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Illinois Anti-Predatory
Lending Database
Program

Certificate of Exemption

First American Title
Order # 1962851



Doc#: 0923735138 Fee: \$68.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 08/25/2009 02:55 PM Pg: 1 of 17

Report Mortgage Fraud
800-532-8785

The property identified as: PIN: 16-08-123-026-0000

Address:

Street: 8 West Lake Street

Street line 2:

City: Oak Park

State: IL

ZIP Code: 60302



Lender: Fairview Commercial Lending, Inc.

Borrower: Michael Kim

Loan / Mortgage Amount: \$100,000.00

This property is located within Cook County and is exempt from the requirements of 765 ILCS 77/0 et seq. because it is commercial property.

Certificate number: D4DACD17-D1AB-40E4-B589-7A4AC5F64BBB

Execution date: 08/11/2009

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(Above space reserved for recording information)

After Recording, Return To:

Charles M. Cushing, Jr.
 Cushing, Morris, Armbruster & Montgomery, LLP
 191 Peachtree Street, N.E., Suite 4500
 Atlanta, Georgia 30303

MORTGAGE
(Oak Park, Illinois)

THIS INDENTURE WITNESSETH that MICHAEL KIM, a resident of the State of Tennessee hereinafter referred to as the "MORTGAGOR," mortgages and warrants to FAIRVIEW COMMERCIAL LENDING, INC. of Atlanta, Georgia, hereinafter referred to as the "MORTGAGEE," the following real estate in COOK COUNTY, STATE OF ILLINOIS, to-wit:

SEE EXHIBIT "A" attached hereto and incorporated herein as if fully set forth

known as 8 W. Lake Street, Oak Park, Illinois 60302, together with all the improvements now or hereafter erected on said real estate, and all easements, rights, tenements, royalties, mineral, oil and gas rights, all fixtures, now or hereafter attached to the property including replacements, additions thereto, and any proceeds therefrom as well as the rents, profits and any other income which may be derived therefrom, to secure the performance of all conditions and stipulations of this agreement; all the foregoing, together with the real estate, are herein referred to as the "Mortgaged Premises" and/or "Mortgaged Property."

To secure the payment, when the same shall become due, of the following indebtedness of even date herewith: the sum of One Hundred Thousand Dollars (\$100,000.00), or so much of said sum as may be advanced, according to the terms and conditions of a Promissory Note ("Note") concurrently executed by Mortgagor and delivered to the Mortgagee, all without relief from valuation or appraisal laws and with reasonable attorney's fees. The principal and interest payments are payable in the manner provided in said Note, the terms and conditions of said Note are incorporated herein by reference and made a part hereof. It is further covenanted and agreed that this Mortgage is also made to secure the performance of all the covenants and agreements herein contained, including the payment of reasonable attorney fees and legal expenses actually incurred and to secure the performance of any other agreement between the Mortgagor and the Mortgagee. Without limitation, this Mortgage secures:

- 1) Any and all renewals, extensions or modifications of the Note;

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- 2) All indebtedness or liabilities incurred by the holder hereof for the protection of this security or for the collection of this Mortgage;
- 3) All further advances to the full amount of the Mortgage;
- 4) The payment of any and all other indebtedness of Mortgagor to Mortgagee (or to the holder of this Mortgage) whether now existing or advanced in the future, direct or indirect, absolute or contingent, joint or several, due or to become due and howsoever evidenced. Mortgagor acknowledges that Mortgagee is not obligated or required to make any additional advances and that Mortgagee has not promised or committed to do so.

As additional security for the repayment of the indebtedness hereby secured, the Mortgagor hereby assigns to the Mortgagee all rights, title and interest in and to all existing leases and all future leases upon and affecting the Mortgaged Premises, together with any extensions or renewals of such leases, and all rentals and income arising from the Mortgaged Premises; provided that so long as there is no default in any of the terms or conditions of this Mortgage or of the Note hereby secured or of any extension or renewal thereof, the Mortgagor shall continue to manage the Mortgaged Premises as owner and collect all income arising therefrom, but only as it accrues, rendering such report or reports as may reasonably be required by the Mortgagee. If a separate assignment of leases and rents is executed by Mortgagor and recorded by Mortgagee, the provisions of that assignment shall also govern this assignment of leases and rents.

Mortgagor covenants that it is lawfully seized of indefeasible estate in fee simple in such Mortgaged Premises and has the right to mortgage, grant and convey the Mortgaged Premises, that the Mortgaged Premises are not encumbered, except for those encumbrances, liens and easements which are of record, and that Mortgagor will warrant and defend generally the title to the Mortgaged Premises against all claims and demands whatever, excepting existing encumbrances, liens and easements of record and the First Mortgage of Mortgagee.

THE MORTGAGOR AND MORTGAGEE COVENANT AND AGREE AS FOLLOWS:

1. PAYMENT OF PRINCIPAL AND INTEREST:

Mortgagor shall pay unto the Mortgagee promptly and when due, the principal and interest of the indebtedness evidenced by the Note, all prepayment charges and other charges as provided in the Note, all without relief from valuation and appraisal laws, and with all reasonable attorney fees and legal costs as therein provided.

2. CHARGES AND LIENS:

Until the indebtedness evidenced by the Note shall have been fully paid, the Mortgagor shall keep the Mortgaged Premises free and clear of all liens and encumbrances of every kind (except the liens of taxes not yet due and such liens created herein), and shall pay, as they become due, all taxes and assessments, general or special, now existing, or that may hereafter be levied or assessed upon the Mortgaged Premises, or any part thereof, and shall deliver to the Mortgagee, upon the Mortgagee's demand therefore, receipt from the proper officers evidencing payment of any such taxes and assessments.

