

Illinois Anti-Predatory
Lending Database
Program

Certificate of Exemption

Report Mortgage Fraud
800-532-8785

The property identified as: PIN: 17-22-107-076-1102

Address:

Street: 1400 S. MICHIGAN AVENUE

Street line 2:

City: CHICGO

State: IL

ZIP Code: 60601

Lender: COMMERCE STATE BANK

Borrower: JACKSON VILLAGE SQUARE, INC.

Loan / Mortgage Amount: \$187,480.96

This property is located within the program area and is exempt from the requirements of 765 ILCS 77/70 et seq. because it is not owner-occupied.

Certificate number: 8675A045-6C31-41A3-9680-E3641DB81647

Execution date: 08/28/2013

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THIS INSTRUMENT WAS
PREPARED BY and AFTER
RECORDING RETURN TO:

Commerce State Bank
1700 S Silverbrook Drive
West Bend, WI 53095

W. B. A.	420 IL (8/11)	Financial Links® 41142
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17-22-107-076-1102

Parcel Identification No.

DOCUMENT NO. REAL ESTATE MORTGAGE (For Consumer or Business Mortgage Transactions)

Jackson Village Square, Inc.

("Mortgagor,"

whether one or more), whose address is 333 N. Peters Avenue, Fond Du Lac, WI 54935

mortgages, conveys, assigns, grants a security interest in and warrants to
Commerce State Bank, 1700 S Silverbrook Drive, West Bend, WI 53095

("Lender")

in consideration of the sum of One Hundred Eighty Seven Thousand Four Hundred Eighty and 96/100

Dollars (\$187,480.96), loaned or to be loaned to Jackson Village Square, Inc.

("Borrower," whether one or more) by Lender,

evidenced by Borrower's note(s) or agreement(s) dated August 28, 2013, the real estate described below, together with all privileges, hereditaments, easements and appurtenances, all rents, leases, issues and profits, all claims, awards and payments made as a result of the exercise of the right of eminent domain, all existing and future improvements and all goods that are or are to become fixtures (all called the "Property") to secure the Obligations described in paragraph 4 of this Mortgage, including, but not limited to, repayment of the sum stated above plus certain future advances made by Lender. Mortgagor hereby releases and waives all rights under and by virtue of the homestead exemption laws of this state. The current interest rate on Borrower's note(s) or agreement(s) is Four and 00/100 percent (4.00%) and may vary based upon changes in an index rate. The maturity date of the Borrower's note(s) or agreement(s) is September 1, 2018, which may be extended, modified or renewed from time to time and the Mortgage will secure the Obligations as extended, modified or renewed. The total principal secured by this Mortgage shall at no time exceed ONE (1) times the amount of the indebtedness stated in Borrower's note(s) or agreement(s) described above.

1. Description of Property. (This Property is not the homestead of Mortgagor.)

UNIT 1409 TOGETHER WITH ITS UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS IN MICHIGAN AVENUE TOWER II CONDOMINIUM AS DELINEATED AND DEFINED IN THE DECLARATION RECORDED AS DOCUMENT 0823418029, AS AMENDED FROM TIME TO TIME, IN THE NORTHWEST FRACTIONAL QUARTER OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

1400 S. Michigan Avenue, Chicago, IL

05015847-00500082813832

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If checked here, this Mortgage secures a revolving line of credit and shall secure not only the amount which Lender has presently advanced to Borrower under the Borrower's note(s) or agreement(s), but also any future amounts which Lender may advance to Borrower under Borrower's note(s) or agreement(s) within twenty (20) years from the date of this Mortgage to the same extent as if such future advance were made as of the date of execution of this Mortgage

If checked here, description continues or appears on attached sheet(s).

If checked here, this Mortgage is a "construction mortgage" under 810 ILCS 5/9-334(h).

If checked here, Condominium Rider is attached.

2. **Title.** Mortgagor warrants title to the Property, excepting only restrictions and easements of record, municipal and zoning ordinances, current taxes and assessments not yet due and

3. **Escrow.** Interest be paid on escrowed funds if an escrow is required under paragraph 8(a) of this Mortgage.

