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Illinois Anti-Predatory Lending Database Program



1315501062

Doc#: 1315501062 Fee: \$86.00
RHSP Fee: \$10.00 Affidavit Fee:
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 06/04/2013 10:22 AM Pg: 1 of 25

Certificate of Exemption

Report Mortgage Fraud
800-532-8785

Property of Cook County Clerk's Office

The property identified as: PIN: 18-35-407-095

Address:

Street: 8020 W. 87TH STREET

Street line 2:

City: HICKORY HILLS

State: IL

ZIP Code: 60457

Lender: IFF

Borrower: PILLARS COMMUNITY SERVICES

Loan / Mortgage Amount: \$1,500,000.00

This property is located within the program area and is exempt from the requirements of 765 ILC S 77/70 et seq. because it is commercial property.

Box 400-CTCC

S	Y
P	25
S	N
SC	Y
INT	Y

Certificate number: DDDCB712-C15B-4B31-BDC0-E2DD4C8B0EC4

Execution date: 05/20/2013

lot 3
614
8933031
8/4/13

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This instrument was prepared by
and after recording return to:

Matthew W. Lee
Sidley Austin LLP
One South Dearborn St.
Chicago, IL 60603

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

THIS MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING, (the "Mortgage") is effective as of May 20, 2013, between **PILLARS COMMUNITY SERVICES**, an Illinois not for profit corporation, with an address at 333 N. LaGrange Road, LaGrange, Illinois 60526, herein referred to as "Mortgagor," and IFF, an Illinois not for profit corporation, with an address of One North LaSalle, Suite 700, Chicago, Illinois 60602, together with its successors and assigns, herein referred to as "Mortgagee."

WITNESSETH:

WHEREAS, Mortgagor is indebted to Mortgagee upon a Promissory Note dated as of May 20, 2013, in the principal sum of **ONE MILLION FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$1,500,000.00)**, payable to the order of and delivered to Mortgagee, a copy of which is attached hereto as Exhibit B (as the same may from time to time be amended, restated, modified, replaced, supplemented or extended, the "Note," all capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Note) by which Note Mortgagor promises to pay to the holders of the Note the principal sum and interest at the rate and in installments as provided in the Note, with a final payment of the balance due on June 1, 2028 (the "Maturity Date"). All of the principal and interest payments are to be made payable at such place as the holders of the Note may, from time to time, in writing appoint, and in absence of such appointment, then at the office of Mortgagee at One North LaSalle, Suite 700, Chicago, Illinois 60602 (or such other address which Mortgagee provides written notice of to Mortgagor in the future);

NOW, THEREFORE, to secure: (a) the payment of the principal sum and interest in accordance with the terms, provisions, and limitations of the Note; (b) the payment and performance of the covenants and agreements contained in this Mortgage, the Note and the other Loan Documents to be performed by Mortgagor; and (c) the payment and performance of the covenants and agreements to be performed by Mortgagor under any other promissory notes, instruments, or other documents (including, without limitation, other security instruments), encumbering or otherwise affecting the Premises (as hereinafter defined) or any other property of

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Mortgagor, which may hereafter be held by Mortgagee, and also in consideration of the sum of Ten Dollars (\$10.00) in hand paid, the receipt of which is hereby acknowledged, Mortgagor does by these presents MORTGAGE, ASSIGN, TRANSFER, SET OVER, CONVEY AND WARRANT unto Mortgagee, and Mortgagee's successors and assigns, all of Mortgagor's right, title and interest in and to the real estate described on the attached Exhibit A, situated in the City of Hickory Hills, County of Cook, in the State of Illinois (the "Real Estate");

TOGETHER WITH: all right, title and interest, if any, including any after-acquired right, title, and interest and including any right of use or occupancy, which Mortgagor may now have or hereafter acquire in and to: (a) all buildings, structures, improvements, tenements, easements, roads and alleys, development, air and water rights, fixtures, equipment, and appurtenances belonging to the Real Estate; (b) all current and future leases, subleases, licenses and occupancy agreements (collectively, "Leases"), and all rents, issues, deposits (including, without limitation, security deposits), income and profits of and from the Leases and the Real Estate (collectively, "Rents"), which Rents are pledged primarily and on a parity with the Real Estate and not secondarily; (c) all goods, furniture, apparatus, equipment, inventory, general intangibles and other personal property to the extent used in or on the Real Estate or in connection with the operation thereof; (d) all building materials, building supplies, work in process, contract rights related to the construction, rehabilitation, conversion or improvement of the Real Estate or any of the foregoing; (e) all insurance policies, insurance proceeds and condemnation awards related to the Real Estate; (f) all permits, approvals, licenses and authorizations related to the Real Estate; (g) all contract rights, agreements and general intangibles relating to the Real Estate or any of the foregoing; (h) all of Mortgagor's books and records relating to the foregoing; and (i) all additions to, replacements of, and all issues, products and proceeds of the property described in the foregoing clauses (a) through (h). All of the items listed are declared to be a part of the Real Estate whether physically attached to the Real Estate or not, and it is agreed that all similar apparatus, equipment, fixtures or other personal property from now on placed in or on the Real Estate by Mortgagor or its successors or assigns, and all replacements, additions, issues, products and proceeds thereto and thereof after the date of this Mortgage shall be considered as constituting part of the Real Estate. The property described in this paragraph, together with Mortgagor's interest in the Real Estate, are hereinafter collectively referred to as the "Premises."

TO HAVE AND TO HOLD the Premises unto Mortgagee, and Mortgagee's successors and assigns, forever, for the purposes and uses set forth in this Mortgage, free from all rights and benefits under and by virtue of the Homestead Exemption Laws of the State of Illinois, which rights and benefits Mortgagor does expressly release and waive.

MORTGAGOR FURTHER REPRESENTS, WARRANTS, COVENANTS, AND AGREES AS FOLLOWS:

1. Repair; Restoration, Compliance With Law; Inspection. Mortgagor shall: (a) promptly repair, restore, and rebuild any buildings or improvements (or portions thereof) now or hereafter on the Premises which may become damaged or be destroyed; (b) keep the Premises in good condition and repair, without waste, and free from mechanic's or other liens or claims for lien not expressly permitted in this Mortgage; (c) pay when due any indebtedness which may be secured by a lien or charge on the Premises, and upon request exhibit satisfactory evidence of the

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discharge of the prior lien to Mortgagee; (d) comply with all laws, codes, statutes, rules, ordinances, regulations or other requirements of governmental authorities (including, without limitation, the Americans With Disabilities Act) (collectively, "Laws") with respect to Mortgagor or the Premises or the use of the Premises; and (e) make no material alterations in the Premises except as required by Law or approved by Mortgagee. Mortgagee shall have the right, upon reasonable prior written notice to Mortgagor, to inspect the Premises together with all of Mortgagor's books and records at all reasonable times.

