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Doc#: 1304641116 Fee: \$96.00
Karen A. Yarbrough RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 02/15/2013 04:40 PM Pg: 1 of 30

Illinois Anti-Predatory Lending Database Program

Certificate of Exemption

212167
Report Mortgage Fraud
800-532-8785

The property identified as: **PIN:** 20-01-206-001

Address:

Street: 747 E. 47th Street

Street line 2:

City: CHICAGO

State: IL

ZIP Code: 60653

Lender: THE COMMUNITY BUILDERS, INC.

Borrower: LOFTS 47 PHASE I LIMITED PARTNERSHIP

Loan / Mortgage Amount: \$2,300,000.00

This property is located within the program area and the transaction is exempt from the requirements of 765 ILCS 77/70 et seq. because the application was taken by an exempt entity.

Certificate number: B09E26A2-D512-4125-8216-2A7DBB0DCF40

Execution date: 02/01/2013

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(21)

212169

This instrument prepared by:

Drew Marlar, Esq.
Kutak Rock LLP
303 Peachtree Street, Suite 2750
Atlanta, Georgia 30308

Property Index No: 20-10-206-031;
20-10-206-020; 20-10-206-021; 20-10-206-044;
20-10-206-025; 20-10-206-026; 20-10-206-027;
20-10-206--028; 20-10-206-001; 20-10-206-006;
20-10-206-014; 20-10-206-017; 20-10-206-030

After recording, return to:

The Community Builders, Inc.
95 Berkeley Street
Suite 500
Boston, MA 02116
Attention: NSP 2 Program Manager

Tax Parcel Identification No.: 20-10-206-031;
20-10-206-020; 20-10-206-021; 20-10-206-044;
20-10-206-025; 20-10-206-026; 20-10-206-027;
20-10-206--028; 20-10-206-001; 20-10-206-006;
20-10-206-014; 20-10-206-017; 20-10-206-030

Street Address: See Section 6 hereof

**MORTGAGE, SECURITY AGREEMENT
AND FIXTURE FILING**

1. **Mortgagor:** Lofts 47 Phase I Limited Partnership,
an Illinois limited partnership
135 South LaSalle Street, Suite 3350
Chicago, IL 60603
Attention: David Block
Tax ID #27-2434448

2. **Mortgagee:** The Community Builders, Inc., doing business in Illinois as TCB
Illinois NFP, Inc.
95 Berkeley Street
Suite 500
Boston, MA 02116
Attention: NSP 2 Program Manager

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With a Copy to: The Community Builders, Inc.
95 Berkeley Street
Suite 500
Boston, MA 02116
Attention: General Counsel

3. **The Loan:** The "Loan" is for a maximum amount not to exceed \$2,300,000.
4. **Loan Documents:** A Construction Loan Agreement (the "Loan Agreement"), a construction/permanent promissory note in a maximum principal amount not to exceed \$2,300,000 (the "Note"), this Mortgage, an Assignment of Leases, Rents, and Security Deposits, and any other document or instrument executed by Mortgagor or any other person in any way pertaining to the Loan and the debt evidenced by the Note.
5. **Maturity Date**
Interest Rate: February 1, 2054. The interest rate on the Loan is 3.57%, compounding annually.
6. **Property:** The real property in Cook County, Illinois and more particularly described in the attached **Exhibit A**, together with all buildings, improvements, fixtures, equipment, easements, rights-of-way, water rights, rights, privileges, franchises, tenements, hereditaments, and appurtenances belonging or in any way appertaining to it, including any interest in adjoining road beds (all buildings, structures, and other improvements now or subsequently located on the Property shall be referred to as the "Improvements").
7. **Obligations:** This Mortgage secures the following obligations (collectively, the "Obligations"): (a) the Loan and the Note; (b) all other debts and obligations of Mortgagor to Mortgagee under this Mortgage or the other Loan Documents, including interest; (c) all amounts advanced by Mortgagee to Mortgagor or on Mortgagor's behalf in the future under the Loan Documents; (d) every obligation, covenant, condition, and agreement of Mortgagor in any of the Loan Documents; (e) all other debts of every kind and character, owing now or in the future by Mortgagor to Mortgagee, whether direct or indirect, absolute, contingent, or otherwise under the Loan Documents. This Mortgage secures an obligation incurred for the rehabilitation of improvements on land.
8. **Grant:** For good and valuable consideration, including Mortgagee making the Loan to Mortgagor, Mortgagor does hereby grant, bargain, sell, convey, assign, transfer, pledge and set over unto Mortgagee and the successors, successors in title and assigns of Mortgagee the Property and the Collateral. This Mortgage is made and intended to secure the timely payment and performance of the Obligations.

The lien of any future advances by Mortgagee to Mortgagor shall relate back to the date of this Mortgage. All advances, disbursements and expenditures made by the Mortgagee before and during a foreclosure, and before and after judgment of foreclosure, and at any time prior to sale, and, where applicable, after sale, and during the pendency of any related proceedings, for the

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following purposes, in addition to those otherwise authorized by this Mortgage or by the Illinois Mortgage Foreclosure Law, 735 ILCS 5/15-1101 et seq. (the "Act") (collectively, "Protective Advances"), shall have the benefit of all applicable provisions of the Act, including those provisions of the Act hereinbelow referred to:

(a) all advances by the Mortgagee in accordance with the terms of this Mortgage to: (i) preserve or maintain, repair, restore or rebuild the Property; (ii) preserve the lien of this Mortgage or the priority thereof; or (iii) enforce this Mortgage, as referred to in Subsection (b) (5) of Section 5/15-1302 of the Act;

(b) payments by the Mortgagee of: (i) when due, installments of principal, interest or other obligations in accordance with the terms of any senior mortgage or other prior lien or encumbrance; (ii) when due, installments of real estate taxes and assessments, general and special and all other taxes and assessments of any kind or nature whatsoever which are assessed or imposed upon the Property or any part thereof; (iii) other obligations authorized by this Mortgage; or (iv) with court approval, any other amounts in connection with other liens, encumbrances or interests reasonably necessary to preserve the status of title, as referred to in Section 5/15-1505 of the Act;

(c) advances by the Mortgagee in settlement or compromise of any claims asserted by claimants under senior mortgages or any other prior liens;

(d) attorneys' fees and other costs incurred: (i) in connection with the foreclosure of this Mortgage as referred to in Sections 5/15-1504 (d) (2) and 5/15-1510 of the Act; (ii) in connection with any action, suit or proceeding brought by or against the Mortgagee for the enforcement of this Mortgage or arising from the interest of the Mortgagee hereunder; or (iii) in the preparation for the commencement of defense of any such foreclosure or other action;

(e) the Mortgagee's fees and costs, including attorneys' fees, arising between the entry of judgment of foreclosure and the confirmation hearing as referred to in Subsection (b) (1) of Section 5/15-1508 of the Act;

(f) advances of any amount required to make up a deficiency in deposits for installments of taxes and assessments and insurance premiums as may be authorized by this Mortgage;

(g) expenses deductible from proceeds of sale as referred to in Subsections (a) and (b) of Section 5/15-1512 of the Act;

(h) expenses incurred and expenditures made by the Mortgagee for any one or more of the following: (i) if the Property or any portion thereof constitutes one or more units under a condominium declaration, assessments imposed upon the unit owner thereof; (ii) if any interest in the Property is a leasehold estate under a lease, rentals or other payments required to be made by the lessee under the terms of such lease; (iii) premiums for casualty and liability insurance paid by the Mortgagee whether or not the Mortgagee or a receiver is in possession, if reasonably required, in reasonable amounts, and all renewals thereof, without regard to the limitation to maintaining of existing insurance in effect at the time any receiver or Mortgagee takes possession of the Property imposed by Subsection (c) (1) of Section 5/15-1704 of the Act; (iv) repair or restoration of damage or destruction in excess of available insurance proceeds or

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condemnation awards; (v) payments required or deemed by the Mortgagee to be for the benefit of the Property or required to be made by the owner of the Property under any grant or declaration of easement, easement agreement, agreement with any adjoining landowners or instruments creating covenants or restrictions for the benefit of or affecting the Property; (vi) shared or common expense assessment payable to any association or corporation in which the owner of the Property is a member in any way affecting the Property; (vii) if the Obligations include amounts advanced as a construction loan, costs incurred by the Mortgagee for demolition, preparation for and completion of construction, as may be authorized by the applicable commitment or loan agreement; and (viii) pursuant to any lease or other agreement for occupancy of the Property.

All Protective Advances shall be additional indebtedness secured by this Mortgage, and shall become immediately due and payable without notice and with interest thereon from the date of the advance until paid at the Default Rate.

This Mortgage shall be a lien for all Protective Advances as to subsequent purchasers and judgment creditors from the time this Mortgage is recorded pursuant to Subsection (b) (1) of Section 5/15-1302 of the Act.