4. **Mortgage as Security.** This Mortgage secures prompt payment to Lender of (a) the sum stated in the first paragraph of this Mortgage, plus interest and charges, according to the terms of the promissory note(s) or agreement(s) of Borrower to Lender identified in the first paragraph of this Mortgage, and any extensions, renewals or modifications of such promissory note(s) or agreement(s), plus (b) to the extent not prohibited by applicable law (i) any additional sums which are in the future loaned by Lender to any Mortgagor, to any Mortgagor and another or to another guaranteed or endorsed by any Mortgagor primarily for personal, family or household purposes and agreed in documents evidencing the transaction to be secured by this Mortgage, and (ii) all other additional sums which are in the future loaned by Lender to any Mortgagor, to any Mortgagor and another or to another guaranteed or endorsed by any Mortgagor, plus (c) all interest and charges, and plus (d) to the extent not prohibited by law, all costs and expenses of collection or enforcement (all called the "Obligations"). This Mortgage also secures the performance of all covenants, conditions, and agreements contained in this Mortgage. Unless otherwise required by law, Lender will satisfy this Mortgage upon request by Mortgagor if (a) the Obligations have been paid according to their terms, (b) any commitment to make future advances secured by this Mortgage has terminated, (c) Lender has terminated any line of credit under which advances are to be secured by this Mortgage, and (d) all other payments required under this Mortgage and the Obligations and all other terms, conditions, covenants, and agreements contained in this Mortgage and the documents evidencing the Obligations have been paid and performed.

5. **Taxes.** To the extent not paid to Lender under paragraph 8(a), Mortgagor shall pay before they become delinquent all taxes, assessments and other charges which may be levied or assessed against the Property, against Lender upon this Mortgage or the Obligations or other debt secured by this Mortgage, or upon Lender's interest in the Property, and deliver to Lender receipts showing timely payment.

6. **Insurance.** Mortgagor shall keep the improvements on the Property insured against direct loss or damage occasioned by fire, flood, extended coverage perils and such other hazards as Lender may require, through insurers reasonably satisfactory to Lender, in amounts, without co-insurance, not less than the unpaid balance of the Obligations or the full replacement value, whichever is less, and shall pay the premiums when due. The policies shall contain the standard mortgagee and lender loss payee clauses in favor of Lender, shall insure Lender notwithstanding any defenses of the insurer against Mortgagor and, unless Lender otherwise agrees in writing, the original of all policies covering the Property shall be deposited with Lender. Subject to Lender's satisfaction, Mortgagor is free to select the insurance agent or insurer through which insurance is obtained. Mortgagor shall promptly give notice of loss to insurance companies and Lender. All proceeds from such insurance shall be applied, at Lender's option, to the installments of the Obligations in the inverse order of their maturities (without penalty for prepayment) or to the restoration of the improvements on the Property, and Lender may require that such proceeds of insurance be deposited with it for these purposes. In the event of foreclosure of this Mortgage or other transfer of title to the Property, in extinguishment of the indebtedness secured hereby, all right, title, and interest of Mortgagor in and to any insurance then in force shall pass to the purchaser or grantee.

7. **Collateral Protection Insurance Notice.** Unless Mortgagor provides Lender with evidence of the insurance coverage required by this Mortgage, Lender may purchase insurance at Mortgagor's expense to protect Lender's interests in the Property. This insurance may, but need not, protect Mortgagor's interests. The coverage that Lender purchases may not pay any claim that Mortgagor makes or any claim that is made against Mortgagor in connection with the Property. Mortgagor may later cancel any insurance purchased by Lender, but only after providing Lender with evidence that Mortgagor has obtained insurance as required by this Mortgage. If Lender purchases insurance for the Property, Mortgagor will be responsible for the costs of that insurance, including interest and any other charges Lender may impose in connection with the placement of the insurance as required by this Mortgage. If Lender purchases insurance for the Property, Mortgagor will be responsible for the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to Mortgagor's total outstanding balance or obligation. The costs of the insurance may be more than the cost of insurance Mortgagor may be able to obtain on Mortgagor's own.