2. Real Estate Taxes. Mortgagor shall cause such action to be taken as may be required to cause the Premises to be exempt from taxation under the laws of the State of Illinois, such exemption to be effective no later than one (1) year from the date of this Mortgage. Mortgagor shall cause such action to be taken as may be required to maintain the tax exempt status of the Premises. Mortgagor shall provide a copy of the annual tax exemption affidavit or similar document filed with respect to the Premises with the County Assessor (or Supervisor of Assessments, as the case may be) within forty-five (45) days after the end of Mortgagor's fiscal year. If the Premises is not tax exempt, Mortgagor shall cause all general taxes to be paid before any penalty attaches, and shall cause all special taxes, special assessments, water charges, sewer service charges, and other charges against the Premises to be paid when due, and shall, upon written request, furnish to Mortgagee duplicate receipts for those payments. To prevent default under this Mortgage, Mortgagor shall cause to be paid in full under protest, in the manner provided by statute, any tax or assessment which is being contested.

3. Other Taxes. In the event of the enactment after this date of any Law deducting from the value of land for the purpose of taxation any lien on the Premises, or imposing upon Mortgagee the payment of the whole or any part of the taxes or assessments or charges or liens required to be paid by Mortgagor, or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or Mortgagee's interest in the property, or the manner of collection of taxes, so as to affect this Mortgage or the debt secured by this Mortgage or the holder of this Mortgage, then Mortgagor, upon demand by Mortgagee, shall pay the taxes or assessments, or reimburse Mortgagee for the taxes or assessments; provided, however, that if in the reasonable opinion of Mortgagee: (a) it might be unlawful to require Mortgagor to make the payment; or (b) the making of the payment might result in the imposition of interest beyond the maximum amount permitted by law, then Mortgagee may elect, by written notice given to Mortgagor, to declare all of the indebtedness secured by this Mortgage to be due and payable sixty (60) days from the date of notice. If, by the laws of the United States of America or of any state having jurisdiction on the Premises, any tax is due or becomes due in respect of the Note, Mortgagor shall pay such tax in the manner required by such law.

4. Protective Advances. Upon the occurrence of a Default, Mortgagee may, but need not: make any payment or perform any act required of Mortgagor in any form and manner deemed expedient, and, in addition thereto, may, but need not, make full or partial payments of principal or interest on prior or subordinate encumbrances, if any; purchase, discharge, compromise or settle any tax lien or other prior or subordinate lien, title, or claim on the Premises; redeem from any tax sale or forfeiture affecting the Premises; contest any tax or assessment; pay any insurance premium, or make any other payment or perform any other act or obligation necessary or expedient, in Mortgagee's reasonable discretion, to protect the Premises and Mortgagee's interest therein. All amounts paid for any of the purposes authorized above and

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all expenses paid or incurred in connection with the purposes authorized above, including attorney's fees and expenses, and any other moneys advanced by Mortgagee to cure Mortgagor's default or protect the Premises and Mortgagee's lien on the Premises, shall be additional indebtedness secured by this Mortgage and shall become immediately due and payable without notice and with interest charged at the lesser of the Default Rate or the highest rate permitted under any law which a court of competent jurisdiction shall, in a final determination, deem applicable hereto. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to Mortgagee on account of any default on the part of Mortgagor. Mortgagee making any payment authorized by this Mortgage relating to taxes or assessments, may do so according to any bill, statement, or estimate procured from the appropriate public office without inquiry into the accuracy of the bill, statement, or estimate or into the validity of the tax, assessment, sale, forfeiture, tax lien, title, or claim.

5. Provisions Regarding Assignment of Leases and Rents. Mortgagor intends that the assignment of Leases and Rents set forth herein shall constitute a present, absolute and unconditional assignment, and not an assignment for additional security only. Notwithstanding the foregoing, subject to the terms of this paragraph, Mortgagee grants to Mortgagor a revocable license to operate and manage the Premises and to collect the Rents so long as no Default exists. Upon a Default, the license granted to Mortgagor herein shall automatically be revoked, and Mortgagee shall immediately be entitled to receive and apply all Rents, whether or not Mortgagee enters upon and takes control of the Premises. The foregoing assignment to Mortgagee shall not be construed to bind Mortgagee to the performance of any of the covenants, conditions or provisions contained in any of the Leases.

6. Impounds. At Mortgagee's election after the occurrence and during the continuance of a Default, Mortgagor shall periodically deposit with Mortgagee such sums as Mortgagee may reasonably require for payment of taxes, insurance, and assessments on the Premises. If the amount held by Mortgagee or Mortgagee's agent on account of taxes, insurance and/or assessments exceeds the amount required for payment of those items, together with a reasonable reserve, said excess shall be refunded to Mortgagor in the normal course of Mortgagee's or Mortgagee's agent's business. No deposit shall bear any interest.

7. Modification of Obligations. If the payment of, or on account of the Obligations (as hereinafter defined) or any part thereof is modified, extended or varied or if any part of the security therefor is released, all persons now or at any time liable therefor, or interested in the Premises, shall be held to assent to such modification, extension, variation or release, and their liability and the lien and all provisions of this Mortgage shall continue in full force and effect, the right of recourse against all persons being expressly reserved by Mortgagee, notwithstanding such modification, extension, variation, or release.

8. Release. Mortgagee shall release this Mortgage and the lien of this Mortgage by proper instrument upon payment and discharge of all of the Obligations secured by this Mortgage.

9. Insurance and Casualty. (a) Mortgagor shall maintain or cause to be maintained during the term of the Loan:

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(i) Fire and extended coverage insurance (including, without limitation, windstorm, explosion, and such other risks usually insured against by owners of like properties) on the Premises in an amount equal to one hundred percent (100%) of the full replacement cost of the Premises;

(ii) Comprehensive public liability insurance against claims for personal injury, including, without limitation, bodily injury, death, or property damage occurring on, in, or about the Premises in an amount of not less than \$1,000,000.00 with respect to personal injury or death to one or more persons and \$500,000.00 with respect to damage to property, and with "umbrella" liability coverage of not less than \$1,000,000.00, or such greater amounts as may from time to time be required by Mortgagee;

(iii) If the Premises is located in a Zone A or Zone B flood hazard zone, flood plain insurance in an amount satisfactory to Mortgagee, but in no event less than one hundred percent (100%) of the full insurable value of the Premises and the personal property contained therein; and

(iv) For so long as any construction is being performed on the Premises: (A) "All Risk, Builders' Risk Completed Value Non-Reporting Form" insurance in an amount equal to 100% of the completed insurable value of the Premises, with extended coverage; (B) for the general contractor (and/or, if appropriate, subcontractors) workmen's compensation, employees' liability and comprehensive liability insurance (including contractual liability) with limits of \$1,000,000.00 with respect to personal injury or death for one or more persons; and (C) for the architect, professional liability insurance in form and amounts satisfactory to Mortgagee.