All Protective Advances shall, except to the extent, if any, that any of the same is clearly contrary to or inconsistent with the provisions of the Act, apply to and be included in:

- (1) the determination of the amount of indebtedness secured by this Mortgage at any time;
- (2) the indebtedness found due and owing to the Mortgagee in the judgment of foreclosure and any subsequent supplemental judgments, orders, adjudications or findings by the court of any additional indebtedness becoming due after such entry of judgment, it being agreed that in any foreclosure judgment, the court may reserve jurisdiction for such purpose;
- (3) if the right of redemption has not been waived by this Mortgage, computation of the amount required to redeem, pursuant to Subsections (d) (2) and (e) of Section 5/15-1603 of the Act;
- (4) the determination of amounts deductible from sale proceeds pursuant to Section 5/15-1512 of the Act;
- (5) the application of income in the hands of any receiver or Mortgagee in possession; and
- (6) the computation of any deficiency judgment pursuant to Subsections (b) (2) and (e) of Sections 5/15-1508 and Section 5/15-1511 of the Act.

The maximum amount of indebtedness secured by this Mortgage is twice the stated amount of the Loan as set forth in Section 3 of this Mortgage plus default interest, if any, plus any disbursements for the payment of taxes and insurance on the Property, plus interest thereon, and any other sums advanced in accordance with the terms hereof or any of the other Loan

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Documents to protect the security of this Mortgage or any of the other Loan Documents plus default interest thereon, if any. This statement is made to comply with the Act and does not imply that Mortgagee is obligated at any time to make future advances to Mortgagor, make Protective Advances to Mortgagor or any other party or to lend all or any part of such maximum amount to Mortgagor.

9. **Warranties:** Mortgagor warrants the following: (a) Mortgagor has fee simple title to the Property, subject only to those matters set forth in **Exhibit B** (the "Permitted Encumbrances"), and has legal title to the "Collateral" (as defined below). This warranty of title shall survive the foreclosure of Mortgagor's interest in the Property and shall inure to the benefit of and be enforceable by any person who may acquire title to the Property by foreclosure or sale under power; (b) Except with respect to claims arising under a Permitted Encumbrance, Mortgagor warrants and will forever defend Mortgagee's title and right to the Property against the claims of all persons; (c) Except as may be set forth in Exhibit B, Mortgagor has not granted any other person an interest or right in the Property or a security interest in the Collateral; (d) The person signing this Mortgage on behalf of Mortgagor has been authorized to do so, and this Mortgage is valid, binding, and enforceable in accordance with its terms; and (e) The lien of this Mortgage constitutes a good and valid second priority lien on and title to the Property, and the security interest in the Collateral created by this Mortgage constitutes a good and valid second priority security interest in the Collateral.

10. **Covenants of Mortgagor:**

(a) **Insurance.** Mortgagor shall obtain and maintain in force the insurance required by the Loan Agreement until all Obligations are paid in full.

(b) **Taxes.** Mortgagor shall pay when due all taxes, assessments, and other charges against the Property, Collateral, this Mortgage or any of the other Loan Documents (each of which is referred to as a "Tax"). If, however, Mortgagor is not in default under this Mortgage or any of the other Loan Documents, Mortgagor may contest the amount, validity, or applicability of any Tax if it does so diligently, in good faith, without prejudice to Mortgagee, and (if required by Mortgagee) it provides security satisfactory to Mortgagee to protect Mortgagee's interest. If Mortgagor intends to contest any Tax, Mortgagor shall give Mortgagee advance notice and, upon request, shall provide Mortgagee with copies of all documents relating to the proceeding. If Mortgagor fails to pay any Tax when due, Mortgagee may (but shall not be obligated to) pay the Tax. If Mortgagee does so, Mortgagor shall on demand reimburse Mortgagee for the amount paid plus interest at the Default Rate (as defined in the Note).

(c) **Rents and Profits.** By separate instrument, Mortgagor has assigned to Mortgagee the rents, leases, and profits from the Property as additional security for payment of the Obligations.

(d) **Security Interest.**

(i) Mortgagor grants Mortgagee a security interest in any fixtures located on the Property and the personal property described in the attached **Exhibit C** (collectively, the "Collateral"). Mortgagor shall execute and deliver to Mortgagee or hereby authorizes Mortgagee to file without Mortgagor's signature all

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financing statements, continuation statements, or other instruments requested or deemed necessary or desirable by Mortgagee in order to perfect or maintain the perfection of Mortgagee's security interest in the Collateral. Mortgagor shall not change its state of organization without Mortgagee's prior written consent. Mortgagor shall not remove any of the Collateral from the Property, unless Mortgagor immediately replaces it with a comparable article owned by Mortgagor. Any replacement Collateral shall be subject to Mortgagee's security interest and must be free and clear of any lien or security interest other than Mortgagee's. In addition to any other rights and remedies Mortgagee may have, if an Event of Default occurs, Mortgagee shall have all of the rights and remedies of a secured party under the Illinois Uniform Commercial Code and the following rights: to sell the Collateral at one or more public or private sales, including a sale held in conjunction with the sale of the Property; to conduct any such sale; to purchase all or part of the Collateral at any such sale; to enter upon the Property and the Improvements or any place where any Collateral is located to take possession of and assemble the Collateral or to render it unusable; to require Mortgagor to assemble the Collateral and make it available to Mortgagee at the Property; and to sell the Property and Collateral as a whole. Any sale pursuant to this Section shall be deemed to have been a public sale conducted in a commercially reasonable manner. Mortgagee need not take possession of the Collateral before a sale, and it shall not be necessary that the Collateral be present at the location of such a sale. Mortgagor shall be liable for all expenses incurred by Mortgagee in retaking, holding, preparing for sale, or selling the Collateral.

(ii) Mortgagor warrants that (i) Mortgagor's (that is, "Debtor's") name, identity or corporate structure and residence or principal place of business are as set forth in this Mortgage; (ii) Mortgagor (that is, "Debtor") has been using or operating under said name, identity or corporate structure without change for the time period set forth in subsection (c) below; and (iii) the location of the collateral is upon the Property. Mortgagor covenants and agrees that Mortgagor will furnish Mortgagee with notice of any change in the matters addressed by clauses (i) or (iii) of this subsection within thirty (30) days of the effective date of any such change.

(iii) The information contained in this subsection is provided in order that this Mortgage shall comply with the requirements of the Illinois Uniform Commercial Code for instruments to be filed as financing statements. This Mortgage shall constitute a "fixture filing" under the Illinois Uniform Commercial Code and is to be recorded and/or filed with the applicable land records as a financing statement pursuant to the Illinois Uniform Commercial Code. The names of the "Debtor" and the "Secured Party", the identity or corporate structure and residence or principal place of business of "Debtor", and the time period for which "Debtor" has been using or operating under said name and identity or corporate structure without change, are as set forth in this Mortgage; the mailing address of the "Secured Party" from which information concerning the security interest may be obtained, and the mailing address of "Debtor", are as set forth in this Mortgage;

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and a statement indicating the types, or describing the items, of collateral is set forth hereinabove. The Mortgagor's Federal Employment Identification Number is listed on the cover page of this Mortgage.

(e) **Other Covenants.** Without Mortgagee's prior written consent, Mortgagor shall not grant or create any easement or right-of-way in the Property or consent to any restrictive covenants that run with the land. Mortgagor shall maintain the Property in good condition and repair. Mortgagor shall not cause or permit any waste of the Property or any nuisance on the Property. Mortgagor shall comply with all applicable federal, state, and local laws relating to the ownership, use, or operation of the Property. Except with respect to the Permitted Encumbrances and as provided in the Loan Agreement, without Mortgagee's prior written consent, Mortgagor shall not transfer any interest in the Property (either voluntarily, involuntarily, or by operation of law) or sell, ground lease, option, refinance, or further encumber the Property or any interest in it (except with respect to residential tenant leases in conformance with the terms and conditions of the Loan Agreement). Mortgagor shall keep the Property free from all mechanics' or materialmen's liens, judgments, and other liens and shall remove, bond over, or escrow over any such lien within 20 days of the time it attaches to the Property. Without Mortgagee's prior written consent, Mortgagor shall not sell or further encumber the Collateral or assign any interest in the rents or income from the Property to a third party. Mortgagor shall appear in and defend any action or proceeding purporting to affect the Property and notify Mortgagee of the proceeding.

11. **Special Waivers:** MORTGAGOR EXPRESSLY: (A) ACKNOWLEDGES MORTGAGEE'S RIGHT TO ACCELERATE THE DEBT (B) ACKNOWLEDGES HAVING READ THIS MORTGAGE AND HAVING THE OPPORTUNITY TO ASK ANY AND ALL QUESTIONS REGARDING THE LEGAL EFFECT OF THIS MORTGAGE AND ITS PROVISIONS; (C) ACKNOWLEDGES HAVING CONSULTED OR HAVING THE OPPORTUNITY TO CONSULT WITH COUNSEL OF MORTGAGOR'S CHOICE BEFORE EXECUTING THIS MORTGAGE; (D) ACKNOWLEDGES THAT ALL WAIVERS OF RIGHTS HAVE BEEN MADE KNOWINGLY, INTENTIONALLY, AND WILLINGLY; AND (E) AGREES THAT MORTGAGOR'S RIGHT TO NOTICE SHALL BE LIMITED TO THOSE RIGHTS TO NOTICE PROVIDED BY THIS MORTGAGE OR THE OTHER LOAN DOCUMENTS OR AS REQUIRED UNDER LAW (IF ANY) AND NO OTHER.