8. **Mortgagor's Covenants.** Mortgagor covenants:

(a) **Escrow.** If an escrow is required by Lender, to pay Lender sufficient funds, at such times as Lender designates, to pay when due (1) the estimated annual real estate taxes and assessments on the Property, (2)

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all property and hazard insurance premiums, (3) flood insurance premiums, if any, (4) if payments owed under the Obligations are guaranteed by mortgage guaranty insurance, the premiums necessary to pay for such insurance, and (5) other items agreed to be included in the escrow. Lender may, at any time, collect and hold such escrow funds in an amount not to exceed the maximum amount a lender for a federally related mortgage loan may require for Mortgagor's escrow account under the federal Real Estate Settlement Procedures Act of 1974, as amended from time to time, if applicable. Lender may estimate the amount of escrow funds due on the basis of current data and reasonable estimates of future expenditures of future escrow account funds or as otherwise required by applicable law. Lender shall apply the escrowed funds against taxes, assessments and insurance premiums when due or as otherwise required by law. Escrowed funds may be commingled with Lender's general funds. If the escrowed funds held by Lender exceed the amount permitted to be held by applicable law, Lender shall account to Mortgagor for the excess escrowed funds in a manner determined by Lender or as otherwise required by applicable law. If the escrowed funds held by Lender at any time are not sufficient to pay the escrow account items when due, Lender may notify Mortgagor in writing, and Mortgagor shall pay to Lender the amount necessary to make up the deficiency in a manner determined by Lender or as otherwise required by applicable law;

- (b) **Condition and Repair.** To keep the Property in good and tenantable condition and repair, and to restore or replace damaged or destroyed improvements and fixtures;
- (c) **Liens.** To keep the Property free from liens and encumbrances superior to the lien of this Mortgage and not described in paragraph 2;
- (d) **Other Mortgages.** To perform all of Mortgagor's obligations and duties under any other mortgage or security agreement on the Property and any obligation to pay secured by such a mortgage or security agreement;
- (e) **Waste.** Not to commit waste or permit waste to be committed upon the Property or abandon the Property;
- (f) **Conveyance.** Not to sell, assign, lease, mortgage, convey or otherwise transfer any legal or equitable interest in all or part of the Property, or permit the same to occur without the prior written consent of Lender and, without notice to Mortgagor, Lender may deal with any transferee as to its interest in the same manner as with Mortgagor, without in any way discharging the liability of Mortgagor under this Mortgage or the Obligations;
- (g) **Alteration or Removal.** Not to remove, demolish or materially alter any part of the Property, without Lender's prior written consent, except Mortgagor may remove a fixture, provided the fixture is promptly replaced with another fixture of at least equal utility;
- (h) **Condemnation.** To pay to Lender all compensation received for the taking of the Property, or any part, by condemnation proceeding (including payments in compromise of condemnation proceedings), and all compensation received as damages for injury to the Property, or any part. The compensation shall be applied in such manner as Lender determines to rebuilding of the Property or to the Obligations in the inverse order of their maturities (without penalty for prepayment);
- (i) **Inspection.** Lender and its authorized representatives may enter the Property at reasonable times to inspect it, and at Lender's option to repair or restore the Property and to conduct environmental assessments and audits of the Property;
- (j) **Laws.** To comply with all laws, ordinances and regulations affecting the Property;
- (k) **Subrogation.** That Lender is subrogated to the lien of any mortgage or other lien discharged, in whole or in part by the proceeds of the note(s) or agreement(s) identified in the first paragraph of this Mortgage; and
- (l) **Leases.** To pay and perform all obligations and covenants under and pursuant to the terms of each lease of all or any part of the Property required of Mortgagor, and to not cancel, accept a surrender of, modify, consent to an assignment of the lessee's interest under, or make any other assignment or other disposition of, any lease of all or any part of the Property or any interest of Mortgagor in the lease and to not collect or accept any payment of rent more than one month before it is due and payable.