Mortgagor shall have the right to contest in good faith the validity or amount of any such lien, encumbrance or charge, provided Mortgagor shall first deposit with Mortgagee a bond, letter of credit, certificate of deposit or other similar security satisfactory to Mortgagee in such amounts as Mortgagee shall reasonably require (but no more than one and one-half times the amount of the claim)

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and provided further that Mortgagor shall thereafter diligently proceed to cause such lien, encumbrance or charge to be removed and discharged.

3. PRESERVATION AND MAINTENANCE OF PROPERTY:

Mortgagor shall maintain all improvements currently on, and in the future to be placed on, the Mortgaged Premises in good repair and condition, normal wear and tear excepted, and shall not commit or suffer the commission of any waste, or significantly alter the design structural character of any improvement now or hereafter situated on the Mortgaged Premises without the prior written consent of the Mortgagee. The Mortgagor shall not knowingly use or permit the use of any of the Mortgaged Premises for any purpose that violates any state or federal law or local ordinance or other governmental regulation.

4. HAZARD INSURANCE:

Mortgagor shall keep all improvements now or hereafter situated on the Mortgaged Premises insured against loss or damage by fire and such other hazards or risks to its full replacement value and as may be otherwise specified by the Mortgagee, including the specifications contained in the standard conditions of Mortgagee's letter of commitment, dated July 17, 2009, in such amount or amounts as may be required by the Mortgagee, with an insurance company or companies admitted to do business in Illinois and with an A.M. Best Co. rating of A or better, and shall deliver to the Mortgagee, as additional security for the payment of the indebtedness hereby secured, the policy or policies evidencing such insurance, and the renewals thereof at least thirty (30) days before any such policy shall expire. Mortgagor shall not do or permit anything to be done which will increase the risk of fire or other hazard respecting the Mortgaged Premises, which is inconsistent with the proposed use of the Mortgaged Premises. All such policies shall provide that they may not be cancelled without at least thirty (30) days prior written notice to the Mortgagee and shall provide that, in the event of loss under such policy, the proceeds will be payable to the Mortgagee as its interest may appear. In the event of loss, the Mortgagor shall give immediate notice of the loss by mail to the Mortgagee, and the Mortgagor, subject to the review and final approval of Mortgagee, may compromise and settle any such claim. In the event Mortgagor does not diligently pursue its claim, the Mortgagee may make proof of loss, and each insuring company is hereby authorized and directed to make payment for any such loss directly to the Mortgagee rather than jointly to the Mortgagee and any other party or parties, including the Mortgagor. Any such proceeds payable under any such policy of insurance may be applied by the Mortgagee, at its option, either to pay or reduce the indebtedness secured by this Mortgage (in which case no prepayment penalty shall be assessed) or to repair or replace that part of the Mortgaged Premises which was covered by such policy or policies.

In addition to the other insurance coverages required under the provisions of this Mortgage, Mortgagor agrees that if Mortgagee or Mortgagor determines at any time that any portion of the Mortgaged Property is located in an area designed as a flood hazard area under the National Flood Insurance Program of the U.S. Department of Housing and Urban Development's Federal Insurance Administration, then Mortgagee may require at any time that flood insurance be obtained and thereafter kept in force and maintained by Mortgagor in accordance with the National Flood Insurance Act of 1968, as amended by the Flood Disaster Protection Act of 1973, if such insurance is required by any law or regulation applicable to Mortgagee. Mortgagor agrees to immediately purchase and thereafter keep in force, pay for and maintain such insurance (if available) during the term of this Mortgage upon request of Mortgagee in an amount equal to the unpaid principal balance of the Indebtedness secured hereby or the maximum amount of coverage available, whichever is less, so long as the Mortgaged Property remains in a flood hazard area. Mortgagor shall immediately give to Mortgagee written notice of any notice that it receives that the Mortgaged Property is in any way affected by the National Flood Insurance Program of

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the Department of Housing and Urban Development's Federal Insurance Administration, or such similar program as may hereafter exist.

5. ADVANCES TO PROTECT MORTGAGED PREMISES:

If Mortgagor shall fail to pay punctually, when due, any tax or assessment levied or made against the Mortgaged Premises, or to maintain and insure the improvements in the manner above provided, or to discharge any liens or encumbrances asserted against the Mortgaged Premises, other than existing liens and encumbrances of record, or to perfect and protect the title of the Mortgaged Premises and Mortgagee's status as a holder of a first lien, or if Mortgagee shall incur or expend any other sums, including reasonable attorney's fees, whether or other not in connection with any action or proceeding necessary in its judgment to protect or enforce any of its rights under this Mortgage, the Mortgagee may pay any such sums and may perform any such act in such manner as Mortgagee may reasonably deem proper. Every such sum so paid by the Mortgagee and the reasonable cost of every such performance (including reasonable attorney's fees and court costs) shall be added to the indebtedness secured by this Mortgage and secured by the lien of this Mortgage prior to any right, title, interest or claim to the Mortgaged Premises attached or occurring subsequent to the lien of this Mortgage. All such sums shall bear interest from the date of such payment and performance by the Mortgagee at the rate set forth in the Note, and shall be repaid by the Mortgagor upon demand, with reasonable attorney's fees actually incurred and without relief from valuation or appraisal laws. However, nothing herein contained shall be construed as requiring the Mortgagee to pay any such sums or to perform any such acts. If Mortgagee pays any lien or encumbrance, Mortgagee shall be subrogated to the rights of the holder of such lien as fully as if such lien or encumbrance had been assigned to the Mortgagee. Mortgagor will indemnify and save Mortgagee harmless from, and repay on demand, Mortgagee for any liability, loss, cost, damage, expenses or reasonable attorney's fees by reason of any suit or proceeding to which Mortgagee is made a party on account of this Mortgage, and any liability, loss, cost, damage, expense or reasonable attorney's fees by reason of any suit or proceeding to which Mortgagee is made a part on account of this Mortgage, and any liability, loss, cost, damage, expense or reasonable attorney's fees so incurred by Mortgagee is made a part of the indebtedness secured by this Mortgage.