12. **Events of Default:** Each of the following constitutes an Event of Default under this Mortgage: (a) a default or event of default (however defined) under any of the other Loan Documents, unless it is cured within any applicable cure or grace period; (b) Mortgagor's failure to perform or observe any covenant in this Mortgage, after expiration of any applicable notice and cure right; (c) any warranty or representation by Mortgagor in this Mortgage is false in any material respect when made; or (d) the dissolution of Mortgagor or the termination of Mortgagor's existence. Notwithstanding the foregoing, the Mortgagor's limited partner or special limited partner shall have the right to cure any default within the applicable cure period provided herein or to pay any amount or do any act or thing required of the Mortgagor by the terms of this Mortgage or any of the other Loan Documents. All payments made and all acts

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performed by the Mortgagor's limited partner within such cure period to cure such default shall be accepted by the Mortgagee as if made by the Mortgagor.

13. **Remedies:** If an Event of Default occurs, in addition to any other rights or remedies Mortgagee may have, Mortgagee may exercise one or more of the following remedies:

(a) **Possession.** Mortgagee may enter upon and take possession of the Property (without the appointment of a receiver or application for one) and do all acts which may be desirable in Mortgagee's judgment to preserve the Property's value, its marketability, or the ability to rent the Property or increase the income from it. If Mortgagee takes possession, it may employ an agent or agents to manage, operate, and lease the Property, either in its own name or in the name of Mortgagor, and may collect the rents and income and apply them to the Obligations (including expenses of operation and collection) in whatever order it chooses in its sole and absolute discretion.

(b) **Specific Performance.** Mortgagee may specifically enforce the provisions of this Mortgage or any of the other Loan Documents.

(c) **Protective Advances.** In its sole and absolute discretion, Mortgagee may pay any amount deemed appropriate by Mortgagee to protect its interest in the Property and Collateral or cure any Event of Default. The amount of any such payment, with interest from the date of payment at the Default Rate (as defined in the Note), shall become a part of the Obligations and be due and payable by Mortgagor to Mortgagee upon demand.

(d) **Acceleration.** Without further notice to or demand upon Mortgagor, Mortgagee may accelerate the maturity and payment of the entire Obligations, all of which will then become immediately due and payable.

(e) **Foreclosure.** Mortgagee shall have the right to foreclose the lien hereof in accordance with the Act and to exercise any other remedies of Mortgagee provided in the other Loan Documents, or otherwise, or which Mortgagee may have at law, at equity or otherwise. In any suit to foreclose the lien hereof, there shall be allowed and included as additional Obligations in the decree of sale, all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographer's charges, publication costs, costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, and similar data and assurance with respect to title as Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at sales which may be had pursuant to such decree the true conditions of the title to or the value of the Property, and any other expenses and expenditures which may be paid or incurred by or on behalf of Mortgagee and permitted by the Act to be included in such decree. All expenditures and expenses of the nature mentioned in this paragraph, and such other expenses and fees as may be incurred in the protection of the Property and rents and income therefrom and the maintenance of the lien of this Mortgage, including the fees of any attorney employed by Mortgagee in any litigation or proceedings affecting this Mortgage, the other Loan Documents or the Property, including probate and bankruptcy proceedings, or in preparation of the commencement or defense of any proceedings or threatened suit or proceeding, or otherwise in

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dealing specifically therewith, shall be so much additional Obligations and shall be immediately due and payable by Mortgagor, with interest thereon at the Default Rate until paid. In the event this Mortgage shall include more than one parcel of property or subdivision (each hereinafter called a "portion"), the Mortgagee shall, in its sole and exclusive discretion, be empowered to foreclose upon any such portions without impairing its right to foreclose subsequently upon any other portion or the entirety of the Property from time to time thereafter. Upon any foreclosure sale or sales of all or any portion of the Property under the power herein granted, Mortgagee may bid for and purchase the Property and shall be entitled to apply all or any part of the Obligations as a credit to the purchase price.

(f) Receiver. In any action to foreclose this Mortgage or if an Event of Default occurs, Mortgagee may apply for the appointment of a receiver for the rents and income from the Property or the Property or both. If Mortgagee does so, Mortgagor agrees that Mortgagee is entitled to the appointment of such a receiver as a matter of right, without regard to the value of the Property as security for the amounts due Mortgagee or the solvency of any person or entity liable for payment of such amounts. Mortgagor hereby consents to the appointment of such receiver or receivers, waives any and all notices of and defenses to such appointment, and agrees not to oppose any such application by Mortgagee. The appointment of such receiver, trustee, or other appointee by virtue of any court order, statute, or regulation shall not impair or in any manner prejudice Mortgagee's rights to receive payment of the rents and income from the Property pursuant to other terms and provisions of this Mortgage or any of the other Loan Documents. Any money advanced by Mortgagee in connection with any such receivership shall be deemed part of the Obligations and shall bear interest at the Default Rate (as defined in the Note). The receiver or his agents shall be entitled to enter upon and take possession of any and all of the Property and Collateral to the same extent and in the same manner as Mortgagor. The receiver or his agents may exclude Mortgagor and its agents and employees from the Property and may have, hold, use, operate, manage, repair, maintain, insure, and control the Property. At the option of Mortgagee, such receivership shall continue until full payment of all Obligations or until title to the Property is transferred by foreclosure or sale under this Mortgage.

(g) Remedies Cumulative. The rights and remedies of Mortgagee under this Mortgage are separate, distinct, and cumulative of other powers and rights that Mortgagee has in law or equity or under the other Loan Documents. No right or remedy of Mortgagee is exclusive; all of them are cumulative to the remedies for collection of debt, enforcement of rights under security deeds, and preservation of security as provided at law, in equity, or under the other Loan Documents. No act of Mortgagee shall be construed as an election of an exclusive remedy, unless Mortgagee indicates so in writing.

(h) Waiver of Right of Redemption and Other Rights. To the full extent permitted by law, Mortgagor expressly waives any and all rights of redemption under the Act, on its own behalf, on behalf of all persons claiming or having an interest (direct or indirect) by, through or under Mortgagor and on behalf of each and every person acquiring any interest in or title to the Property subsequent to the date hereof, it being the intent hereof that any and all such rights of redemption of Mortgagor and such other persons, are and shall be deemed to be hereby waived to the full extent permitted by applicable law.

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14. Miscellaneous:

(a) Notices. All notices required under this Mortgage shall be in writing. All such notices shall be deemed to have been given and received 3 days from the date of deposit in the U.S. mail, certified mail, return receipt requested, postage-prepaid; or when hand delivered by the party, an overnight service (such as FedEx), or a courier service. The addresses set forth in sections 1 and 2 shall be used. In addition, notices to Mortgagor shall also be sent to:

Applegate & Thorne-Thomsen
626 West Jackson Blvd., Suite 400
Chicago, IL 60661
Attention: Ben Applegate, Esq.

And:

Hudson SLP LLC
c/o Hudson Housing Capital LLC
630 Fifth Avenue, 28th Floor
New York, NY 10111
Attention: Joseph A. Macari

Mortgagor or Mortgagee may change the address to which notices are to be sent by giving the other party 10 business days written notice of the change.

(b) No Waiver of Future Compliance. Any indulgence or departure permitted at any time by Mortgagee from any of the provisions of this Mortgage or with respect to the Obligations shall not modify the same or waive the requirement of future compliance by Mortgagor. Mortgagee's failure to exercise any right or remedy upon an Event of Default shall not waive Mortgagee's rights or remedies for any subsequent Event of Default.

(c) Nomenclature. The words "Mortgagor" and "Mortgagee" shall include their respective successors and permitted assigns and all those holding under either of them. Any reference to the "Note" or to any "Loan Document" shall include any amendments, substitutions, renewals, or replacements to or for it. The word "including" means "including (but not limited to)," unless otherwise specifically stated. Any capitalized term that is not defined in this Mortgage shall have the same meaning as in the Loan Agreement.

(d) Payment of Expenses. Mortgagor shall pay all of Mortgagee's expenses actually incurred in any efforts to enforce any provision of this Mortgage, including reasonable attorney's fees and other legal expenses.

(e) Severability. A determination that any provision of this Mortgage is unenforceable or invalid shall not affect the enforceability or validity of any other provision, and any determination that the application of any provision of this Mortgage to any person or circumstance is illegal or unenforceable shall not affect the enforceability or validity of such provision as it may apply to any other persons or circumstance.