All insurance shall be written by companies and on forms with endorsements satisfactory to Mortgagee, all with suitable loss payable and standard noncontribution mortgagee clauses in favor of Mortgagee (or, in case of a foreclosure sale, in favor of the owner of the certificate of sale) attached, and originals or certified copies of certificates of insurance evidencing such policies shall be kept constantly deposited with Mortgagee. At such times as Mortgagee shall reasonably request, Mortgagor shall cause Mortgagor's insurer to provide an opinion letter to Mortgagee stating that Mortgagor's insurance policies are in compliance and fulfill all of the requirements of this section. All policies shall provide for, and the certificates of insurance delivered to Mortgagee shall reflect, the insurer's agreement to provide, among other things, written notice to Mortgagee of the expiration or any anticipated cancellation of any insurance policies at least thirty (30) days prior to such event occurring. Not less than thirty (30) days prior to the expiration of any policy, a certified copy of a certificate of insurance evidencing the renewal policy shall be deposited with Mortgagee.

(b) In case of loss or casualty to any portion of the Premises, Mortgagee is authorized to collect all insurance proceeds and apply them, at its option, to the reduction of the Obligations hereby secured, whether due or not then due, or, at Mortgagee's sole and absolute option, Mortgagee may allow Mortgagor to use such money, or any part thereof, in repairing the damage or restoring the Premises. If such proceeds are released for the purpose of restoring the Premises, then such disbursement shall be subject to the conditions and procedures as Mortgagee may in its sole discretion impose.

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(c) Mortgagor shall notify Mortgagee, in writing, of any casualty or loss to the Premises and Mortgagor hereby directs each insurance company to make payment for the loss directly and solely to Mortgagee; and Mortgagor agrees that any payment which is delivered, for any reason, to Mortgagor shall be held in trust for Mortgagee and promptly delivered in the form received (except for any necessary endorsements) to Mortgagee, except as otherwise noted in this Section 9.

(d) In addition to other remedies available under this Mortgage, if after 10 days from receiving Mortgagee's reasonable written request, Mortgagor fails to provide Mortgagee with evidence of the foregoing insurance coverage required to be carried by Mortgagor under this Mortgage, Mortgagee may purchase such insurance at Mortgagor's expense for the purpose of protecting Mortgagee's interest in the Premises. Any insurance purchased by Mortgagee may, but need not, protect the interest of Mortgagor in the Premises. The insurance coverage purchased by Mortgagee may or may not pay any claim that Mortgagor makes or any claim that is made against Mortgagor in connection with the Premises. Provided that Mortgagee has not commenced foreclosure proceedings, elected to accelerate the amounts due and owing under the Note, and Mortgagor is not otherwise in default under this Mortgage, Mortgagor may later cancel any insurance purchased by Mortgagee, but only after providing Mortgagee with evidence that Mortgagor has obtained insurance as required by this Mortgage. If Mortgagee purchases insurance for the Premises, Mortgagor shall be liable and shall reimburse Mortgagee for the costs of that insurance, including, but not limited to the interest, labor charges, and other charges that Mortgagee reasonably imposes in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of insurance purchased by Mortgagee may be added to the total outstanding balance or obligation secured by this Mortgage and evidenced by the Note. The costs of the insurance purchased by Mortgagee may exceed the cost of insurance Mortgagor would otherwise be able to obtain.

10. Condemnation. (a) If all or any part of the Premises shall be taken through condemnation, and the taking would, in the judgment of Mortgagee, render all or any part of the Premises not reasonably accessible or not in compliance with applicable Laws by reason of insufficient lot area, parking spaces, or otherwise, all Obligations shall, upon notice, become due and payable at once at the option of Mortgagee, whether or not a Default has occurred.

(b) In the event Mortgagee does not exercise its right to accelerate the Loan pursuant to the terms and provisions of section (a) above, Mortgagee shall be entitled to all awards (which term when used in this Mortgage shall include all compensation, awards, damages, claims, rights of action, proceeds, and other payments of relief) of, or on account of, any damage or taking through condemnation of the Premises, or any part of the Premises (to the extent of the amount outstanding under the Note), and is hereby authorized, at its option, to commence, appear in, and prosecute in its own or Mortgagor's name any action or proceeding relating to any condemnation and to settle or compromise any claim in connection with any action or proceeding. All awards and the right to those awards are included in the Premises, and Mortgagee, after deducting all its expenses, including attorneys' fees, at its option may apply such net proceeds in such manner as Mortgagee shall determine, to the reduction of the Obligations without regard to whether the Obligations are or are not then due. In the event any net proceeds remain thereafter, such net proceeds shall be paid to Mortgagor. Mortgagor agrees to execute further assignments of any awards as Mortgagee may require.

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11. No Transfer; Due on Sale. Mortgagor shall not, without Mortgagee's prior written consent (which consent shall not be unreasonably withheld), whether directly, indirectly, by operation of law or otherwise, transfer, sell, convey, alien, pledge, hypothecate, encumber, lease, sublease, or mortgage all or any portion of the Premises (or any beneficial interest in the land trust, if title to the Premises is held by a land trust) or any legal or equitable interest in the Premises (or the beneficiary of the land trust, if title to the Premises is held by a land trust) (any of the foregoing being a "Transfer"), regardless of form. Any violation of the foregoing provisions of this Section 11 shall immediately be deemed a "Default." Mortgagor shall not suffer or permit the Premises, or any portion of the Premises, to be used by any individual, entity, or the public, in any manner that might tend to impair Mortgagor's title to the Premises, or any portion of the Premises, or in such a manner that might make possible a claim or claims of easement by prescription or adverse possession by the public, or of implied dedication of the Premises or any portion of the Premises.

12. Indemnification. Mortgagor shall defend, indemnify, save, and hold harmless Mortgagee from and against, and promptly pay to, or reimburse Mortgagee for, actual out-of-pocket loss, cost, expense, and liability Mortgagee may suffer or incur (regardless of whether contingent, direct, consequential, liquidated, or unliquidated), including, but not limited to, all attorneys' fees and court costs, incurred by or asserted against Mortgagee resulting from, arising out of, relating to, or caused by any action or inaction of Mortgagor, or any condition existing on, under, or in the Premises, including, without limitation, the following: (a) the breach or inaccuracy of any representation, warranty, agreement, or covenant of Mortgagor set forth in the Note, this Mortgage, the other Loan Documents or any other document executed in connection with the Loan; (b) the release or threatened release (as such terms are used in CERCLA, 42 U.S.C. 9607 (a)(4)) of any waste, pollutant, hazardous or toxic substance or waste, special waste, petroleum, petroleum-based substance or waste, product or by-product, or any constituent of any such substance, waste or product (collectively, "Contaminant") in, under, above, on, at or from the Premises into the indoor or outdoor environment; (c) the off-site migration, at any time of any Contaminant located in or on the Premises; or (d) the presence of asbestos or asbestos-containing material, lead, petroleum, petroleum products or any other Contaminant in, under, above, on, at or from the Premises.