6. FUNDS FOR TAXES, INSURANCE, AND SIMILAR CHARGES:

Mortgagee may add to each monthly payment of the indebtedness secured hereby an amount estimated by Mortgagee to be sufficient to enable Mortgagee to pay, at least thirty (30) days before they become due, all taxes, assessments, insurance and other similar charges against the Mortgaged Premises, and Mortgagor shall pay such monthly payments, as so increased, on the dates provided for in the Note, including in such payment upon demand by the Mortgagee, such additional monies as are necessary to make up any deficiency in the amount necessary to enable the Mortgagee to pay the above mentioned items. Such added payments shall not be, nor shall they be deemed to be trust funds, but they may be commingled with the general funds of Mortgagee, and shall not bear interest (unless required by law). In the event of a default by the Mortgagor in the performance of any of the provisions hereof or respecting the terms of any of the other instruments that also secure the indebtedness secured hereby, Mortgagee may deduct from said indebtedness an amount equal to the Mortgagor's credit balance, which is the amount of payments made by Mortgagor under this paragraph, less amounts paid by Mortgagee for the above mentioned items. Nothing contained in this paragraph shall in any manner limit the obligation of Mortgagor to pay the taxes, assessments, insurance premiums, and other similar charges.

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7. EMINENT DOMAIN:

If the Mortgaged Premises, or any part thereof, is taken pursuant to an exercise, or threat of exercise, of the power of eminent domain, the entire proceeds of the award or settlement with respect to the part so taken shall be paid directly to the Mortgagee (and Mortgagor hereby assigns all of such proceeds to Mortgagee) and shall be applied at Mortgagee's option, after deduction of all expenses, including reasonable attorney's fees, incurred by Mortgagee in connection with the taking, to: (a) in part or entirely against the then balance of the indebtedness secured by this Mortgage, or, (b) in part or entirely to the restoration of so much of the Mortgaged Premises as remains after the taking; provided, however, that if, by electing to apply part of any such award against the then balance of the indebtedness, Mortgagee causes the indebtedness to be paid in full, then, the Mortgagee shall pay the balance, if any, then remaining over to the person or persons entitled thereto. Mortgagee is hereby authorized, at its option, to commence, appear in, prosecute in its own name, and to make any compromise and settlement of, any action or proceeding in connection with such a taking.

8. MODIFICATION OF HAZARD INSURANCE AND EMINENT DOMAIN:

Notwithstanding Mortgagor's promise in Paragraph 4 (Hazard Insurance) and Paragraph 7 (Eminent Domain) if the casualty loss or the taking involves less than fifty percent (50%) of the value of the Mortgaged Premises, it is now agreed and understood that so long as no event which, with the giving of notice, passage of time or both, could give rise to an event of default, has occurred and be continuing, proceeds of the aforesaid insurance and/or from eminent domain proceedings shall be made available by the Mortgagee to the Mortgagor for the repair and restoration of the Premises and will be disbursed for such purposes upon the following terms (provided, that the excess of any such proceeds over the cost of repair and restoration will be applied to reduce the outstanding Indebtedness):

A. The cost to the Mortgagee (including, without limitation, legal fees, appraisal fees, engineering surveys, consultants' and architects' charges, adjustors' fees) in settling or adjusting any claim and reviewing and approving all plans will first be paid to the Mortgagee out of the process of such insurance;

B. The Mortgagee will be satisfied that the Premises may be restored to an architectural unit, the income from which will be sufficient to pay all debt service, operating costs and other costs payable under the Note and this Mortgage and in the event of insurance loss the fair market value after such restoration will be not less than the appraised value on the date hereof; and, in the event of condemnation, the market value of the remainder plus the value of the part taken;

C. The Mortgagee will first approve (which approval shall not be unreasonably withheld) in writing the contractor and major subcontractors selected by Mortgagor to perform the restoration work;

D. All construction and trade contracts and contracts for material, equipment, supplies and labor will be assigned to the Mortgagee;

E. The Mortgagee will receive from a licensed architect approved by the Mortgagee a certified statement of the estimated cost of restoration and that the proceeds of such insurance are, after deducting all of the Mortgagee's costs in (A) above and such architect's fees and all other costs for the architects, plans, permits and approvals and other so-called "soft costs", sufficient to perform the work. If such proceeds are insufficient for restoration, the Mortgagee may require the Mortgagor to deposit with the Mortgagee (at no interest) the amount of any such deficiency, which funds will be disbursed first (and thereafter, if it appears, at any time and from time to time, that the remaining proceeds will be insufficient

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to pay for the remaining costs of restoration, that the Mortgagor will deposit the amount of such deficiency, from time to time determined, with the Mortgagee for uses aforesaid);

F. All proceeds allocated for restoration will be disbursed by the Mortgagee based on the percentage of the work completed against the certification therefor by the aforesaid architect, invoices for the work to be paid for, waivers of lien for all prior work for which a payment was made and a title report showing no liens filed up to the time of each such disbursement. The Mortgagee will be entitled to retain up to five percent (5%) of the amount of each such requisition. Such retainage will be paid upon final completion of the work free of liens;

G. All work will be performed in accordance with all applicable statutes, codes, ordinances, regulations and insurance company requirements and recommendations, pursuant to plans and specifications approved by the aforesaid architect.