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(f) Section Headings. The headings of the sections and paragraphs of this Mortgage are for convenience only and shall not affect any of the terms of this Mortgage.

(g) Governing Law. This Mortgage will be governed by and construed in accordance with Illinois law.

(h) Unsecured Portion of Debt. If any part of the Obligations cannot be lawfully secured by this Mortgage or if any part of the Property or Collateral cannot be lawfully subject to the lien and security interest of this Mortgage to the full extent of such debt, then all payments made shall be deemed to have first been applied to discharge those Obligations that are not secured by this Mortgage or secured by the Collateral.

(i) Conflict or Inconsistency of Terms. If there is any inconsistency between this Mortgage and any of the other Loan Documents, Mortgagee shall have the right at its sole option to elect which provision shall govern.

(j) Amendments. This Mortgage may be amended or modified only by an instrument in writing signed by Mortgagee and Mortgagor.

(k) Subrogation. Mortgagee shall be subrogated to any encumbrance, lien, claim, or demand, and to all the rights and security for its payment, paid or discharged by Mortgagee under this Mortgage, and any such subrogation rights shall be additional and cumulative security for Mortgagee.

(l) Time of the Essence. **Time is of the essence of this Mortgage.**

(m) Release of Mortgage. If Mortgagor pays Mortgagee the Obligations, Mortgagee will cancel this Mortgage. Otherwise, it will remain in full force and effect. No release of the title, lien, or security interest created by this Mortgage will be valid unless signed by Mortgagee.

15. **Reserved**.

16. **Prior Lien Documents:**

(a) This Mortgage is and shall be subject and subordinate in all respects to the liens and encumbrances contained in the following documents, all of which have been recorded in the Cook County Recorder's office prior to the recording of this Mortgage (the "Prior Lien Documents"): (i) Declaration of Restrictive Covenants by the Chicago Housing Authority ("CHA") and the Borrower in favor of HUD, (ii) Right of First Refusal Agreement in favor of the CHA, (iii) Regulatory and Operating Agreement between the CHA and the Borrower ("R&O Agreement"), (iv) Regulatory Agreement between the City of Chicago ("City") and the Borrower for low income housing tax credits, (v) Land Use Restriction Agreement between the City and the Borrower, (vi) Shops and Lofts at 47 Redevelopment Agreement by and among the City, the Borrower, TCB Development Services, LLC ("TCBLLC"), Mahogany Shops 47, LLC, and Mahogany Chicago 47, LLC, (vii) Donations Tax Credit Regulatory Agreement by and among the City, TCBLLC and the Borrower for Illinois affordable housing tax credits, (viii) Reciprocal Easement and Operating Agreement between the Borrower and Mahogany Chicago 47, LLC, (ix) Amended and Restated Land Use Restriction Agreement between the Borrower

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and Lender, (x) the lien of that certain Construction Mortgage, Security Agreement and Assignment of Leases and Rents and Fixture Filing executed and delivered by Borrower to and in favor of JPMorgan Chase Bank, N.A. ("Chase"), securing repayment of a loan in the amount of \$16,800,000, and any other documents evidencing or securing such indebtedness, and (xi) the lien of that certain Subordinate Mortgage, Security Agreement and Financing Statement, and Subordinate Assignment of Rents and Leases, each executed and delivered by Borrower to and in favor of the CHA, securing repayment of a loan in the amount of \$8,374,409, and any other documents evidencing or securing such indebtedness. No amendments or modifications may be made to the Prior Lien Documents except as permitted by that certain Subordination Agreement dated of even date herewith between Chase, CHA, Lender TCBLLC and Borrower (the "Subordination Agreement"). A default or event of default under the Prior Lien Documents shall constitute an event of default hereunder. Mortgagor shall pay when due the indebtedness owing under the Prior Lien Documents and timely perform all other obligations of Mortgagor thereunder. If such indebtedness is not paid by Mortgagor when due or such obligations are not timely performed by Mortgagor, Mortgagee may, but shall not be obligated to, pay any such indebtedness or perform any such obligations for the account of Mortgagor, and any sum so expended shall be secured hereby. Mortgagor shall pay to Mortgagee all amounts so expended by Mortgagee with interest on such amounts from the date expended at the Default Rate, but not in excess of the highest rate permitted by applicable law.

(b) The Mortgagor will immediately, upon receiving any knowledge or notice of any default under the Prior Lien Documents, give written notice thereof to the Mortgagee and give to the Mortgagee immediately, upon receipt thereof, a true copy of each and every notice, summons, legal process, legal paper, or other communication relating in any way to claims that there exists a material and adverse breach of such Prior Lien Documents on the performance or enforcement thereof or claiming that there exist any default thereunder.

(c) Any proceeds payable to Mortgagor resulting from the foreclosure sale of the Prior Lien Documents are hereby assigned and to be paid to the Mortgagee up to the amount of the outstanding Obligations hereunder.

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IN WITNESS WHEREOF, Mortgagor has duly executed and sealed this Mortgage on the 15th day of February, 2013.

MORTGAGOR:

LOFTS 47 PHASE I LIMITED PARTNERSHIP, an Illinois limited partnership

By: **Lofts 47 Phase I, Inc.**, an Illinois corporation as General Partner

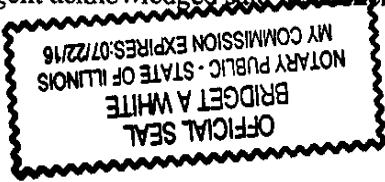
By: *Sara Jean Lindholm*
Sara Jean Lindholm
Authorized Agent

Property of Cook County Clerk's Office

STATE OF ILLINOIS)

COUNTY OF COOK) ss.

On this 15th day of February, 2013 before me appeared Sara Jean Lindholm, to me personally known, who, being by me duly sworn, did say that she is the Authorized Agent of Lofts 47 Phase I, Inc., an Illinois corporation (the "Corporation"), in its capacity as the General Partner of Lofts 47 Phase I Limited Partnership, an Illinois limited partnership (the "Partnership") and that the seal affixed to said instrument is the corporate seal of said Corporation, and that said instrument was signed and sealed in behalf of said Corporation in its capacity as the General Partner of the Partnership by authority of its board of directors, and said Authorized Agent acknowledged said instrument to be the free act and deed of said corporation.



Bridget A. White
Notary Public
My commission expires:

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EXHIBIT A

47TH STREET LOFTS

LEGAL DESCRIPTION

PARCEL 1:

LOTS 25, 26, 27, 29, 30, 32 AND 33 IN SUBDIVISION OF LOTS 1 AND 2 OF STONE AND MC GLASHAN'S SUBDIVISION OF THE NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN (LYING EAST OF VINCENNES AVE.), IN COOK COUNTY, ILLINOIS.

PARCEL 2:

LOTS 1 THROUGH 24 (BOTH INCLUSIVE) AND LOTS 43 THROUGH 47 (BOTH INCLUSIVE) IN THE SUBDIVISION OF LOTS 1 AND 2 (EXCEPT THE PART TAKEN FOR WIDENING COTTAGE GROVE AVENUE) IN STONE AND MCGLASHAN'S SUBDIVISION OF THE NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN;

TOGETHER WITH

LOTS 1 THROUGH 5 (BOTH INCLUSIVE) IN GEORGE B. UPP'S SUBDIVISION OF SUBLOTS 39, 40, 41 AND 42 IN THE SUBDIVISION OF LOTS 1 AND 2 (EXCEPT THE PART TAKEN FOR WIDENING COTTAGE GROVE AVENUE) IN STONE AND MCGLASHAN'S SUBDIVISION OF THE NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN;

TOGETHER WITH

LOTS 1, 2 AND 3 TOGETHER WITH THAT PART OF LOT 4 LYING NORTH OF A LINE DRAWN FROM A POINT ON THE EAST LINE OF SAID LOT 4, SAID POINT BEING 1.05 FEET (AS MEASURED ALONG SAID EAST LINE) NORTH OF THE SOUTHEAST CORNER OF SAID LOT 4 TO A POINT ON THE WEST LINE OF SAID LOT 4 SAID POINT BEING 21.54 FEET (AS MEASURED ALONG THE WEST LINE OF LOTS 4 AND 5) NORTH OF THE SOUTHWEST CORNER OF LOT 5 IN GEORGE B. UPP'S SUBDIVISION OF SUBLOTS 35, 36, 37 AND 38 IN THE SUBDIVISION OF LOTS 1 AND 2 (EXCEPT THE PART TAKEN FOR WIDENING COTTAGE GROVE AVENUE) IN STONE AND MCGLASHAN'S SUBDIVISION OF THE NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN;