9. Environmental Laws. Mortgagor represents, warrants and covenants to Lender (a) that during the period of Mortgagor's ownership or use of the Property no substance has been, is or will be present, used, stored, deposited, treated, recycled or disposed of on, under, in or about the Property in a form, quantity or manner which if known to be present on, under, in or about the Property would require clean-up, removal or some other remedial action ("Hazardous Substance") under any federal, state or local laws, regulations, ordinances, codes or rules ("Environmental Laws"); (b) that Mortgagor has no knowledge, after due inquiry, of any prior use or existence of any Hazardous Substance on the Property by any prior owner of or person using the Property; (c) that, without limiting the generality of the foregoing, Mortgagor has no knowledge, after due inquiry, that the Property contains asbestos, polychlorinated biphenyl components (PCBs) or underground storage tanks; (d) that there are no conditions existing currently or likely to exist during the term of this Mortgage which would subject Mortgagor to any damages, penalties, injunctive relief or clean-up costs in any governmental or regulatory action or third-party claims relating to any Hazardous Substance; (e) that Mortgagor is not subject to any court or administrative proceeding, judgment, decree, order or citation relating to any Hazardous Substance; and (f) that Mortgagor in the past has been, at the present is, and in the future will remain in compliance with all Environmental Laws. Mortgagor shall indemnify and hold harmless Lender, its directors, officers, employees and agents from all loss, cost (including reasonable attorneys' fees and legal expenses), liability and damage whatsoever directly or indirectly resulting from, arising out

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of, or based upon (i) the presence, use, storage, deposit, treatment, recycling or disposal, at any time, of any Hazardous Substance on, under, in or about the Property, or the transportation of any Hazardous Substance to or from the Property, (ii) the violation or alleged violation of any Environmental Law, permit, judgment or license relating to the presence, use, storage, deposit, treatment, recycling or disposal of any Hazardous Substance on, under, in or about the Property, or the transportation of any Hazardous Substance to or from the Property, or (iii) the imposition of any governmental lien for the recovery of environmental clean-up costs expended under any Environmental Law. Mortgagor shall immediately notify Lender in writing of any governmental or regulatory action or third-party claim instituted or threatened in connection with any Hazardous Substance on, in, under or about the Property.

10. Authority of Lender to Perform for Mortgagor. If Mortgagor fails to perform any of Mortgagor's duties set forth in this Mortgage, including, without limitation, preserving and insuring the Property, not committing waste or abandoning the Property, keeping the Property free of liens or encumbrances other than those approved by Lender, keeping the Property in good and tenable condition and repair, and complying with all laws, ordinances and regulations affecting the Property, Lender may after giving Mortgagor any notice and opportunity to perform which are required by law, perform the covenants or duties or cause them to be performed, or take such other action as may be necessary to protect Lender's interest in the Property and to secure and repair the Property. Unless prohibited by applicable law, such actions may include, without limitation, assessing the value of the Property, paying liens that become superior to this Mortgage and making any other payments required, signing Mortgagor's name, engaging an attorney, appearing in court and paying reasonable attorneys' fees, and entering the Property to make repairs, change locks, replace and board up doors and windows, drain water from pipes, eliminate building code violations and dangerous conditions and maintain appropriate utilities to the Property. Any such amounts expended by Lender shall be due on demand and secured by this Mortgage, bearing interest at the highest rate stated in any document evidencing an Obligation, but not in excess of the maximum rate permitted by law, from the date of expenditure by Lender to the date of payment by Mortgagor.

11. Default; Acceleration; Remedies. If (a) there is a default under any Obligation secured by this Mortgage, or (b) Mortgagor fails timely to observe or perform any of Mortgagor's covenants or duties contained in this Mortgage, or (c) Lender deems itself insecure then, at the option of Lender each Obligation will become immediately due and payable. If Lender exercises its option to accelerate, the unpaid principal and interest owed on the Obligation, together with all sums paid by Lender as authorized or required under this Mortgage or any Obligation, shall be collectible in a suit at law or by foreclosure of this Mortgage by action, or both, or by the exercise of any other remedy available at law or equity.