13. Additional Covenants. Mortgagor also covenants and agrees as follows:

(a) Mortgagor shall pay and perform each obligation of "Borrower" under the Note in accordance with the terms thereof;

(b) Mortgagor shall maintain and preserve the lien of this Mortgage until the principal and interest on the Note have been paid in full and all other obligations of Mortgagor set forth in the Note, this Mortgage and all other Loan Documents have been fully satisfied (collectively, the "Obligations");

(c) Mortgagor shall use the proceeds of the Loan for the purpose of renovation and refinancing of the Premises and for no other purpose;

(d) Mortgagor shall carry on any construction permitted by this Mortgage, in compliance with all applicable Laws;

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(e) Mortgagor shall promptly give written notice to Mortgagee of: (i) any action or event of which it has knowledge that may materially or adversely affect its ability to pay, or perform any of the Obligations and (ii) any notice of default or other material notice received or given in connection with any other mortgage, lease, or agreement encumbering the Premises; and

(f) Unless Mortgagor notifies the Mortgagee in writing, Mortgagee may use the Premises and/or the Mortgagor's name for publicity purposes.

14. Representations and Warranties. Mortgagor represents and warrants the following as of the date of this Mortgage and agrees that the following shall be true and correct at all times during the term of this Mortgage:

(a) Subject to the exceptions referenced on Lender's title insurance policy, Mortgagor is seized of an indefeasible estate in fee simple to the Premises and has good right, full power, and lawful authority to mortgage and pledge the same as provided in this Mortgage, and Mortgagor may at all times peaceably and quietly enter upon, hold, occupy, and enjoy the Premises in accordance with the terms of this Mortgage;

(b) There are no actions, suits, or proceedings pending, or, to the best of Mortgagor's knowledge, threatened, against or affecting Mortgagor or the Premises;

(c) Electric, sewer, water, telephone facilities and any other necessary utilities are or after completion of construction will be, and Mortgagor shall cause those facilities at all times to be, available in sufficient capacity to service the Premises satisfactorily, and any easements necessary to the furnishing of utility service to the Premises have been or will be obtained and duly recorded or registered;

(d) Mortgagor has obtained all necessary consents, approvals, licenses, and permits in connection with the Premises, and any construction contemplated to be performed on the Premises, and the granting of this Mortgage;

(e) The Premises complies in all respects with all applicable Laws; and

(f) Mortgagor is not in default under any other mortgage encumbering the Premises.

15. Title; Liens. The Mortgagor represents and warrants that, upon delivery of this Mortgage to Mortgagee, it shall own good and merchantable fee title to the Premises, subject to no monetary liens other than this Mortgage, taxes not yet due and payable and any other liens and encumbrances expressly approved by Mortgagee in writing or as set forth in Lender's title insurance policy. Mortgagor represents and warrants that no mechanics', laborers', materialmen's, statutory, or other lien or encumbrance, other than the liens set forth in the previous sentence, and utility easements, have been created upon or against the Premises, and Mortgagor agrees that it shall not permit or suffer any liens or encumbrances of any kind, other than as set forth in this section, to be filed against the Premises for so long as any Obligations are outstanding. Notwithstanding the foregoing, Mortgagor may, with Mortgagee's prior written consent, allow mechanics' or other such liens (including real estate tax liens existing due to the contest of the assessment) to exist upon the Premises for so long as Mortgagor: (i) is, in good

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faith and by appropriate proceeding, contesting the validity, applicability or amount of the lien, (ii) delivers to Mortgagee security adequate (in Mortgagee's sole discretion) to protect Mortgagee's lien position on the Premises; and (iii) promptly pays any amount adjudged by a court of competent jurisdiction to be due, no later than the date such adjudication becomes final.

16. Remedies Upon Default. (a) Upon the occurrence of a Default, at the option of Mortgagee and without notice to Mortgagor (except as may be required by applicable law), all Obligations secured by this Mortgage shall become due and payable immediately.

(b) When the Obligations become due, whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien of this Mortgage in accordance with applicable law. Without limitation of the foregoing, this Mortgage shall constitute a security agreement with respect to the personal property encumbered hereby and Mortgagee shall have all rights as a "Secured Party" under the Uniform Commercial Code. In any suit to foreclose the lien of this Mortgage, there shall be allowed and included as additional indebtedness in the decree for sale all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorneys' fees, appraiser's fees, taxes, assessments, and insurance premiums paid by Mortgagee, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all abstracts of title, title searches, title examinations, environmental reports, title insurance policies, and similar data and assurances with respect to title as Mortgagee may deem to be reasonably necessary either to prosecute the suit or to evidence to bidders at any sale which may be had pursuant to the decree the true condition of the title to or the value of the Premises. All such expenditures and expenses set forth in this section shall become additional indebtedness secured by this Mortgage and immediately due and payable, with interest charged at the Default Rate, when paid or incurred by Mortgagee in connection with (i) any proceeding, including probate and bankruptcy proceedings, to which Mortgagee shall be a party, either as plaintiff, claimant, or defendant, by reason of this Mortgage or any of the Obligations; (ii) preparations for the commencement of any suit for the foreclosure of this Mortgage after accrual of such right to foreclose whether or not actually commenced; or (iii) preparations for the defense of any actual or threatened suit or proceeding which might affect the Premises or the security of this Mortgage.

(c) The proceeds of any foreclosure sale of the Premises shall be distributed and applied in the following order of priority: first, all costs and expenses related to the foreclosure proceedings, including all such items mentioned in the preceding subsection; second, all Obligations other than principal and interest; third, all principal and interest unpaid on the Note; fourth, any remainder to Mortgagor.

(d) Upon, or any time after, the filing of a complaint to foreclose this Mortgage the court in which the complaint is filed may appoint a receiver of the Premises. Such appointment may be made either before or after the sale, without notice, without regard to the solvency or insolvency of Mortgagor at the time of application for the receiver and without regard to the then value of the Premises or whether the Premises shall be occupied as a homestead or not, and Mortgagee may be appointed as the receiver. Such receiver shall have power to collect the rents, issues, and profits of the Premises during the pendency of the foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, whether there be redemption or not, as well as during any further times when

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Mortgagor, except for the intervention of the receiver, would be entitled to collect the Rents, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management, and operation of the Premises during the whole of the period. The court from time to time may authorize the receiver to apply the net income in payment in whole or in part of: (i) the indebtedness secured by this Mortgage, or by any decree foreclosing this Mortgage, or any tax, special assessment, or other lien which may be or become superior to the lien of this Mortgage or of such decree, provided such application is made prior to foreclosure sale; and (ii) the deficiency in case of a sale and deficiency.