TOGETHER WITH

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THAT PART OF THE NORTH/SOUTH 16 FOOT PUBLIC ALLEY LYING WEST OF AND ADJOINING SAID LOTS 1 THROUGH 13 (BOTH INCLUSIVE) IN THE SUBDIVISION OF LOTS 1 AND 2 (EXCEPT THE PART TAKEN FOR WIDENING COTTAGE GROVE AVENUE) IN STONE AND MCGLASHAN'S SUBDIVISION OF THE NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN AND LYING NORTH OF LINE DRAWN FROM A POINT 1.05 FEET NORTH OF THE SOUTHEAST CORNER OF LOT 4 (AS MEASURED ALONG THE EAST LINE THEREOF) IN GEORGE B. UPP'S SUBDIVISION OF SUBLOTS 35, 36, 37 AND 38 IN THE SUBDIVISION OF LOTS 1 AND 2 (EXCEPT THE PART TAKEN FOR WIDENING COTTAGE GROVE AVENUE) IN STONE AND MCGLASHAN'S SUBDIVISION AFORESAID TO A POINT 10.03 FEET NORTH OF THE SOUTHWEST CORNER OF SAID LOT 13 (AS MEASURED ALONG THE WEST LINE THEREOF); SAID ALLEY BEING VACATED BY ORDINANCE RECORDED NOVEMBER 15, 2012 AS DOCUMENT NUMBER 1232039099;

TOGETHER WITH

THAT PART OF THE EASTWEST 16 FOOT PUBLIC ALLEY LYING NORTH OF AND ADJOINING TO SAID LOT 1 IN GEORGE B. UPP'S SUBDIVISION OF SUBLOTS 39, 40, 41 AND 42 IN THE SUBDIVISION OF LOTS 1 AND 2 (EXCEPT THE PART TAKEN FOR WIDENING COTTAGE GROVE AVENUE) IN STONE AND MCGLASHAN'S SUBDIVISION OF THE NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, ALL TAKEN AS A TRACT; SAID ALLEY BEING VACATED BY ORDINANCE RECORDED NOVEMBER 15, 2012 AS DOCUMENT NUMBER 1232039099;

EXCEPT THEREFROM

THAT PART OF THE ABOVE DESCRIBED TRACT LYING ABOVE A HORIZONTAL PLANE HAVING AN ELEVATION OF +7.00 FEET CHICAGO CITY DATUM AND LYING WITHIN ITS HORIZONTAL BOUNDARY PROJECTED VERTICALLY AND DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF SAID TRACT SAID SOUTHWEST CORNER BEING A POINT ON THE WEST LINE OF LOT 4 IN GEORGE B. UPP'S SUBDIVISION OF SUBLOTS 35, 36, 37 AND 38, AFORESAID, SAID POINT BEING 21.54 FEET (AS MEASURED ALONG THE WEST LINE OF LOTS 4 AND 5) NORTH OF THE SOUTHWEST CORNER OF LOT 5 IN GEORGE B. UPP'S SUBDIVISION OF SUBLOTS 35, 36, 37 AND 38, AFORESAID; THENCE SOUTH 90°00'00" EAST ALONG A SOUTH LINE OF SAID TRACT 117.37 FEET; THENCE NORTH 00°00'29" WEST 41.33 FEET; THENCE SOUTH 90°00'00" EAST 136.03 FEET TO A POINT ON THE EAST LINE OF SAID TRACT SAID POINT BEING 274.43 FEET SOUTH OF THE NORTHEAST CORNER OF SAID TRACT (AS MEASURED ALONG THE EAST LINE THEREOF); THENCE NORTH 00°00'00" EAST ALONG THE EAST LINE OF SAID TRACT 53.58 FEET; THENCE NORTH 90°00'00" WEST 67.67 FEET; THENCE NORTH 00°00'00" EAST 26.25 FEET; THENCE NORTH

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90°00'00" WEST 7.41 FEET; THENCE NORTH 00°00'00" EAST 99.69 FEET; THENCE NORTH 90°00'00" WEST 158.18 FEET; THENCE SOUTH 00°00'00" WEST 20.95 FEET; THENCE NORTH 90°00'00" WEST 7.78 FEET; THENCE SOUTH 00°00'00" WEST 23.06 FEET; THENCE NORTH 90°00'00" WEST 12.40 FEET TO THE WEST LINE OF SAID TRACT; THENCE SOUTH 00°00'48" EAST ALONG THE WEST LINE OF SAID TRACT 176.85 FEET TO THE POINT OF BEGINNING;

ALSO EXCEPT THEREFROM

THAT PART OF THE ABOVE DESCRIBED TRACT LYING BELOW A HORIZONTAL PLANE HAVING AN ELEVATION OF +35.40 FEET CHICAGO CITY DATUM AND LYING ABOVE A HORIZONTAL PLANE HAVING AN ELEVATION OF +7.00 FEET CHICAGO CITY DATUM AND LYING WITHIN ITS HORIZONTAL BOUNDARY PROJECTED VERTICALLY AND DESCRIBED AS FOLLOWS: COMMENCING AT A POINT ON THE EAST LINE OF SAID TRACT 274.43 FEET SOUTH OF THE NORTHEAST CORNER THEREOF (AS MEASURED ALONG SAID EAST LINE); THENCE NORTH 00°00'00" EAST ALONG THE EAST LINE OF SAID TRACT 53.58 FEET TO THE POINT OF BEGINNING; THENCE NORTH 90°00'00" WEST 67.67 FEET; THENCE NORTH 00°00'00" EAST 26.25 FEET; THENCE NORTH 90°00'00" WEST 7.41 FEET; THENCE NORTH 00°00'00" EAST 97.88 FEET; THENCE SOUTH 90°00'00" EAST 8.00 FEET; THENCE SOUTH 00°00'00" WEST 5.29 FEET; THENCE SOUTH 90°00'00" EAST 67.08 FEET TO THE EAST LINE OF SAID TRACT; THENCE SOUTH 00°00'00" WEST ALONG SAID EAST LINE 118.84 FEET TO THE POINT OF BEGINNING;

ALSO EXCEPT THEREFROM

THAT PART OF THE ABOVE DESCRIBED TRACT LYING BELOW AN INCLINED PLANE DEFINED BY THE HEREINAFTER DESCRIBED POINT 'A', HAVING AN ELEVATION OF +20.92 FEET CHICAGO CITY DATUM AND THE HEREINAFTER DESCRIBED POINT 'B' HAVING AN ELEVATION OF +35.40 FEET CHICAGO CITY DATUM AND THE HEREINAFTER DESCRIBED POINT 'C' HAVING AN ELEVATION OF +20.92 FEET CHICAGO CITY DATUM, AND LYING ABOVE A HORIZONTAL PLANE HAVING AN ELEVATION OF +7.00 FEET CHICAGO CITY DATUM AND LYING WITHIN ITS HORIZONTAL BOUNDARY PROJECTED VERTICALLY AND DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF SAID TRACT; THENCE SOUTH 00°00'48" EAST ALONG THE WEST LINE OF SAID TRACT 73.89 FEET; THENCE SOUTH 90°00'00" EAST 57.04 FEET TO THE POINT OF BEGINNING SAID POINT BEING ALSO THE HEREINABOVE MENTIONED POINT 'A'; THENCE SOUTH 90°00'00" EAST 109.83 FEET; THENCE NORTH 00°00'00" EAST 0.85 FEET; THENCE SOUTH 90°00'00" EAST 11.51 FEET; THENCE SOUTH 00°00'00" WEST 21.08 FEET TO A POINT SAID POINT BEING ALSO THE HEREINABOVE MENTIONED POINT 'B'; THENCE NORTH 90°00'00" WEST 121.34 FEET TO A POINT SAID POINT BEING ALSO THE HEREINABOVE MENTIONED POINT 'C'; THENCE NORTH 00°00'00" EAST 20.22 FEET TO THE POINT OF BEGINNING;

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ALSO EXCEPT THEREFROM

THAT PART OF THE ABOVE DESCRIBED TRACT LYING BELOW A HORIZONTAL PLANE HAVING AN ELEVATION OF +35.40 FEET CHICAGO CITY DATUM AND LYING ABOVE A HORIZONTAL PLANE HAVING AN ELEVATION OF +7.00 FEET CHICAGO CITY DATUM AND LYING WITHIN ITS HORIZONTAL BOUNDARY PROJECTED VERTICALLY AND DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHWEST CORNER OF SAID TRACT; THENCE SOUTH 00°00'48" EAST ALONG THE WEST LINE OF SAID TRACT 53.05 FEET; THENCE SOUTH 90°00'00" EAST 32.62 FEET; THENCE SOUTH 00°00'00" WEST 4.57 FEET; THENCE NORTH 90°00'00" WEST 25.18 FEET; THENCE SOUTH 00°00'00" WEST 1.17 FEET; THENCE NORTH 90°00'00" WEST 7.44 FEET TO THE WEST LINE OF SAID TRACT; THENCE SOUTH 00°00'48" EAST ALONG THE WEST LINE OF SAID TRACT 15.10 FEET; THENCE SOUTH 90°00'00" EAST 166.86 FEET; THENCE NORTH 00°00'00" EAST 8.57 FEET; THENCE NORTH 90°00'00" WEST 30.40 FEET; THENCE NORTH 00°00'00" EAST 11.70 FEET; THENCE SOUTH 90°00'00" EAST 16.96 FEET; THENCE NORTH 00°00'00" EAST 5.77 FEET; THENCE SOUTH 90°00'00" EAST 13.51 FEET; THENCE NORTH 00°00'00" EAST 48.37 FEET TO THE NORTH LINE OF SAID TRACT; THENCE SOUTH 89°49'16" WEST ALONG THE NORTH LINE OF SAID TRACT 166.95 FEET TO THE POINT OF BEGINNING;