9. EVENTS OF DEFAULT AND ACCELERATION:

A. Time is of the essence of this mortgage. Upon default, and after the expiration of any applicable grace period, by Mortgagor in the making of any of the payments provided for in this Mortgage including payments due not only under the Note but also under any other indebtedness owing to Mortgagee, or in the observance or performance of any of the material terms, provisions or conditions of this Mortgage, of the Note, of the or upon Mortgagor's breach of any of the material terms or conditions of the Settlement Statement and Loan Agreement of even date herewith (the "Loan Agreement") (where this Mortgage, the Note, the Loan Agreement and all other agreements, covenants and documents related thereto are collectively referred to as "Loan Documents"), or upon the institution of any legal or equitable proceeding to enforce any mortgage or other lien upon any part of the Mortgaged Premises, or in the event of an attempt to transfer the Mortgaged Premises contrary to Paragraph 16, supra, or if a petition in bankruptcy shall be filed by Mortgagor, or if an involuntary bankruptcy petition is filed against Mortgagor and an Order of Relief, or adjudication of bankruptcy is entered, or if the Mortgagor shall file a petition or answer seeking reorganization or an arrangement with creditors, or if Mortgagor shall be adjudged insolvent or shall make an assignment for the benefit of creditors, or if any change occurs in the laws now in force respecting the taxation of the mortgages or debts secured by Mortgagee for federal, state or local purposes, or respecting the manner of the collection of such taxes, the effect of which change is substantially to impair the security afforded by this Mortgage, or if a receiver for all or any part of the Mortgaged Property of Mortgagor shall be appointed, and such appointment shall not be set aside within ninety (90) days, or if the Mortgaged Premises shall be levied upon by virtue of any execution, or attachment, or other writ or shall come into the possession of or be ordered sold by an official of any court, and in any such event (each an "Event of Default"), the entire indebtedness, or the amount then outstanding secured by this Mortgage shall, at the option of the Mortgagee, become due and payable without notice to Mortgagor, and the Mortgagee shall have the right immediately to foreclose the mortgage lien hereby created, sell and convey the Mortgaged Premises and execute and deliver a deed to the purchaser, and shall be absolved from the obligation of making any further advances that may be due Mortgagor on account of this Mortgage and the Note secured by it. In the event proceedings to foreclose such lien shall be instituted, all sums expended for information and insurance respecting the title to the Mortgaged Premises, together with interest thereon at the rate set forth in the Note, shall become a part of the indebtedness secured by this Mortgage, together with all costs and reasonable attorney's fees incurred by the Mortgagee.

Notwithstanding anything to the contrary herein, no Event of Default shall be deemed to exist except with respect to the failure to pay principal and interest when due under the terms of the Note or of any other indebtedness owing to Mortgagee, however evidenced, or with respect to institution of any legal or equitable proceeding to enforce any lien or claim upon the Mortgaged Premises or the rents and

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profits from it and principal and interest are not, and do not remain, current unless such event of default has not been cured within thirty (30) days after written notice thereof has been sent by Mortgagee to Mortgagor, or in the event such default cannot be cured within said thirty (30) day period, unless Mortgagor fails to commence such cure within said thirty (30) day period and thereafter fails to diligently pursue said cure.

10. ASSIGNED LEASES:

Mortgagor will not cancel any of the leases which may be assigned to the Mortgagee, nor terminate (except if the leases are in default) or accept a surrender thereof, (except in accordance with the terms of the Lease), or reduce the payment of the rent thereunder or modify in a material manner the form of lease or accept any prepayment of rent in excess of thirty (30) days without first obtaining, on each occasion, the prior written consent of Mortgagee. Mortgagor further agrees that it will perform all its obligations as lessor under all of the leases now or hereafter assigned to Mortgagee.

11. RECEIVER OF RENTS:

The Mortgagee shall have the right in case of failure of the Mortgagor (which failure continues after any applicable cure period) to perform any of the acts, covenants, and conditions in the Mortgage or in the Note, upon a complaint filed or any proper action being commenced for the foreclosure of Mortgagee's Mortgage, to apply for, and the Mortgagee shall be entitled, as a matter of right without consideration of the value of the Mortgaged Premises as security for the amounts due the Mortgagee or of the solvency of any person or persons obligated for the payment of such amounts, to the appointment by any competent court or tribunal, without notice to any party, of a receiver of the rents, issues, and profits of the Mortgaged Premises, with power to lease the Mortgaged Premises, or such part thereof as may not then be under lease and with such other powers as may be deemed necessary. The receiver, after deducting all proper charges and expenses, shall apply the residue of the rents and profits to the payment and satisfaction of the amount remaining secured hereby, or to any deficiency which may exist after applying the proceeds of any judicially decreed sale of the Mortgaged Premises to the payment of the amount due, including interest and the costs of the foreclosure and sale. Such rents and profits are hereby, in the event of any default or defaults in the payment of principal, or of any installment thereof, or interest, or any tax, assessment, water rate, or insurance, pledged and assigned to the Mortgagee, with full power and authority to the Mortgagee to enter upon and to take possession of the Mortgaged Premises and to institute and prosecute all suits for the collection of rents now due and unpaid, and hereafter to become due, and to institute and prosecute summary proceedings for the removal of any and all tenant or tenants or other persons from the Mortgage Property, and to pay the costs and expenses of all suits, actions, and proceedings out of the rent received, and to maintain the Mortgaged Premises and to keep the same in repair, and to pay the costs thereof and of the services of all employees, including their equipment, and all gas, oil, electricity, power, and generally all of the expenses of maintaining and keeping the Mortgaged Premises in repair and first-class condition, and in such condition as to Mortgaged Property of the style and kind of the real property herein described is customarily kept, and also all interest on this Mortgage, and the Note to secure which this Mortgage is given, and all taxes, assessments, and water rates, which may hereafter become liens on the real property, and all premiums of insurance on policies of insurance effected by the Mortgagee as security for the amount hereby secured, and also the principal sum of this Mortgage and of the Note to secure which the same is given out of the rent received and with power and authority to rent or lease the whole or any part of the Mortgaged Property for such term or terms and on such conditions as to the Mortgagee may seem proper and to employ any agent to rent and manage the Mortgaged Property and to collect the rents and profits thereof, and to pay the reasonable value of its service out of the rent received.