(e) No action for the enforcement of the lien or of any provision of this Mortgage shall be subject to any defense which would not be good and available to the party interposing the same in an action at law upon the Note secured by this Mortgage.

(f) Upon any foreclosure sale, Mortgagee may bid for and purchase all or any portion of the Premises and, upon compliance with the terms of the sale and applicable law, may hold, retain, and possess and dispose of such property in its own absolute right without further accountability. Upon any foreclosure sale, the Mortgagee may apply any or all of the Obligations toward the purchase price.

(g) Mortgagor agrees, to the full extent permitted by law, that in case of a Default, neither Mortgagor nor anyone claiming through or under it shall set up, claim, or seek to take advantage of any appraisement, valuation, stay, or extension laws or any so-called "Moratorium Laws," now or hereafter in force, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, or the absolute sale of the Premises, or the final and absolute putting into possession of the Premises, immediately after such sale, of the purchaser thereat, and Mortgagor, for itself and all who may at any time claim through or under them, hereby waives, to the full extent that it may lawfully so do, the benefit of all such laws, and any and all right to have the assets comprising the Premises marshaled upon any foreclosure of the lien of this Mortgage and agrees that Mortgagee, or any court having jurisdiction to foreclose the lien, may sell the Premises in part or as an entirety. To the full extent permitted by law, Mortgagor waives any and all rights of reinstatement, and any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage, on their own behalf, and on behalf of each and every person, acquiring any interest in or title to the Premises subsequent to the date of this Mortgage. Mortgagor agrees, to the extent permitted by law, that no recovery of any judgment by Mortgagee, and no attachment or levy of execution upon any of the Premises or any other property of Mortgagor, shall in any way affect the lien of this Mortgage upon the Premises or any part of the Premises, or any lien, rights, powers, or remedies of Mortgagee under this Mortgage, but the lien, rights, powers, and remedies shall continue unimpaired as before, until the Obligations are paid in full.

(h) Nothing herein contained shall be construed as constituting Mortgagee a "mortgagee in possession" in the absence of the taking of actual possession of the Premises by Mortgagee.

17. No Waiver. No delay or omission of Mortgagee to exercise any right, power, or remedy accruing upon and during the continuance of any Default shall exhaust or impair any right, power, or remedy, or be construed to waive any Default or to constitute

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acquiescence therein. Every right, power, and remedy given to Mortgagee may be exercised from time to time and as often as deemed expedient by Mortgagee. No waiver of any Default under this Mortgage shall extend to or affect any subsequent Default or any other Default then existing, or impair any rights, powers, or remedies consequent. If Mortgagee (without limitation): (a) grants forbearance or an extension of time for the payment of any sums secured by this Mortgage; (b) takes other or additional security for the payment of sums secured by this Mortgage; (c) waives or does not exercise any right granted in the Note or this Mortgage; (d) releases any part of the Premises from the lien of this Mortgage; (e) consents to the filing of any map, plat, or replat of the land; (f) consents to the granting of any easement on the land; or (g) makes or consents to any agreement changing the terms of this Mortgage or subordinating the lien or any charge of this Mortgage, no such act or omission shall otherwise release, discharge, modify, change, or affect the Obligations. No such act or omission shall preclude Mortgagee from exercising any right, power, or privilege granted in this Mortgage or intended to be granted in case of any Default then existing or of any subsequent Default, nor shall the lien of this Mortgage be altered, except to the extent of any releases as described in subparagraph (d), above, of this Section.

18. Remedies Not Exclusive. No right, power, or remedy conferred upon or reserved to Mortgagee by the Note or this Mortgage is exclusive of any other right, power, or remedy, but each and every such right, power, and remedy shall be cumulative and concurrent and shall be in addition to every other right, power, and remedy given under this Mortgage, the Note, or any document in connection with this Mortgage now or hereafter existing, or at law or in equity.

19. Default Rate. If a Default shall have occurred that remains uncured, principal and interest under the Note and all other outstanding and unpaid Obligations shall bear interest at the Default Rate.

20. Severability. In the event that any of the covenants, agreements, terms, or provisions contained in the Note or this Mortgage shall be invalid, illegal, or unenforceable in any respect, the validity of the remaining covenants, agreements, terms, or provisions contained in this Mortgage or in the Note shall be in no way affected, prejudiced, or disturbed.

21. Modifications to this Mortgage. Neither this Mortgage nor any term of this Mortgage may be changed, waived, discharged, or terminated orally, or by any action or inaction, but only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge, or termination is sought. Any agreement hereafter made by Mortgagor and Mortgagee relating to this Mortgage shall be superior to the rights of the holder of any intervening, junior, or subordinate lien or encumbrance.

22. Governing Law. This Mortgage shall be construed, interpreted, enforced, and governed by and in accordance with the internal laws (as opposed to the conflict of laws principles) of the State of Illinois.

23. Further Assurances. At any time and from time to time, upon the Mortgagee's request, Mortgagor shall make, execute, and deliver, or cause to be made, executed, and delivered, to Mortgagee, and where appropriate shall cause to be recorded, registered, or

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filed, and from time to time thereafter to be re-recorded, re-registered, and re-filed at such time and such offices and places as shall be deemed desirable by Mortgagee, any and all further mortgages, instruments of further assurance, certificates, and other documents as the Mortgagee may consider necessary or desirable in order to effectuate, complete, or perfect, or to continue and preserve the obligations of Mortgagor under the Note and this Mortgage, and the lien of this Mortgage as lien and security interest upon all of the Premises, whether now owned or hereafter acquired by Mortgagor, and unto all and every person or persons deriving any estate, right, title, or interest under this Mortgage. Upon any failure by Mortgagor to do so, within 10 days of receiving written request by Mortgagee to do so, Mortgagee may make, execute, record, register, file, re-record, re-register, or re-file any and all such mortgages, instruments, certificates, and documents for and in the name of Mortgagor, and Mortgagor hereby irrevocably appoints Mortgagee the agent and attorney-in-fact of Mortgagor (which agency is coupled with an interest) to do so. The lien and security interest of the document(s) shall automatically attach, without further act, to all after-acquired property attached to and/or used in the operation of the Premises or any part of the Premises. Without limitation of the foregoing, Mortgagee shall have the right to file and continue UCC financing statements from time to time to perfect its security interest in any personal property granted herein.

24. Time is of the Essence. It is specifically agreed that time is of the essence of each and every provision of the Note and this Mortgage.