ALSO EXCEPT THEREFROM

THAT PART OF THE ABOVE DESCRIBED TRACT LYING BELOW A HORIZONTAL PLANE HAVING AN ELEVATION OF +35.40 FEET CHICAGO CITY DATUM AND LYING ABOVE A HORIZONTAL PLANE HAVING AN ELEVATION OF +7.00 FEET CHICAGO CITY DATUM AND LYING WITHIN ITS HORIZONTAL BOUNDARY PROJECTED VERTICALLY AND DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHEAST CORNER OF SAID TRACT; THENCE SOUTH 89°49'16" WEST ALONG THE NORTH LINE OF SAID TRACT 73.92 FEET; THENCE SOUTH 00°00'00" WEST 47.95 FEET; THENCE SOUTH 90°00'00" EAST 7.38 FEET; THENCE SOUTH 00°00'00" WEST 0.37 FEET; THENCE SOUTH 90°00'00" EAST 18.25 FEET; THENCE SOUTH 00°00'00" WEST 7.58 FEET; THENCE SOUTH 90°00'00" EAST 3.17 FEET; THENCE SOUTH 00°00'00" WEST 17.17 FEET; THENCE NORTH 90°00'00" WEST 21.51 FEET; THENCE SOUTH 00°00'00" WEST 0.52 FEET; THENCE NORTH 90°00'00" WEST 8.44 FEET; THENCE SOUTH 00°00'00" WEST 22.89 FEET; THENCE SOUTH 90°00'00" EAST 60.62 FEET; THENCE NORTH 00°00'00" EAST 4.25 FEET; THENCE SOUTH 90°00'00" EAST 14.45 FEET TO THE EAST LINE OF SAID TRACT; THENCE NORTH 00°00'00" EAST ALONG THE EAST LINE OF SAID TRACT 92.47 FEET TO THE POINT OF BEGINNING;

ALSO EXCEPT THEREFROM

THAT PART OF THE ABOVE DESCRIBED TRACT DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF SAID TRACT; THENCE SOUTH

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89°49'11" WEST ALONG THE SOUTH LINE OF SAID TRACT 119.98 FEET TO A WEST LINE OF SAID TRACT; THENCE NORTH 00°00'29" WEST ALONG A WEST LINE OF SAID TRACT 281.67 FEET TO A SOUTH LINE OF SAID TRACT; THENCE NORTH 90°00'00" WEST ALONG A SOUTH LINE OF SAID TRACT 16.00 FEET; THENCE NORTH 00°00'29" WEST 41.33 FEET; THENCE SOUTH 90°00'00" EAST 136.03 FEET TO A POINT ON THE EAST LINE OF SAID TRACT SAID POINT BEING 274.43 FEET SOUTH OF THE NORTHEAST CORNER OF SAID TRACT (AS MEASURED ALONG THE EAST LINE THEREOF); THENCE SOUTH 00°00'00" WEST ALONG THE EAST LINE OF SAID TRACT 322.63 FEET TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

PARCEL 3:

PERPETUAL, NON-EXCLUSIVE EASEMENTS FOR INGRESS AND EGRESS, STRUCTURAL SUPPORT, USE OF FACILITIES, COMMON WALLS, CEILINGS AND FLOORS, SERVICE CORRIDOR AND SOUTH EVANS AVENUE ENTRANCE AND RESIDENTIAL SIGNAGE PURSUANT TO THAT CERTAIN THE SHOPS AND LOFTS AT 47 RECIPROCAL EASEMENT AND OPERATING AGREEMENT RECORDED Feb 15, 2013 AS DOCUMENT NUMBER 1304641106 OVER THE PREMISES DESCRIBED AS FOLLOWS:

THAT PART OF LOTS 1 THROUGH 24 (BOTH INCLUSIVE) AND LOTS 43 THROUGH 47 (BOTH INCLUSIVE) IN THE SUBDIVISION OF LOTS 1 AND 2 (EXCEPT THE PART TAKEN FOR WIDENING COTTAGE GROVE AVENUE) IN STONE AND MCGLASHAN'S SUBDIVISION OF THE NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN;

TOGETHER WITH

LOTS 1 THROUGH 5 (BOTH INCLUSIVE) IN GEORGE B. UPP'S SUBDIVISION OF SUBLOTS 39, 40, 41 AND 42 IN THE SUBDIVISION OF LOTS 1 AND 2 (EXCEPT THE PART TAKEN FOR WIDENING COTTAGE GROVE AVENUE) IN STONE AND MCGLASHAN'S SUBDIVISION OF THE NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN;

TOGETHER WITH

LOTS 1, 2 AND 3 TOGETHER WITH THAT PART OF LOT 4 LYING NORTH OF A LINE DRAWN FROM A POINT ON THE EAST LINE OF SAID LOT 4, SAID POINT BEING 1.05 FEET (AS MEASURED ALONG SAID EAST LINE) NORTH OF THE SOUTHEAST CORNER OF SAID LOT 4 TO A POINT ON THE WEST LINE OF SAID LOT 4 SAID POINT BEING 21.54 FEET (AS MEASURED ALONG THE WEST LINE OF LOTS 4 AND 5) NORTH OF THE SOUTHWEST CORNER OF LOT 5 IN GEORGE B. UPP'S SUBDIVISION OF SUBLOTS 35, 36, 37 AND 38 IN THE SUBDIVISION OF

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LOTS 1 AND 2 (EXCEPT THE PART TAKEN FOR WIDENING COTTAGE GROVE AVENUE) IN STONE AND MCGLASHAN'S SUBDIVISION OF THE NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN;

TOGETHER WITH

THAT PART OF THE NORTH/SOUTH 16 FOOT PUBLIC ALLEY LYING WEST OF AND ADJOINING SAID LOTS 1 THROUGH 13 (BOTH INCLUSIVE) IN THE SUBDIVISION OF LOTS 1 AND 2 (EXCEPT THE PART TAKEN FOR WIDENING COTTAGE GROVE AVENUE) IN STONE AND MCGLASHAN'S SUBDIVISION OF THE NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN AND LYING NORTH OF A LINE DRAWN FROM A POINT 1.05 FEET NORTH OF THE SOUTHEAST CORNER OF LOT 4 (AS MEASURED ALONG THE EAST LINE THEREOF) IN GEORGE B. UPP'S SUBDIVISION OF SUBLOTS 35, 36, 37 AND 38 IN THE SUBDIVISION OF LOTS 1 AND 2 (EXCEPT THE PART TAKEN FOR WIDENING COTTAGE GROVE AVENUE) IN STONE AND MCGLASHAN'S SUBDIVISION AFORESAID TO A POINT 10.03 FEET NORTH OF THE SOUTHWEST CORNER OF SAID LOT 13 (AS MEASURED ALONG THE WEST LINE THEREOF); SAID ALLEY BEING VACATED BY ORDINANCE RECORDED NOVEMBER 15, 2012 AS DOCUMENT NUMBER 1232039099;

TOGETHER WITH

THAT PART OF THE EAST/WEST 16 FOOT PUBLIC ALLEY LYING NORTH OF AND ADJOINING TO SAID LOT 1 IN GEORGE B. UPP'S SUBDIVISION OF SUBLOTS 39, 40, 41 AND 42 IN THE SUBDIVISION OF LOTS 1 AND 2 (EXCEPT THE PART TAKEN FOR WIDENING COTTAGE GROVE AVENUE) IN STONE AND MCGLASHAN'S SUBDIVISION OF THE NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN; SAID ALLEY BEING VACATED BY ORDINANCE RECORDED NOVEMBER 15, 2012 AS DOCUMENT NUMBER 1232039099; ALL TAKEN AS A TRACT, LYING BELOW AN INCLINED PLANE DEFINED BY THE HEREINAFTER DESCRIBED POINT 'A', HAVING AN ELEVATION OF +20.92 FEET CHICAGO CITY DATUM AND THE HEREINAFTER DESCRIBED POINT 'B' HAVING AN ELEVATION OF +35.40 FEET CHICAGO CITY DATUM AND THE HEREINAFTER DESCRIBED POINT 'C' HAVING AN ELEVATION OF +20.92 FEET CHICAGO CITY DATUM, AND LYING ABOVE A HORIZONTAL PLANE HAVING AN ELEVATION OF +7.00 FEET CHICAGO CITY DATUM AND LYING WITHIN ITS HORIZONTAL BOUNDARY PROJECTED VERTICALLY AND DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF SAID TRACT; THENCE SOUTH 00°00'48" EAST ALONG THE WEST LINE OF SAID TRACT 73.89 FEET; THENCE SOUTH 90°00'00" EAST 57.04 FEET TO THE POINT OF BEGINNING SAID POINT BEING ALSO THE HEREINABOVE MENTIONED POINT 'A'; THENCE SOUTH 90°00'00" EAST 109.83 FEET; THENCE NORTH 00°00'00" EAST 0.85 FEET;