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12. MODIFICATION OF THE INDEBTEDNESS:

Mortgagee, at its option, may from time to time extend the time of payment of the indebtedness secured by this Mortgage (including, but not limited to, the Note) or any part thereof, reduce the payments thereon, or renew such indebtedness, all without the consent of any junior lienholder and without the consent of the Mortgagor (if it has ceased to be the owner of the Mortgaged Premises), and may take other or additional security for the payment of such indebtedness or grant any release (with or without consideration) of any security (including, but not limited to, the Mortgaged Premises) held for such payment, and no action, non-action or delay by Mortgagee in the exercise of any of its rights under this Mortgage shall affect the priority of this Mortgage or the interest created hereby in Mortgagee or impair the security hereof or Mortgagor's personal liability. Mortgagee may enforce any one or more of its rights or remedies hereunder successively or concurrently.

13. FORBEARANCE BY MORTGAGEE NOT A WAIVER:

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

14. REMEDIES CUMULATIVE:

All remedies provided in this Mortgage are distinct and cumulative to any other right or remedy under this Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively.

15. WAIVER OF DEMAND, ETC.:

The Mortgagor waives demand, presentment for payment, notice of nonpayment, dishonor and protest, notice of protest and diligence in collection of the indebtedness evidenced by the Note and secured by this Mortgage.

16. TRANSFER OF THE MORTGAGED PREMISES; ASSUMPTION:

It shall be an immediate Event of Default and default hereunder if, without the prior consent of the Mortgagee:

- a. The Mortgagor shall create, effect or consent to or shall suffer or permit any conveyance, sale, sale on contract, assignment, transfer, lien, pledge, mortgage, security interest or other encumbrance or alienation of the Mortgaged Premises or any part thereof, or interest therein, excepting only sales, or other dispositions of Collateral (herein called "Obsolete Collateral") no longer useful in connection with the operation of the Mortgaged Premises, provided that prior to the sale or other disposition thereof, such Obsolete Collateral has been replaced by Collateral, subject to the first and prior lien hereof, of at least equal value and utility;

For the purposes of this subparagraph (a), an "alienation" shall include without limitation, (i) any further mortgaging, hypothecating or encumbering of (A) the Mortgaged Premises, or (B) any interest or estate therein.

- b. Any modification or change of Mortgagor's legal status.

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17. MISCELLANEOUS:

The rights and duties created by this Mortgage shall inure to the benefit of and bind each of the parties to the Mortgage, and all of the successors and assigns of such parties. This Mortgage shall be construed in accordance with the laws of the State of Illinois. Whenever possible every provision shall be interpreted so as to be effective and valid under applicable law, but if any provision shall be declared to be invalid under such law, such provision shall be invalid or ineffective only to that extent, and the remaining parts of this Mortgage shall be unaffected by such invalidity or prohibition. If there is a conflict between the Note and Mortgage on the one hand, and any other document executed and delivered by Mortgagor in respect to or related to the Note and/or Mortgage, the terms of the Note and Mortgage shall apply. For the purpose of this provision, there is no conflict between documents if one document addresses a matter and the second document is silent with respect to it.

18. BOOKS AND RECORDS; INSPECTION:

Mortgagor shall keep and maintain at all times at Mortgagor's address stated above, or such other place as Mortgagee may approve in writing, complete and accurate books of accounts and records adequate to reflect correctly the results of the operation of the Mortgaged Property and copies of all written contracts, leases and other instruments which affect the Mortgaged Property. Such books, records, contracts, leases and other instruments shall be subject to examination and inspection at any reasonable time by Mortgagee, upon twenty-four (24) hours of Mortgagee's intent to so inspect same. Mortgagee may also make or cause to be made reasonable entries upon and inspections of the Mortgaged Premises during normal business hours, upon twenty-four (24) hours of Mortgagee's intent to so inspect same. Mortgagor shall furnish to Mortgagee, within ninety (90) days after the end of each fiscal year of Mortgagor, a current financial statement of the Mortgagor and of each Guarantor (if any) and a statement of income and expenses of the Mortgaged Property, each in reasonable detail and certified by Mortgagor. Mortgagor shall furnish to Mortgagee thirty (30) days after the end of each calendar year quarter a rent schedule for the Mortgaged Property, certified by Mortgagor, showing the name of each tenant, the space occupied, the lease expiration date, the rent payable and the rent paid, as well as a statement of income and expenses of the Mortgaged Premises. In the event that Mortgagor at any time obtains audited financial statements or audited statements of income and expenses of the Mortgaged Property, Mortgagor shall also promptly furnish such audited statements to Mortgagee. Mortgagor shall also immediately send to Mortgagee copies of all financial reports and statements provided to Mortgagor under any applicable management contract. In addition, Mortgagee shall be entitled to obtain, at Mortgagor's sole cost and expense, updated credit reports on Mortgagor every year throughout the term of the Note.