25. Notices. All notices, requests, and demands to be made under this Mortgage shall be in writing and given in accordance with the terms of the Note.

26. Intentionally Omitted.

27. Maximum Principal Indebtedness. This Mortgage secures a maximum principal indebtedness of \$4,500,000.00.

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28. Successor and Assigns; Joint and Several Liability. This Mortgage and all its provisions, shall extend to and be binding upon Mortgagor and its successors and assigns, all persons claiming under or through Mortgagor, and the word "Mortgagor" when used in this Mortgage shall include a trustee in bankruptcy and all such persons and all persons otherwise liable for the payment of the Obligations or any part of the Obligations, whether or not such persons have executed the Note or this Mortgage. Nothing contained in this Section shall be deemed to permit any Transfer. The word "Mortgagee" when used in this Mortgage shall include the successors and assigns of Mortgagee named in this Mortgage and the holder or holders, from time to time, of the Note secured by this Mortgage. If more than one person or entity has executed this Mortgage as "Mortgagor," then the obligations of all of such persons and entities shall be joint and several.

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WITNESS the hand and seal of Mortgagor the day and year first above written.

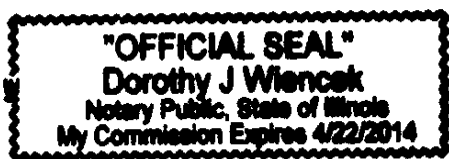
PILLARS COMMUNITY SERVICES,
an Illinois not for profit corporation

By: Ann C. Schreiner
Name: Ann C. Schreiner, LCSW
Its: President and Chief Executive Officer

STATE OF ILLINOIS)
)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY that Ann C. Schreiner personally known to me to be the President/CEO of Pillars Community Services an Illinois not for profit corporation, appeared before me this day in person and acknowledged that, as such President/CEO, he/she signed and delivered such instrument as his/her free and voluntary act, and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

Given under my hand and official seal, this 16th day of May, 2013



Dorothy J. Wiencek
Notary Public

My Commission Expires: 4/22/2014

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EXHIBIT A

Legal Description

THAT PART OF LOT 9 IN BLOCK 7 (EXCEPT THAT PORTION OF LOT 9 LYING NORTHEASTERLY OF A LINE EXTENDED FROM A POINT ON THE NORTH LINE OF LOT 9 AFORESAID 314.83 FEET EAST OF THE NORTHWEST CORNER THEREOF TO THE SOUTH LINE OF LOT 9 AFORESAID, 24.45 FEET WEST OF THE SOUTHEAST CORNER THEREOF) AND (EXCEPT THE NORTH 30 FEET OF THE WEST 60 FEET OF LOT 9 THEREOF CONVEYED TO THE CITY OF HICKORY HILLS) IN FREDERICK H. BARTLETT'S GOLFVIEW, BEING A SUBDIVISION OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 35, TOWNSHIP 38 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN LYING NORTH OF A LINE 17 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF LOT 9 AFORESAID, IN COOK COUNTY, ILLINOIS.

Common Address: 8020 W. 87th Street, Hickory Hills, Illinois

PIN: 18-35-407-095

18-35-407-096

~~18-35-407-010~~

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EXHIBIT B

Note

(see attached)

COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____

COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____

Property of Cook County Clerk's Office

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PROMISSORY NOTE

\$1,500,000.00

**(FEE MORTGAGE)
May 20, 2013**

FOR VALUE RECEIVED, PILLARS COMMUNITY SERVICES, an Illinois not-for-profit corporation, with an address at 333 N. LaGrange Road, LaGrange Park, Illinois 60526 ("Borrower"), hereby promises to pay to the order of IFF, an Illinois not-for-profit corporation (together with its successors and assigns, "Lender"), at its offices at One North LaSalle Street, Suite 700, Chicago, Illinois 60602, or at such other place as the holder of this Promissory Note may designate, in lawful money of the United States and in immediately available funds, the principal sum of ONE MILLION FIVE HUNDRED THOUSAND AND NO/DOLLARS (\$1,500,000.00) (the "Principal Sum") together with interest on the Principal Sum at the rates set forth below (the Principal Sum, together with interest payable thereon in accordance herewith, is hereafter referred to as the "Loan").

1. From and after the date hereof (the "Closing Date"), and until and including May 31, 2018, the outstanding Principal Sum of the Loan shall bear interest at the rate of 5.25% per annum (the "Initial Interest Rate"). From and after June 1, 2018 (the "First Recalculation Date"), and until and including May 31, 2023, the outstanding Principal Sum of the Loan shall bear interest at the First Recalculated Rate (as hereinafter defined). From and after June 1, 2023 (the "Second Recalculation Date"), and until and including June 1, 2028 (the "Maturity Date"), the outstanding Principal Sum of the Loan shall bear interest at the Second Recalculated Rate (as hereinafter defined).

2. The "First Recalculated Rate" shall be a fixed interest rate, determined by Lender on the first day of the full month prior to the fifth anniversary of the First Principal and Interest Payment Date (the "First Recalculation Date"), equal to the greater of (i) the sum of (x) the yield to maturity (based on asked quotations) of United States Treasury obligations with a maturity equal to the Maturity Date plus (y) two hundred basis points (2.00%); and (ii) 5.00%. If there are no United States Treasury obligations with a maturity equal to the Maturity Date, the yield to maturity shall be interpolated on a straight-line basis between the United States Treasury obligations having the nearest maturities shorter and longer than such average life.

3. The "Second Recalculated Rate" shall be a fixed interest rate, determined by Lender on the first day of the full month prior to the tenth anniversary of the First Principal and Interest Payment Date (the "Second Recalculation Date"), equal to the greater of (i) the sum of (x) the yield to maturity (based on asked quotations) of United States Treasury obligations with a maturity equal to the Maturity Date plus (y) two hundred basis points (2.00%); and (ii) 4.75%. If there are no United States Treasury obligations with a maturity equal to the Maturity Date, the yield to maturity shall be interpolated on a straight-line basis between the United States Treasury obligations having the nearest maturities shorter and longer than such average life.

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4. On the Closing Date, Borrower shall pay to Lender, in advance, all interest on the Loan accruing from and after the Closing Date until and including May 31, 2013. Beginning on July 1, 2013, (the "First Principal and Interest Payment Date") and continuing until the First Recalculation Date, Borrower shall pay Lender principal and interest on the Loan in equal monthly installments of **TWELVE THOUSAND FIFTY-EIGHT AND 17/100 DOLLARS (\$12,058.17)**, payable in arrears, which amount was determined by amortizing the Principal Sum, at the Initial Interest Rate, over a period of **one hundred eighty (180) months**. The foregoing amount shall be reduced, as applicable, if the actual principal amount of the Loan disbursed is less than the amount set forth at the beginning of this Promissory Note. Upon modification of the interest rate to either the First Recalculated Rate or the Second Recalculated Rate, as the case may be, Lender shall deliver an amortization schedule to Borrower indicating the appropriate principal and interest payments through the remainder of the term of the Loan.

