, IL 60623)

Comprehensive NESHAP Asbestos Survey dated January 16, 2007 by Midwest Environmental Consulting Services, Inc. (MEC Project #06-06-247-INSP- 4118-22 W. 15th Place/1455-57 S. Kedvale Avenue, Chicago, IL 60623)

Comprehensive NESHAP Asbestos Survey dated January 16, 2007 by Midwest Environmental Consulting Services, Inc. (MEC Project #06-06-247-INSP- 3239-41 W. Douglas Blvd., Chicago, IL 60623)

Comprehensive NESHAP Asbestos Survey dated January 16, 2007 by Midwest Environmental Consulting Services, Inc. (MEC Project #06-06-247-INSP- 1134-40 S. Central Park/3601-09 W. Grenshaw Street, Chicago, IL 60624)

Comprehensive NESHAP Asbestos Survey dated January 16, 2007 by Midwest Environmental Consulting Services, Inc. (MEC Project #06-06-247-INSP- 3234-36 W. Douglas Blvd./1336-38 S. Sawyer Avenue, Chicago, IL 60623)

Comprehensive NESHAP Asbestos Survey dated January 16, 2007 by Midwest Environmental Consulting Services, Inc. (MEC Project #06-06-247-INSP- 3900-02 W. Wilcox Street/114-16 S. Springfield Avenue, Chicago, IL 60624)

Comprehensive NESHAP Asbestos Survey dated January 16, 2007 by Midwest Environmental Consulting Services, Inc. (MEC Project #06-06-247-INSP- 3122-24 W. Douglas Blvd., Chicago, IL 60623)

Comprehensive NESHAP Asbestos Survey dated January 16, 2007 by Midwest Environmental Consulting Services, Inc. (MEC Project #06-06-247-INSP- 1259-69 S. Central Park, Chicago, IL 60623)

Lead-Based Paint Inspection for Multi-Family Housing dated May 17, 2007 by Midwest Environmental Consulting Services, Inc. (MEC Project #06-09-364-LEAD-3122-24 W. Douglas Blvd. Chicago, IL 60623)

Lead-Based Paint Inspection for Multi-Family Housing dated May 17, 2007 by Midwest Environmental Consulting Services, Inc. (MEC Project #06-09-364-LEAD-3900-02 W. Wilcox St. & 114-16 S. Springfield Ave., Chicago, IL 60624)

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- Lead-Based Paint Inspection for Multi-Family Housing dated May 17, 2007 by Midwest Environmental Consulting Services, Inc. (MEC Project #06-09-364-LEAD-1259-69 S. Central Park Ave., Chicago, IL 60623)
- Lead-Based Paint Inspection for Multi-Family Housing dated November 14, 2007 by Midwest Environmental Consulting Services, Inc. (MEC Project #06-09-364-LEAD-3206-14 W. Douglas Blvd., Chicago, IL 60623)
- Lead-Based Paint Inspection for Multi-Family Housing dated November 16, 2007 by Midwest Environmental Consulting Services, Inc. (MEC Project #06-09-364-LEAD-3219-25 W. Douglas Blvd./1413-17 S. Sawyer Ave., Chicago, IL 60623)
- Lead-Based Paint Inspection for Multi-Family Housing dated November 14, 2007 by Midwest Environmental Consulting Services, Inc. (MEC Project #06-09-364-LEAD-1501-11 S. Kedzie/5149-51 W. 15th Street, Chicago, IL 60623)
- Lead-Based Paint Inspection for Multi-Family Housing dated November 16, 2007 by Midwest Environmental Consulting Services, Inc. (MEC Project #06-09-364-LEAD-1455-57 S. Kedvale Ave./4118-22 W. 15th Street, Chicago, IL 60623)
- Lead-Based Paint Inspection for Multi-Family Housing dated November 2, 2007 by Midwest Environmental Consulting Services, Inc. (MEC Project #06-09-364-LEAD-3234-36 W. Douglas Blvd./1336-38 S. Sawyer Ave., Chicago, IL 60623)
- Lead-Based Paint Inspection for Multi-Family Housing dated November 2, 2007 by Midwest Environmental Consulting Services, Inc. (MEC Project #06-09-364-LEAD-3239-41 W. Douglas Blvd., Chicago, 60623)
- Lead-Based Paint Inspection for Multi-Family Housing dated October 8, 2007 by Midwest Environmental Consulting Services, Inc. (MEC Project #06-09-364-LEAD-3601-09 W. Grenshaw St./1134-40 S. Central Park, Chicago, IL 60624)