19. RESTRICTIVE COVENANTS:

Mortgagor shall not, without the prior written consent of the Mortgagee, which consent shall not be unreasonably withheld: (a) execute or permit to exist any lease of all or a substantial portion of the Mortgaged Property except for occupancy by the lessee thereunder; (b) modify or vary in a material manner the form of lease used with respect to the Mortgaged Property; (c) discount any rents or collect the same for a period of more than one month in advance (provided however that nothing herein shall prohibit Mortgagor from discounting room rates or accepting deposits for rooms or events in the future); (d) cancel any Lease affecting the Mortgaged Property, except in accordance with the terms of the Lease and/or in the event of a default by the tenant thereunder or in the ordinary course of business; (e) execute any conditional bill of sale, chattel mortgage, security agreement or other security instruments covering any furniture, furnishings, fixtures and equipment intended to be incorporated in the Mortgaged Property or the appurtenances thereto, or covering articles of personal property placed in or on the Mortgaged Property, or purchase any of such furniture, furnishings, fixtures and equipment so that ownership of the same will not vest unconditionally in Mortgagor, free from encumbrances on delivery to the Mortgaged

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Property; provided however, this subparagraph (e) specifically excludes any personal property leased by Mortgagor; (f) further assign the Leases and rents affecting the Mortgaged Property; (g) sell, transfer, convey or assign any interest in the Mortgaged Property or any part thereof; or (h) further encumber, alienate, hypothecate, grant a security interest in, or grant any other interest whatsoever in the Mortgaged Property or any part thereof, except in connection with this Mortgage.

In addition, without the prior written consent of Mortgagee, Mortgagor shall not, during the existence of any Event of Default hereunder, (i) make any distributions to any employee, officer, director, shareholder, agent or affiliate of Mortgagor except for reimbursement of expenses and the payment of reasonable salaries or (ii) pay any fees due to any other person in connection with the management of Mortgagor's affairs or the Mortgaged Property.

20. ESTOPPEL CERTIFICATES:

Within three (3) days, whether the Mortgage is in default or not, upon request by the Mortgagee in person, or within five (5) days upon request by mail, the Mortgagor shall furnish to the Mortgagee, on a form prepared by Mortgagee, a written statement duly acknowledged, setting forth the amount due on this Mortgage, the terms of payment and maturity payment of the Note, the date of which interest has been paid, whether any offsets or defenses exist against the Loan and, if any are alleged to exist, the nature thereof shall be set forth in detail.

21. ENVIRONMENTAL PROTECTION:

Mortgagor represents and warrants that (i) Mortgagor has no knowledge of any discharge, spillage, uncontrolled loss, seepage or filtration (a "Spill") of oil, petroleum or chemical liquids or solids, liquid or gaseous products or any hazardous waste or hazardous substances, as those terms are used in the Comprehensive Environmental Response Compensation and Liability Act of 1980 or in any other federal, state or local law governing hazardous substances, as such laws may be amended from time to time (collectively, the "Hazardous Waste Laws"), at, upon, under or within the Mortgaged Property or any contiguous real estate, and (ii) Mortgagor has not caused or permitted to occur, and shall not permit to exist, any condition on the Mortgaged Premises which may cause a Spill at, upon, under or within the Mortgaged Property or on any contiguous real estate.

Mortgagor further represents and warrants that (i) neither Mortgagor nor, to the best of its knowledge, any other party has been is or will be involved in operations at the Mortgaged Property, which operations could lead to (A) the imposition of liability on Mortgagor for violation of the Hazardous Waste Laws or Clean Air Act or on any other subsequent owner of the Mortgaged Property or (B) the creation of a lien on the Mortgaged Property under the Hazardous Waste Laws, Clean Air Act, or under any similar laws or regulations and (ii) Mortgagor has not permitted, and will use its best efforts not to permit, any tenant or occupant of the Mortgaged Property to engage in any activity that could impose liability under the Hazardous Waste Laws and/or Clean Air Act on such tenant or occupant, on Mortgagor or on any other owner of any of the Mortgaged Property.

Mortgagor shall comply strictly and in all respects with the requirements of the Hazardous Waste Laws, Clean Air Act and related regulations and with all similar laws and regulations now in effect or as amended or modified hereafter, and shall notify Mortgagee immediately in the event of any Spill or the discovery of any hazardous substance at, upon, under or within the Mortgaged Property. Mortgagor shall promptly forward to Mortgagee copies of all orders, notices, permits, applications or other communications and reports in connection with any Spill or the presence of any hazardous substance or any other matters relating to the Hazardous Waste Laws, Clean Air Act, or any similar laws or regulations, as they may affect the Mortgaged Property.

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At such time as Mortgagee has reason to believe a hazardous substance may be present on the Mortgaged Premises by reason of a Spill of such a substance, or otherwise, and in any case when this Mortgage is in default, the Mortgagor, upon the then written request of the Mortgagee, shall provide Mortgagee, at Mortgagor's expense, with an environmental site assessment or environmental audit report prepared by an environmental engineering firm reasonably acceptable to Mortgagee, to assess with a reasonable degree of certainty the presence or absence of any hazardous substance and the potential costs in connection with abatement, cleanup or removal of any hazardous substance found on, under, at or within the Mortgaged Property.

Mortgagor shall at all times indemnify and hold harmless Mortgagee against and from any and all claims, suits, actions, debts, damages, costs, charges, losses, obligations, judgments, and expenses, of any nature whatsoever, suffered or incurred by Mortgagee, whether as Mortgagee of this Mortgage, as Mortgagee in possession, or as successor-in-interest to Mortgagor by foreclosure deed or deed in lieu of foreclosure, under or on account of the Hazardous Waste Laws, Clean Air Act, or any similar laws or regulations, including the assertion of any lien thereunder: (i) with respect to any Spill, the threat of any Spill, or the presence of any hazardous substance affecting the Mortgaged Property whether or not the same originates or emanates from the Mortgaged Property, including any loss of value of the Mortgaged Property as a result of any of the foregoing; and (ii) with respect to any other matter affecting the Mortgaged Property within the jurisdiction of the Environmental Protection Agency, any other federal agency, or any state or local environmental agency. Mortgagor's obligations under this Section shall arise upon the discovery of the presence of any hazardous substance under the Hazardous Waste Laws, and/or the Clean Air Act, whether or not the Environmental Protection Agency, any other federal agency or any state or local environmental agency has taken or threatened any action in connection with the presence of any hazardous substance.