5. The outstanding Principal Sum of the Loan, plus all interest accrued thereon (together with all other amounts owed by Borrower to Lender), shall be repaid to Lender as of the Maturity Date. Payments received by Lender shall be applied to amounts owed Lender in the priority determined by Lender in its sole discretion. Interest shall accrue on the Principal Sum beginning on the date of the disbursement of the Loan and shall be computed on the basis of a 360 day year for actual days elapsed. If any payment under this Promissory Note becomes due on a Saturday, Sunday, or legal holiday under the laws of the State of Illinois, then the due date shall be extended to the next succeeding business day and interest shall be payable at the applicable rate specified above.

6. This Loan may be repaid in whole or in part, at any time, without penalty.

7. Borrower hereby represents, warrants and agrees as of the date hereof:

a. Borrower is a not-for-profit corporation organized and in good standing in the State of Illinois;

b. In connection with Borrower's execution and delivery of this Promissory Note, Borrower has executed and delivered that certain Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing from Borrower, dated of even date herewith, covering certain property located in Berwyn, Illinois (the "Berwyn Mortgage") and that certain Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing from Borrower, dated of even date herewith, covering certain property located in Hickory Hills, Illinois (the "Hickory Hill Mortgage"; together with the Berwyn Mortgage, individually and collectively, as each may be amended, restated or otherwise modified from time to time, the "Mortgage"). For the purposes of this Promissory Note, the "Premises" means, individually and collectively, the Premises as defined in the Berwyn Mortgage and the Premises as defined in the Hickory Hills Mortgage. The Mortgage and Promissory Note, together with any other instruments or documents executed by Borrower in connection with the Loan, are hereinafter collectively referred to as the "Loan Documents" and the performance of Borrower's obligations under this Promissory Note and the Loan Documents: (i) are within Borrower's corporate powers; (ii) have been duly authorized by all necessary and proper corporate action; and (iii) shall not conflict with, contravene, or violate any currently existing statute, rule or law, or governmental restriction, the terms of Borrower's Articles of Incorporation or By-laws, or the

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terms, conditions, or provisions of any agreement to which Borrower is a party or by which Borrower or the Premises may be bound or affected;

c. This Promissory Note and the Loan Documents constitute legal, valid, and binding obligations of Borrower and are enforceable in accordance with their terms, except as such enforceability may be limited by bankruptcy law or general principles of equity (whether considered in a suit at law or in equity);

d. Borrower is now able to meet its debts as such debts mature, and no bankruptcy or insolvency proceedings are pending or contemplated by or against the Borrower; and

e. All reports, statements and other data furnished to Lender in connection with the Loan are true, correct, and complete in all respects and do not omit to state any fact or circumstance necessary to make the statements contained therein not misleading;

f. Borrower has delivered to Lender audited financial statements and current internal financial statements (including a Statement of Financial Position indicating assets and liabilities and a Statement of Activities compared to budget) together with all other information necessary to fairly reflect the financial condition of Borrower for the period covered by such information; and

g. Borrower has no claims, rights of set off or defense against Lender under this Note, the Mortgage, the Loan Documents or otherwise in respect of the Loan, and Lender is not in default thereunder.

8. Borrower shall furnish to Lender the following items as and when set forth below:

a. Audited annual financial statements to be delivered within one hundred eighty (180) days after the end of Borrower's fiscal year (the "Fiscal Year End"). In the event Borrower fails to provide Lender with the foregoing audited financial statements within such period, then, in addition to all other rights and remedies of Lender hereunder, Lender shall have the right (but shall not have the obligation) after 15 day written notice to Borrower to cause such audited financial statements to be prepared, by an accountant or firm acceptable to Lender in Lender's sole and reasonable discretion. Borrower shall cooperate with such accountant or firm in the preparation of such statements, and, promptly following demand therefore, Borrower shall pay the actual cost incurred by Lender in connection therewith;

b. Certified copies of Borrower's property and liability insurance policies and evidence of renewal of insurance coverage which indicates that Borrower's insurance coverage is in compliance with the insurance requirements stipulated in the Loan Documents and which names Lender as mortgagee, lender's loss payee, and additional insured, as appropriate, to be delivered within the time periods stipulated in the Loan Documents;

c. A copy of the Annual Affidavit-Certification for Exempt Real Property or similar document filed with the County Assessor (or Supervisor of Assessments) or a copy of the

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receipt from the most recent property tax payment, to be delivered within forty-five (45) days after Fiscal Year End;

d. Prompt written notice of any material changes in Borrower, particularly with respect to key management, existing or new programs, and the goals and missions of Borrower;

e. Prompt written notice of any action or event of which Borrower has knowledge that may materially or adversely affect Borrower's ability to make payments under, or perform the obligations set forth in the Loan Documents;

f. Receipt of new Strategic Plan, when completed and Board approved; and

g. From time to time, any other information that Lender or Lender's counsel reasonably requests throughout the term of the Loan at such time as Lender or Lender's counsel reasonably requires.

9. Borrower agrees to defend and hold Lender, and its officers, directors, trustees, members of the board, employees, contractors and agents and the successors and assigns of the foregoing (collectively, the "IFF Parties") harmless and to indemnify each of them from and against all Claims (as hereinafter defined) of whatever nature incurred by any of the IFF Parties arising from, related to or in connection with: (a) any action or inaction of Borrower; (b) the accuracy of any representation set forth in the Loan Documents; (c) the breach of any agreement or covenant set forth herein or in the Loan Documents; (d) the Premises; or (e) the Loan. For purposes hereof, "Claims" means any and all claims, causes of action, rights of subrogation, suits, losses, damages, costs, expenses, fees (including, without limitation, attorneys' fees, expenses and court costs) and liabilities of every kind whatsoever, whether past or present, contingent or otherwise, matured or unmatured, known, unknown, suspected or unsuspected, punitive, direct, or indirect, actual or consequential, arising at law, in equity or otherwise. This indemnity and hold harmless agreement shall include indemnity from and against any and all liability, reasonable actual out-of-pocket fines, suits, demands, reasonable actual out-of-pocket costs and expenses of any kind or nature (including, without limitation, reasonable actual out-of-pocket attorneys' fees, expenses and court costs) incurred in or in connection with any such Claims, or proceedings brought thereon, and the defense thereof. Notwithstanding the foregoing provisions of this paragraph, Borrower shall not be required to indemnify any of the IFF Parties to the extent the Claim is a result of the gross negligence or willful misconduct of any of such IFF Parties (as determined by a court of competent and final jurisdiction).