12. Waiver and Consent. Lender may waive any default without waiving any other subsequent or prior default by Mortgagor. Unless prohibited by applicable law, each Mortgagor who is not also a Borrower expressly consents to and waives notice of the following without affecting the liability of any such Mortgagor: (a) the creation of any present or future Obligations, default under any Obligations, proceedings to collect from any Borrower or anyone else, (b) any surrender, release, impairment, sale or other disposition of any security or collateral for the Obligations, (c) any release or agreement not to sue any guarantor or surety of the Obligations, (d) any failure to perfect Lender's security interest in or realize upon any security or collateral for the Obligations, (e) any failure to realize upon any of the Obligations or to proceed against any Borrower or any guarantor or surety, (f) any renewal or extension of the time of payment, (g) any determination of the allocation and application of payments and credits and acceptance of partial payments, (h) any application of the proceeds of disposition of any collateral for the Obligations to any obligation of any Borrower secured by such collateral in such order and amounts as it elects, (i) any determination of what, if anything, may at any time be done with reference to any security or collateral, and (j) any settlement or compromise of the amount due or owing or claimed to be due or owing from any Borrower, guarantor or surety.

13. Waiver of Right of Reinstatement and Redemption. Unless the Property is residential real estate or agricultural real estate as defined in the Illinois Mortgage Foreclosure Law, Mortgagor hereby waives any and all rights of reinstatement and redemption from sale in any foreclosure of the Mortgage. If the Property is agricultural real estate and the Mortgagor is a corporation or corporation trustee, Mortgagor hereby waives any and all rights of reinstatement and redemption from sale in any foreclosure of this Mortgage.

14. Possession of Property. Mortgagor agrees that upon the occurrence of an event of default, Mortgagor authorizes Lender to take possession of the Property, without bond, subject to applicable law. Lender shall have all of the rights and privileges of a Mortgagee in possession provided by law, and shall be entitled to reimbursement for reasonable costs, expenses and third party management fees incurred in connection with such possession.

15. Assignment of Rents and Leases. Mortgagor conveys, assigns and transfers to Lender, as additional security for the Obligations, all leases of all or any part of the Property, whether oral or written, now or hereafter entered into by Mortgagor, together with any and all extensions and renewals of any leases, and all rents which become or remain due or are paid under any agreement or lease for the use or occupancy of any part or all of the Property. Until the occurrence of an event of default under this Mortgage or any Obligation, Mortgagor has a license to collect the rents, issues and profits (the "Rents") from the Property, but upon the occurrence of such an event of default, and the lapse of any applicable grace, notice or cure period provided in any document evidencing such Obligation, Mortgagor's license to collect the Rents is automatically and immediately terminated and Mortgagor shall hold all

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Rents paid to Mortgagor thereafter in trust for the use and benefit of Lender, and Lender may, at its option, without any further notice, either in person or by agent, with or without taking possession of or entering the Property, with or without bringing any action or proceeding, or by a receiver to be appointed by a court, collect all of the Rents payable under the leases, enforce the payment of the Rents and exercise all of the rights of the Mortgagor under the leases and all of the rights of the Lender under this Mortgage. All such payments shall be applied in such manner as Lender determines to payments required under this Mortgage and the Obligations. This assignment shall be enforceable and Lender shall be entitled to take any action to enforce the assignment (including notice to the tenants to pay directly to Lender or the commencement of a foreclosure action) without seeking or obtaining the appointment of a receiver. Any entering upon and taking possession of the Property, any collection of Rents, and any application of Rents as allowed by this Mortgage shall not cure or waive any default or waive, modify or affect notice of default under this Mortgage or invalidate any act done pursuant to such notice, and shall not in any way operate to prevent Lender from pursuing any other remedy which it now or hereafter may have under the terms or conditions of this Mortgage, any document evidencing any Obligation or any other instrument securing the Obligations.