In event of any Spill, the threat of any Spill, or the presence of any hazardous substance affecting the Mortgaged Property, whether or not the same originates or emanates from the Mortgaged Property and/or if Mortgagor shall fail to comply with any of the requirements of the Hazardous Waste Laws, Clean Air Act and/or related regulations of any other environmental law or regulation, Mortgagee may at its election, but without the obligation so to do, give such notices and/or cause such work to be performed at the Mortgaged Property and/or take any and all other actions as Mortgagee shall deem necessary or advisable in order to abate the Spill, remove the hazardous substance or cure Mortgagor's noncompliance.

If Mortgagee, or someone on Mortgagee's behalf, retains the services of an attorney in connection with the subject of indemnity herein, Mortgagor shall pay Mortgagee's costs and reasonable attorney's fees thereby incurred. Mortgagee may employ an attorney of Mortgagee's own choice.

In the event that Mortgagee incurs any obligations, costs or expenses under this Mortgage, Mortgagor shall pay Mortgagee the amount thereof immediately on demand, and if such payment is not received within twenty (20) days, interest on such amount shall, after the expiration of the ten-day period, accrue at the default rate of interest in the Note until such amount, plus interest, is paid in full.

Mortgagor acknowledges that Mortgagee has agreed to make the loan secured by this Mortgage in reliance upon Mortgagor's representations, warranties and covenants in this Section. For this reason, it is the intention of Mortgagor and Mortgagee that Mortgagor shall be personally liable for any obligations arising under this Section even if the amount of liability incurred exceeds the amount of the loan secured by this Mortgage. All of the representations, warranties, covenants and indemnities of this Section shall survive the repayment of the Loan and the release of the lien of this Mortgage from the Mortgaged Property and shall survive the transfer of any or all right, title and interest in and to the Mortgaged Property by Mortgagor to any party, whether or not affiliated with Mortgagor.

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Upon an Event of Default, Mortgagor (or its representatives) may visit the Mortgaged Property and perform or cause to be performed environmental site investigations and assessments ("Site Assessments") on the Mortgaged Property for the purpose of determining whether there exists on the Mortgaged Property any environmental condition which could result in any liability, cost or expense to the owner or occupier of the Mortgaged Property. Such Site Assessments may include both above and below the ground testing as may be necessary to properly conduct the Site Assessments in conducting the opinion of the persons the Site Assessments (the "Site Reviewers"). Mortgagor hereby covenants to supply to the Site Reviewers such historical and operational information regarding the Mortgaged Property as may be requested by the Site Reviewers to facilitate the Site Assessments and will make available for meetings with the Site Reviewers appropriate personnel having knowledge of such matters. The cost of performing all Site Assessments shall be paid by Mortgagor within five days after demand by Mortgagee, and thereafter shall bear interest per annum at the lesser of five percent (5%) in excess of the interest rate on the Note and the maximum rate permitted by applicable law.

22. ANTI-FORFEITURE PROVISION:

Mortgagor hereby further expressly represents and warrants to Mortgagee that there has not been committed by Mortgagor or any other person (but only to the best of Mortgagor's knowledge) involved with the Mortgaged Property, or the Mortgagor, any act or omission affording the federal government or any state or local government the right and/or remedy of forfeiture as against the Mortgaged Property, or any part thereof, or any monies paid in performance of Mortgagor's obligations under the Note or under any of the other Loan Documents; and Mortgagor hereby covenants and agrees not to commit, permit or suffer to exist any act or omission affording such right and/or remedy of forfeiture. In furtherance thereof, Mortgagor hereby indemnifies Mortgagee and agrees to defend and hold Mortgagee harmless from and against any loss, damage, liability, expense, or other injury by reason of, or in any other manner resulting from, the breach of the covenants and agreements or the warranties and representations set forth in the preceding sentence. Without limiting the generality of the foregoing, the filing of formal charges or the commencement of proceedings against Mortgagor, not vacated within ninety (90) days from the filing thereof, any guarantor, any of the additional collateral under any of the Loan Documents, or all or any part of the Mortgage Property under any federal, state, or local law, in respect of which forfeiture of the Mortgaged Property or any part thereof or of any monies paid in performance of Mortgagor's obligations under the Loan Documents is a potential result shall, at the election of the Mortgagee in its absolute discretion, constitute an Event of Default hereunder, without notice or opportunity to cure. This paragraph, and the terms and provisions hereof, shall be interpreted in the most comprehensive sense for the benefit of the Mortgagee; and shall not be limited or otherwise restricted, in any manner, in the interpretation or enforcement of any of the other terms and conditions contained in this Mortgage or in any of the other Loan Documents.

23. WAIVER OF JURY TRIAL:

Each party to this Mortgage hereby expressly waives any right to trial by jury of any claim, demand, action or cause of action (1) arising under this Mortgage or any other instrument, document or agreement executed or delivered in connection herewith, or (2) in any way connected with or related or incidental to the dealings of the parties hereto or any of them with respect to this Mortgage or any other instrument, document or agreement executed or delivered in connection herewith, or the transactions related hereto or thereto, in each case whether now existing or hereafter arising and whether sounding in contract or tort or otherwise; and each party hereby agrees and consents that any such claim, demand, action or cause of action shall be decided by court trial without a jury, and that any party to this Mortgage may file an original counterpart or a copy of this section with any court as written evidence of the consent of the parties hereto to the waiver of their right to trial by jury.