10. It is specifically agreed that time is of the essence of each and every provision of this Promissory Note and of the Mortgage.

11. The following shall constitute a default (a "Default") under this Promissory Note:

a. If Borrower fails to make any of the payments under this Promissory Note or the Mortgage within five (5) days of when due;

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b. If Borrower fails to perform any of the nonmonetary obligations under this Promissory Note, the Mortgage, or the Loan Documents and such default is not cured within thirty (30) days after such failure; provided, however, that if such default is not able to be cured within such thirty (30) day period, then no Default shall have occurred under this Promissory Note if Borrower diligently prosecutes such cure and successfully cures the default within an additional sixty (60) days;

c. If a proceeding under any federal or state bankruptcy, reorganization, rehabilitation, receivership, insolvency, moratorium, or other law for the relief of debtors is filed by or against Borrower, and if such proceeding was filed against Borrower and was involuntary, such proceeding is not discharged, stayed or dismissed within sixty (60) days after the date Borrower is notified in writing of such proceeding;

d. If Borrower makes an assignment for the benefit of creditors;

e. If Borrower loses its tax exempt status under Section 501(c)(3) or 501(c)(2) of the U.S. Internal Revenue Code;

f. If any statement or representation made by Borrower to Lender in connection with this Promissory Note, the Mortgage, the Loan Documents or any related transactions is or was false or misleading in any material way;

g. If any material adverse change occurs in the financial condition, operation, or management of Borrower, or an event occurs which has a material adverse effect on the Premises;

h. If Borrower fails to keep, perform, or observe any other agreement, covenant or condition on the part of Borrower contained in any other mortgage encumbering the Premises, or in any other loan document or security instrument evidencing or securing the indebtedness of Borrower to Lender under this Loan or any other loan with Lender, which default is not cured within the time period set forth in this Promissory Note or therein;

i. If foreclosure proceedings have been instituted against the Premises under any lien prior to the Mortgage;

j. If the Premises is no longer used for the purposes of community/social services.

12. Upon the occurrence and during the continuance of a Default under this Promissory Note, the Loan, at the option of Lender and without presentment, demand, notice, protest, or legal process of any kind, may be declared, and shall then immediately become, due and payable. Following the occurrence and during the continuance of a Default, Borrower promises to pay Lender interest on the unpaid Principal Sum (together with all other amounts owed to Lender) at the rate of 18% per annum (the "Default Rate"). Borrower agrees to pay Lender, on demand, all costs and expenses arising from the enforcement of this Promissory Note, the collection of the amounts due under this Promissory Note and the enforcement or foreclosure of the Mortgage, together with expenses, costs, and charges related thereto, including, without

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limitation, all attorneys' fees, expenses and court costs, together with the fees of paralegals and other staff employed by such attorneys.

13. Demand, presentment, protest, and notice of nonpayment and protest are hereby waived by Borrower.

14. Borrower also agrees, for so long as any amounts may be outstanding under this Promissory Note, not to incur any additional indebtedness or guarantee any additional indebtedness of any other person or entity without Lender's prior written consent, which consent may be withheld in Lender's sole and absolute discretion. Notwithstanding the above, Borrower may incur unsecured indebtedness in the ordinary course of Borrower's business in the aggregate amount of \$50,000.00 or less upon prior written notice to Lender without having to obtain Lender's prior written consent.

15. Unless Lender otherwise consents, which consent may be withheld in Lender's sole discretion, Borrower shall not permit to occur, whether directly, indirectly, by operation of law or otherwise, any transfer, sale, assignment, conveyance, alienation, pledge, hypothecation, encumbrance, or mortgage of all or any portion of any legal or equitable interest in Borrower.

16. All notices, requests, and demands to be made under this Promissory Note or under the Mortgage shall be in writing and shall be deemed to have been given to either Borrower or Lender when personally delivered, the day after deposit with a nationally recognized courier service (such as Federal Express), or three (3) days after being sent by registered or certified mail, return receipt requested, to the following addresses:

If to Lender: IFF
 One North LaSalle Street, Suite 700
 Chicago, Illinois 60602
 Attention: Louise E. Tuck

with a copy to: Sidley Austin LLP
 One South Dearborn Street
 Chicago, Illinois 60603
 Attention: John Rafkin

If to Borrower: Pillars Community Services
 333 N. LaGrange Road
 LaGrange Park, Illinois 60526
 Attention: Ann C. Schreiner

with copies to : Winston & Strawn LLP
 35 West Wacker Drive
 Chicago, IL 60601-9703

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Attention: James C. Lukas

17. Whenever in this Promissory Note reference is made to Lender or Borrower, that reference shall be deemed to include, as applicable, a reference to the respective successors and assigns of the party. The provisions of this Promissory Note shall be binding upon and shall inure to the benefit of said successors and assigns.

18. This Promissory Note shall be governed by the internal laws (as opposed to conflict of laws principles) of the State of Illinois.

19. Lender's failure at any time or from time to time to require strict performance by Borrower of any provisions of this Promissory Note, the Mortgage or any of the other Loan Documents shall not waive, affect, or diminish any right of Lender to demand strict compliance and performance therewith. Any suspension or waiver by Lender of a Default by Borrower shall not suspend, waive, or affect any other Default by Borrower, whether the same is prior or subsequent thereto and whether of the same or a different kind or character. None of the undertakings, agreements, warranties, covenants, or representations of Borrower under this Promissory Note or the Loan Documents shall be deemed to have been suspended or waived by Lender unless such suspension or waiver is in writing, signed by an officer of Lender and directed to Borrower specifying the suspension or waiver.

20. Whenever possible, each provision of this Promissory Note shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Promissory Note shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Promissory Note. In no event shall interest charged under this Promissory Note, the Mortgage or under any of the other Loan Documents (including, without limitation, the Default Rate) however such interest may be characterized or computed, exceed the highest rate permitted under any law which a court of competent jurisdiction shall, in a final determination, deem applicable hereto. In the event that a court determines that Lender has received interest under this Promissory Note in excess of the highest applicable rate hereto, then, in such case, Lender may either deem such excess to be a prepayment of the Principal Sum (to the extent permitted by law) or at Lender's election, Lender may promptly refund such excess interest to Borrower.

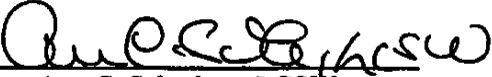
21. This Promissory Note is secured by the Mortgage.

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THIS PROMISSORY NOTE was executed by the undersigned who represents that she/he has all necessary authority to execute this Promissory Note on behalf of Borrower.

PILLARS COMMUNITY SERVICES,
an Illinois not-for-profit corporation

By: 

Name: Ann C. Schreiner, LCSW

Its: President and Chief Executive Officer

Property of Cook County Clerk's Office