16. Receiver. Upon the commencement or during the pendency of an action to foreclose this Mortgage, or enforce any other remedies of Lender under it, without regard to the adequacy or inadequacy of the Property as security for the Obligations if the Mortgagee is entitled to possession of the Property pursuant to applicable law, then upon request of the Mortgagee, the court shall appoint a receiver of the Property (including homestead interest) designated by Lender without bond, and may empower the receiver to take possession of the Property and collect the rents, issues and profits of the Property and exercise such other powers as the court may grant until the confirmation of sale and the expiration of the redemption period, if any, and may order the rents, issues and profits, when so collected, to be held and applied as required by law.

17. Revolving Line of Credit. If this Mortgage secures a revolving line of credit then the revolving line of credit obligates Lender to make advances to Borrower provided that Borrower complies with all of the terms of the Borrower's note(s) or agreement(s). Such advances may be made, repaid and remade from time to time subject to the provisions of the Borrower's note(s) or agreement(s). Without limiting other provisions of this Mortgage addressing Obligations secured by this Mortgage, it is the intention of the Mortgagor and Lender that this Mortgage secures the balance outstanding under the Borrower's note(s) or agreement(s) from time to time from zero up to the credit limit.

18. Expenses. To the extent not prohibited by law, Mortgagor shall pay all reasonable costs and expenses before and after judgment, including without limitation, attorneys' fees, appraisal fees, fees and expenses for environmental assessments, inspections and audits, and fees and expenses for obtaining title evidence incurred by Lender in protecting or enforcing its rights under this Mortgage.

19. Severability; Governing Law. The validity, construction and enforcement of this Mortgage are governed by the internal laws of Illinois, except to the extent such laws are preempted by federal law. All references in this Mortgage to sections of the Illinois Statutes are to those sections as they may be renumbered from time to time. Invalidity or unenforceability of any provision of this Mortgage shall not affect the validity or enforceability of any other provision.

20. Successors and Assigns. The obligations of all Mortgagors are joint and several. This Mortgage benefits Lender, its successors and assigns, and binds Mortgagor(s) and their respective heirs, personal representatives, successors and assigns.

21. Entire Agreement. This Mortgage is intended by Lender and Mortgagor as a final expression of this Mortgage and as a complete and exclusive statement of its terms, there being no conditions to the enforceability of this Mortgage. **To the extent not prohibited by applicable law, this Mortgage may not be contradicted or varied by evidence of prior, contemporaneous or subsequent oral agreements or discussions of Lender and Mortgagor. There are no oral agreements among Lender and Mortgagor.** This Mortgage may not be supplemented or modified except in writing signed by Lender and Mortgagor.

22. n/a _____ signs below solely for the purpose of releasing and waiving rights under the Illinois homestead exemption laws without personal obligation for payment of any sums secured by this Mortgage.

Signature of Spouse

23. Other Provisions. (If none are stated below, there are no other provisions.)

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Mortgagor agrees to the terms of this Mortgage and acknowledges receipt of an exact copy of this Mortgage.

Jackson Village Square, Inc. (SEAL)

Signed and Sealed August 28, 2013 (Date)

A Wisconsin Corporation (Type of Organization)

Wisconsin (State of Organization)

(Organizational I.D. Number, if any)

By: Laxman Kailas, President (SEAL) (SEAL)

By: (SEAL) (SEAL)

By: (SEAL) (SEAL)

By: (SEAL) (SEAL)

ACKNOWLEDGMENT

STATE OF Wisconsin } ss.
County of Washington }

The foregoing instrument was acknowledged before me on August 28, 2013

by Laxman Kailas

as President of Jackson Village Square, Inc.

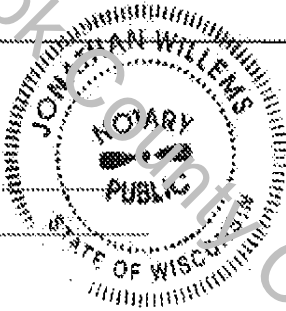
a Wisconsin Corporation

Jonathan Willem's

Notary Public, Wisconsin

My Commission Expires June 5, 2016

*Type or print name signed above.



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