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24. NOTICES:

All notices hereunder shall be in writing and shall be deemed to have been sufficiently given or served for all purposes when delivered in person or three (3) days after being sent by certified mail, return receipt requested, to:

MORTGAGOR: Michael Kim
1915 N. Almadale Court, #102
Colliersville, Tennessee 38017

MORTGAGEE: Fairview Commercial Lending, Inc.
1932 N. Druid Hills Road, N.E.
Atlanta, Georgia 30319

with a copy to: Charles M. Cushing, Jr., Esq.
Cushing, Morris, Armbruster & Montgomery, LLP
191 Peachtree Street, N.E., Suite 4500
Atlanta, Georgia 30303

or at such other address of which it shall have notified the party giving such notice in writing as aforesaid.

25. BINDING OBLIGATIONS:

The provisions and covenants of this Mortgage shall run with the land, shall be binding upon Mortgagor, and shall inure to the benefit of Mortgagee, subsequent holders of this Mortgage, and their respective successors and assigns. For the purpose of this Mortgage, the term "Mortgagor" shall mean the Mortgagor named herein, any subsequent owner of the Mortgaged Property, and their respective heirs, executors, legal representatives, successors and assigns. If there is more than one Mortgagor, all of Mortgagor's obligations, covenants, representations and warranties hereunder shall be deemed joint and several.

26. CAPTIONS:

The captions of the Sections of this Mortgage are for the purpose of convenience only and are not intended to be a part of this Mortgage and shall not be deemed to modify, explain, enlarge or restrict any of the provisions hereof.

27. SEVERABILITY:

Any provision of this Mortgage that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provisions in any other jurisdiction.

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28. LEGAL CONSTRUCTION:

The enforcement of this Mortgage shall be governed, construed and interpreted by the laws of the state in which the Mortgaged Property is located. Nothing in this Mortgage, the Note or in any other agreement between Mortgagor and Mortgagee shall require Mortgagor to pay, or Mortgagee to accept, interest in an amount which would subject Mortgagee to any penalty under applicable law. In the event that the payment of any interest due hereunder or under the Note would subject the Mortgagee to any penalty under applicable law, then ipso facto the obligations of Mortgagor to make payment shall be reduced to the highest rate authorized under applicable law.

29. WAIVER OF VALUATION AND APPRAISEMENT:

Mortgagor hereby waives any and all rights of valuation and appraisal that it may possess by virtue of the laws of the State of Illinois, or any other jurisdiction where laws are held to control and govern the terms and conditions of this Mortgage.

30. INCORPORATION BY REFERENCE:

The terms and conditions of the Letter of Commitment dated July 17, 2009 are incorporated herein by reference, and made a part of this Mortgage together with the other documents mentioned, and any default and/or breach in compliance with the terms and conditions of said documents by Mortgagor shall be subject to the appropriate relief and remedies granted to the holder hereof. If there is a conflict between the provisions of such Letter of Commitment and this Mortgage, the provisions of this Mortgage will apply.

31. DRAFTING:

This Mortgage has been drafted after negotiation and the opportunity for both parties to have it reviewed by their respective legal counsel. None of the provisions hereof shall be interpreted against any party solely by reason of the fact that legal counsel for such party shall have drafted such provision.

32. WAIVER OF RIGHT OF REDEMPTION:

Mortgagor represents that it has been authorized to, and Mortgagor does hereby waive (to the full extent permitted under Illinois law) any and all statutory or equitable rights of redemption, reinstatement or any other right under any "moratorium law" on behalf of Mortgagor and each and every person, except decree or judgment creditors of Mortgagor, acquiring any interest in or title to the Mortgaged Property subsequent to the date hereof.

[Signatures Appear on Following Page]

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IN WITNESS WHEREOF, the Mortgagor has set its hand and seal as of this 11 day of August, 2009.

MORTGAGOR:

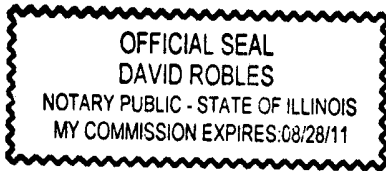
X *Michael Kim* [SEAL]
Michael Kim, Individually

State of IL
County of Cook

On 8-11-09, 2009, before me, DAVID ROBLES [insert name], a Notary Public, personally appeared Michael Kim, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

David Robles
Notary Public
Print Name: DAVID ROBLES
My commission expires: _____



✓ This Instrument Prepared By
And Recorded Document Returned To:
Charles M. Cushing, Jr., Esq.
Cushing, Morris, Armbruster & Montgomery, LLP
191 Peachtree Street, N.E., Suite 4500
Atlanta, Georgia 30309

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EXHIBIT A

LEGAL DESCRIPTION

Legal Description: THE WEST 32 FEET AND 3 INCHES OF LOT 15 AS MEASURED ON NORTH LINE OF SAID LOT 15 IN BLOCK 36 IN VILLAGE OF RIDGELAND, A SUBDIVISION OF THE EAST 1/2 OF THE EAST 1/2 OF SECTION 7 AND ALSO THE NORTHWEST 1/4 AND THE WEST 1/2 OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 8, TOWNSHIP 39 NORTH RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

Permanent Index #'s: 16-08-123-026-0000 Vol. 0142

Property Address: 8 West Lake Street, Oak Park, Illinois 60302

Property of Cook County Clerk's Office