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THENCE SOUTH 90°00'00" EAST 11.51 FEET; THENCE SOUTH 00°00'00" WEST 21.08 FEET TO A POINT SAID POINT BEING ALSO THE HEREINABOVE MENTIONED POINT 'B'; THENCE NORTH 90°00'00" WEST 121.34 FEET TO A POINT SAID POINT BEING ALSO THE HEREINABOVE MENTIONED POINT 'C'; THENCE NORTH 00°00'00" EAST 20.22 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.***

PINS: 20-10-206-001

20-10-206-002

20-10-206-003

20-10-206-004

20-10-206-005

20-10-206-006

20-10-206-007

20-10-206-008

20-10-206-009

20-10-206-010

20-10-206-013

20-10-206-014

20-10-206-016

20-10-206-017

20-10-206-019

20-10-206-020

20-10-206-021

20-10-206-024

20-10-206-025 – affects other property

20-10-206-031

20-10-206-033

Street addresses for residential buildings:

747 East 47th Street

4739 South Evans Avenue,

4745 South Evans Avenue

736 East 48th Street

4749 South Evans Avenue

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EXHIBIT B

PERMITTED TITLE EXCEPTIONS

1. Taxes for 2012 and subsequent years, which are not yet due or payable.

PERMANENT REAL ESTATE INDEX NO. 20-10-206-001, Vol. 253
Affects: Part of Parcels 2 and 3 and other property

Total 2011 taxes - Exempt

PERMANENT REAL ESTATE INDEX NO. 20-10-206-002, Vol. 253
Affects: Part of Parcels 2 and 3 and other property

Total 2011 taxes - Exempt

PERMANENT REAL ESTATE INDEX NO. 20-10-206-003, Vol. 253
Affects: Part of Parcels 2 and 3 and other property

Total 2011 taxes - Exempt

PERMANENT REAL ESTATE INDEX NO. 20-10-206-004, Vol. 253
Affects: Part of Parcels 2 and 3 and other property

Total 2011 taxes - Exempt

PERMANENT REAL ESTATE INDEX NO. 20-10-206-005, Vol. 253
Affects: Part of Parcels 2 and 3 and other property

Total 2011 taxes - Exempt

PERMANENT REAL ESTATE INDEX NO. 20-10-206-006, Vol. 253
Affects: Part of Parcels 2 and 3 and other property

Total 2011 taxes - Exempt

PERMANENT REAL ESTATE INDEX NO. 20-10-206-007, Vol. 253
Affects: Part of Parcels 2 and 3 and other property

Total 2011 taxes - Exempt

PERMANENT REAL ESTATE INDEX NO. 20-10-206-008, Vol. 253
Affects: Part of Parcels 2 and 3 and other property

Total 2011 taxes - \$758.35 - Paid

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PERMANENT REAL ESTATE INDEX NO. 20-10-206-009, Vol. 253
Affects: Part of Parcels 2 and 3 and other property

Total 2011 taxes - Exempt

PERMANENT REAL ESTATE INDEX NO. 20-10-206-010, Vol. 253
Affects: Part of Parcels 2 and 3 and other property

Total 2011 taxes - Exempt

PERMANENT REAL ESTATE INDEX NO. 20-10-206-013, Vol. 253
Affects: Lot 33 of Parcel 1

Total 2011 taxes - Exempt

PERMANENT REAL ESTATE INDEX NO. 20-10-206-014, Vol. 253
Affects: Lot 32 of Parcel 1

Total 2011 taxes - Exempt

PERMANENT REAL ESTATE INDEX NO. 20-10-206-016, Vol. 253
Affects: Lot 30 of Parcel 1

Total 2011 taxes - Exempt

PERMANENT REAL ESTATE INDEX NO. 20-10-206-017, Vol. 253
Affects: Lot 29 of Parcel 1

Total 2011 taxes - Exempt

PERMANENT REAL ESTATE INDEX NO. 20-10-206-019, Vol. 253
Affects: Lot 27 of Parcel 1

Total 2011 taxes - \$5,929.42 - Paid

PERMANENT REAL ESTATE INDEX NO. 20-10-206-020, Vol. 253
Affects: Lots 25 and 26 of Parcel 1

Total 2011 taxes - Exempt

PERMANENT REAL ESTATE INDEX NO. 20-10-206-021, Vol. 253
Affects: Part of Parcels 2 and 3 and other property

Total 2011 taxes - Exempt

PERMANENT REAL ESTATE INDEX NO. 20-10-206-024, Vol. 253

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Affects: Part of Parcels 2 and 3 and other property

Total 2011 taxes - Exempt

PERMANENT REAL ESTATE INDEX NO. 20-10-206-025, Vol. 253

Affects: Part of Parcels 2 and 3 and other property

Total 2011 taxes - Exempt

PERMANENT REAL ESTATE INDEX NO. 20-10-206-026, Vol. 253

Affects: Lot 13 of Parcel 4

Total 2011 taxes - Exempt

PERMANENT REAL ESTATE INDEX NO. 20-10-206-027, Vol. 253

Affects: Lots 14 through 16 of Parcel 4

Total 2011 taxes - Exempt

PERMANENT REAL ESTATE INDEX NO. 20-10-206-028, Vol. 253

Affects: Lots 17 and 18 of Parcel 4

Total 2011 taxes - Exempt

PERMANENT REAL ESTATE INDEX NO. 20-10-206-029, Vol. 253

Affects: Lot 19 of Parcel 4

Total 2011 taxes - \$2,196.92 - Paid

PERMANENT REAL ESTATE INDEX NO. 20-10-206-030, Vol. 253

Affects: Lots 21 through 24 of Parcel 4

Total 2011 taxes - Exempt

PERMANENT REAL ESTATE INDEX NO. 20-10-206-031, Vol. 253

Affects: Part of Parcels 2 and 3 and other property

Total 2011 taxes - Exempt

PERMANENT REAL ESTATE INDEX NO. 20-10-206-033, Vol. 253

Affects: Part of Parcels 2 and 3 and other property

Total 2011 taxes - Exempt

2. Encroachment of 3 – story greystone building on the neighboring property adjoining the South line of Lot 29 of Parcel 1 of the Insured Premises by 0.13 feet to 0.30 feet, and

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encroachment of 3 – story brick & stone building on the neighboring property adjoining the North line of Lot 30 of Parcel 1 of the Insured Premises by 0.82 feet, and encroachment of 3 – story brick & stone building on the neighboring property adjoining the South line of Lot 32 of Parcel 1 of the Insured Premises by 0.13 feet to 0.30 feet as disclosed by survey by Gremley & Biedermann dated November 6, 2012 and last revised _____, 2013.

3. Reservation of Easement for the benefit of Commonwealth Edison Company contained in Vacation Ordinance:
Recorded: November 15, 2012
Document #: 1232039099
Relates to: Non-exclusive utility easement to operate, maintain, construct, replace and renew overhead wires, poles, and associated equipment and underground conduit, cables, and associated equipment for transmission and distribution of electrical energy, telephonic and associated services under, over, and along the alleys vacated, with the right of ingress and egress
4. Terms, provisions and conditions contained in Ordinance:
Recorded: February 25, 1993
Document #: 93146829
Relates to: Establishes Enterprise Zone II
Affects: Subject premises and other property
5. Terms, provisions and conditions contained in Ordinance:
Recorded: December 1, 2008
Document #: 0833645029
Relates to: Special Service Area Number 47 which begins in 2008 through and including 2017
Affects: Parcel 2 and other property
6. Terms, provisions and conditions contained in Declaration of Restrictive Covenants:
Between: Chicago Housing Authority and Lofts 47 Phase I Limited Partnership, for the benefit of the United States of America acting by and through the Secretary of Housing and Urban Development
Dated: February 1, 2013
7. Regulatory and Operating Agreement:
Between: Chicago Housing Authority and Lofts 47 Phase I Limited Partnership
Dated: February 1, 2013
8. Right of First Refusal Agreement:
By and among: Lofts 47 Phase I Limited Partnership, Lofts 47 Phase I, Inc. and Chicago Housing Authority
Dated: February 1, 2013

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9. Terms, provisions, conditions and easements contained in The Shops and Lofts at 47 Reciprocal Easement and Operating Agreement:
By and between: Mahogany Shops 47, LLC and Lofts 47 Phase I Limited Partnership
Dated: February 1, 2013
10. Shops and Lofts at 47 Redevelopment Agreement:
By and among: The City of Chicago by and through its Department of Housing and Economic Development; Mahogany Chicago 47, LLC; Mahogany Shops 47, LLC; TCB Development Services LLC; Lofts 47 Phase I Limited Partnership
Dated: February 1, 2013
11. Regulatory Agreement:
Between: The City of Chicago, Illinois by and through its Department of Housing and Economic Development and Lofts 47 Phase I Limited Partnership
Dated: February 1, 2013
12. Land Use Restriction Agreement:
Between: The City of Chicago, Illinois by and through its Department of Housing and Economic Development and Lofts 47 Phase I Limited Partnership
Dated: February 1, 2013
13. Amended and Restated Land Use Restriction Agreement:
Between: Lofts 47 Phase I Limited Partnership and The Community Builders, Inc.
Dated: February 1, 2013
14. A Construction Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Filing to secure an indebtedness in the amount stated herein:
Mortgagor: Lofts 47 Phase I Limited Partnership
Mortgagee: JPMorgan Chase Bank, N.A.
Dated: February 1, 2013
Original Amount: \$16,800,000.00
15. An Assignment of Rents and Leases to further secure an indebtedness:
Assignor: Lofts 47 Phase I Limited Partnership
Assignee: JPMorgan Chase Bank, N.A.
Dated: February 1, 2013
16. Donations Tax Credit Regulatory Agreement:
By and among: The City of Chicago, Illinois by and through its Department of Housing and Economic Development; Lofts 47 Phase I Limited Partnership and TCB Development Services LLC
Dated: February 1, 2013
17. A Subordinate Mortgage, Security Agreement and Financing Statement to secure an indebtedness in the amount stated herein:
Mortgagor: Lofts 47 Phase I Limited Partnership

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Mortgagee: Chicago Housing Authority

February 1, 2013 Original Amount: \$8,374,409.00

Subordinated by Subordination Agreement:

By and among: JPMorgan Chase Bank, N.A.; Chicago Housing Authority; The Community Builders, Inc.; TCB Development Services LLC and Lofts 47 Phase I Limited Partnership

Dated: February 1, 2013

18. A Subordinate Assignment of Rents and Leases to further secure an indebtedness:
 Assignor: Lofts 47 Phase I Limited Partnership
 Assignee: Chicago Housing Authority
 Dated: February 1, 2013
 Subordinated by Subordination Agreement:
 By and among: JPMorgan Chase Bank, N.A.; Chicago Housing Authority; The Community Builders, Inc.; TCB Development Services LLC and Lofts 47 Phase I Limited Partnership
 Dated: February 1, 2013
19. An Assignment of Leases, Rents and Security Deposits to further secure an indebtedness:
 Assignor: Lofts 47 Phase I Limited Partnership
 Assignee: The Community Builders, Inc.
 Dated: February 1, 2013
 Subordinated by Subordination Agreement:
 By and among: JPMorgan Chase Bank, N.A.; Chicago Housing Authority; The Community Builders, Inc.; TCB Development Services LLC and Lofts 47 Phase I Limited Partnership
 Dated: February 1, 2013
 Subordinated by Subordination Agreement (TCB):
 By: Lofts 47 Phase I Limited Partnership; The Community Builders, Inc. and Chicago Housing Authority
 Dated: February 1, 2013
20. A Junior Mortgage, Assignment of Rents and Security Agreement [TIF Loan] to secure an indebtedness in the amount stated herein:
 Mortgagor: Lofts 47 Phase I Limited Partnership
 Mortgagee: TCB Development Services LLC
 Dated: February 1, 2013
 Original Amount: \$3,874,960.00
 Subordinated by Subordination Agreement:
 By and among: JPMorgan Chase Bank, N.A.; Chicago Housing Authority; The Community Builders, Inc.; TCB Development Services LLC and Lofts 47 Phase I Limited Partnership
 Dated: February 1, 2013
 Subordinated by Subordination Agreement (TCBDS):
 By: Lofts 47 Phase I Limited Partnership; TCB Development Services, LLC and Chicago Housing Authority

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Dated: February 1, 2013

21. A Junior Mortgage, Assignment of Rents and Security Agreement [DTC Loan] to secure an indebtedness in the amount stated herein:
 Mortgagor: Lofts 47 Phase I Limited Partnership
 Mortgagee: TCB Development Services LLC
 Dated: February 1, 2013
 Original Amount: \$662,881.00
 Subordinated by Subordination Agreement:
 By and among: JPMorgan Chase Bank, N.A.; Chicago Housing Authority; The Community Builders, Inc.; TCB Development Services LLC and Lofts 47 Phase I Limited Partnership
 Dated: February 1, 2013
 Subordinated by Subordination Agreement (TCBDS):
 By: Lofts 47 Phase I Limited Partnership; TCB Development Services, LLC and Chicago Housing Authority
 Dated: February 1, 2013
22. A Junior Mortgage, Assignment of Rents and Security Agreement [DCEO Loan] to secure an indebtedness in the amount stated herein:
 Mortgagor: Lofts 47 Phase I Limited Partnership
 Mortgagee: The Community Builders, Inc.
 Dated: February 1, 2013
 Original Amount: \$388,000.00
 Subordinated by Subordination Agreement:
 By and among: JPMorgan Chase Bank, N.A., Chicago Housing Authority; The Community Builders, Inc.; TCB Development Services LLC and Lofts 47 Phase I Limited Partnership
 Dated: February 1, 2013
 Subordinated by Subordination Agreement (TCB):
 By: Lofts 47 Phase I Limited Partnership; The Community Builders, Inc. and Chicago Housing Authority
 Dated: February 1, 2013
23. Purchase Option and Right of First Refusal Agreement:
 By and among: Lofts 47 Phase I Limited Partnership, as Grantor; The Community Builders, Inc., as Grantee; Lofts 47 Phase I, Inc.; Hudson Shops and Lofts 47 LLC and Hudson SLP LLC
 Dated: February 1, 2013
24. Joint Construction Management Agreement:
 Between: Lofts 47 Phase I Limited Partnership; The Community Builders, Inc. and Mahogany Chicago 47, LLC
 Dated: February 1, 2013

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EXHIBIT C

DESCRIPTION OF COLLATERAL

The "Collateral" is the following described property, whether such property is now owned or created, entered into, or acquired in the future, including any additions, substitutions, or replacements for any such property and any products or proceeds from any such property:

- (1) All fixtures located on, attached, or affixed to the Property.
- (2) All articles of personal property, including all furniture and furnishings affixed or attached to, placed upon, or used in any way in connection with the use, enjoyment, occupancy, or operation of the Property;
- (3) All funds (including funds in any reserve relating to the Property required under the Loan Agreement), accounts, instruments, accounts receivable, documents, general intangibles (including trademarks, service marks, trade names, and symbols used in connection with the Property) and notes or chattel paper arising from any transactions related to the Property (collectively, the "General Intangibles");
- (4) All rents, royalties, issues, profits, revenue, income, and other benefits of the Property or arising from the use or enjoyment of it or from any lease, sublease, license, concession, or occupancy agreement pertaining to it or arising from any of the General Intangibles, and all leases, subleases, licenses, concessions, and occupancy agreements for the Property, including cash or securities deposited to secure performance by the tenants, lessees, sublessees, or licensees, as applicable, of their obligations, whether the cash or securities are to be held until the expiration of the terms of the leases, subleases, licenses, concessions, or occupancy agreements or applied to one or more of the installments of rent coming due before the expiration of their terms;
- (5) All building materials, supplies, and equipment located on the Property and all right, title, and interest of Mortgagor in and to all architectural renderings, models, plans, specifications, studies, and data relating to the Improvements;
- (6) All contracts by Mortgagor relating to any part of the Property and all revenue, income, and other benefits from them, including service contracts, maintenance contracts, construction contracts, and management or operation contracts;
- (7) All monetary deposits from Mortgagor to any public or private utility for utility service for the Property and all right, title, and interest of Mortgagor in water taps, sewer taps, and other utility services relating to the Property;
- (8) All permits, licenses, franchises, certificates, and other rights and privileges obtained in connection with the Property and all warranties and guaranties relating to the Improvements or to any fixtures, equipment, furniture, furnishings, personal property, and any of their components or installed on the Property;


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(9) All records and books of account relating to the rental, operation, and rehabilitation or construction of the Property;

(10) All policies of insurance Mortgagor is required to maintain pursuant to the Loan Agreement or any of the other Loan Documents;

(11) All proceeds (including claims and demands for proceeds) from the voluntary or involuntary conversion of any Collateral into cash or liquidated claims, including insurance proceeds relating to the Property or any Collateral and condemnation awards; and

(12) All other or greater rights and interests of every nature in the Property or in its possession or use and income from it.

 **COOK COUNTY**
RECORDER OF DEEDS
SCANNED BY _____

Property of Cook County Clerk's Office