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Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



Doc#: 1410644030 Fee: \$112.00
RHSP Fee: \$9.00 RPRF Fee: \$1.00
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 04/18/2014 11:40 AM Pg: 1 of 38

Report Mortgage Fraud
800-532-8785

The property identified as: **PIN:** 14-28-206-004-0000

Address:

Street: 331-359 W. Surf Street

Street line 2:

City: Chicago

State: IL

ZIP Code: 60657

Lender: Massachusetts Mutual Life Insurance Company

Borrower: Hammes Partners Saint Joseph ACC, LLC

Loan / Mortgage Amount: \$67,000,000.00

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

First American Title Order # *NCS 602267A*

1 of 3

Certificate number: D1A95CD9-CBC6-47EA-9A39-61B5F5B2F7C6

Execution date: 04/10/2014

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This document prepared by, and after recording, please return to:

Alison M. Mitchell
DLA Piper LLP (US)
203 North LaSalle Street
Suite 1900
Chicago, Illinois 60601

Mortgage Loan No. 14403

This space reserved for Recorder's use only.

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

Cover Sheet

Date:	As of April 10, 2014
Borrower:	HAMMES PARTNERS SAINT JOSEPH ACC, LLC , a Delaware limited liability company
Borrower's State of Organization:	Delaware
Borrower's Organizational ID Number:	5335598
Lender:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY , a Massachusetts corporation
Note Amount:	Up to \$67,000,000
Maturity Date:	May 1, 2024
State:	Illinois

M/S 402269A

First American Title Order #

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

THIS MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING (this "**Mortgage**") is made as of April 10, 2014, by and between **HAMMES PARTNERS SAINT JOSEPH ACC, LLC**, a Delaware limited liability company having an address at 18000 West Sarah Lane, Suite 250, Brookfield, Wisconsin 53045, Attention: Andrew Weltcheff ("**Borrower**"), and **MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY**, a Massachusetts corporation having an address in care of Cornerstone Real Estate Advisers, One Financial Plaza, Hartford, Connecticut 06103, Attention: Finance Group Loan Servicing ("**Lender**") and **CORNERSTONE REAL ESTATE ADVISERS LLC**, a Delaware limited liability company, as "**Administrative Agent**" pursuant to Article 14 of the Loan Agreement (defined below).

GRANTING CLAUSES

For good and valuable consideration and to secure the payment of an indebtedness in the principal sum of up to **SIXTY-SEVEN MILLION AND 00/100 DOLLARS (\$67,000,000.00)** in lawful money of the United States, to be paid according to (i) that certain Construction Loan Agreement of even date herewith between Borrower and Lender (as the same may hereafter be amended or modified, the "**Loan Agreement**"), and (ii) that certain Promissory Note of even date herewith from Borrower to Lender in said principal sum with a maturity date of May 1, 2024 (the "**Maturity Date**"), and any replacement(s) or substitution(s) of said Promissory Note held by Lender or by any successor or assignee of Lender (as the same may hereafter be amended, modified, split, consolidated or extended, the "**Note**"), which Loan Agreement and Note are hereby incorporated herein by this reference and made a part hereof, together with all other obligations and liabilities due or to become due to Lender, all amounts, sums and expenses paid hereunder by or payable to Lender according to the terms hereof (including, without limitation, all Advances (as hereinafter defined) and interest thereon as provided herein and in the Loan Agreement), and all other covenants, obligations and liabilities of Borrower under the Note, the Loan Agreement, this Mortgage (including, without limitation, rent and any and all other monies due by Borrower under the Ground Lease (as defined below), and advances made in connection with Lender's cure of any default by Borrower under the Ground Lease), the Assignment (as hereinafter defined) and any other instrument executed by Borrower evidencing, securing or delivered in connection with the loan evidenced by the Note (all of the foregoing instruments, as the same may be amended or modified from time to time, collectively, the "**Loan Documents**"), and together with all interest on said indebtedness, obligations, liabilities, amounts, sums, Advances and expenses (all of the foregoing, collectively, the "**Indebtedness**"), Borrower has created a security interest in and mortgaged, warranted, granted, bargained, sold, conveyed, assigned, pledged, transferred and set over, and does by these presents create a security interest in and MORTGAGE, WARRANT, GRANT, BARGAIN, SELL, CONVEY, ASSIGN, PLEDGE, TRANSFER AND SET OVER unto Lender, its successors and assigns forever, WITH MORTGAGE COVENANTS and with all POWERS OF SALE and other STATUTORY RIGHTS AND COVENANTS in the State (as hereinafter defined), the following property:

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All of Borrower's interest in and to the Land (as defined below) created pursuant to the Ground Lease (as defined below) (the "**Property**");

TOGETHER with Borrower's interest in and to the buildings, foundations, structures and improvements (including fixtures and Approved TI (as defined in the Loan Agreement)) now or hereafter located on or in the Land (collectively, the "**Improvements**");

TOGETHER with all right, power, privilege, option, title and interest, if any, of Borrower in and to the streets and roads, opened or proposed, abutting the Land, all strips and gores within or adjoining the Land, the air space and right to use the air space above the Land, all rights of ingress and egress to and from the Land, all easements, rights of way, reversions, remainders, estates, rights, titles, interests, privileges, servitudes, tenements, hereditaments, and appurtenances now or hereafter affecting the Land or the Improvements, all royalties and rights and privileges appertaining to the use and enjoyment of the Land or the Improvements, including all air, lateral support, streets, alleys, passages, vaults, drainage, water, oil, gas and mineral rights, development rights, all leases and licenses and options to purchase or lease, and all other interests, estates or claims, in law or in equity, which Borrower now has or hereafter may acquire in or with respect to the Land or the Improvements (collectively, the "**Appurtenances**");

The Property, the Improvements and the Appurtenances are hereinafter collectively referred to as the "**Premises**";

TOGETHER with all equipment, fittings, furniture, furnishings, appliances, apparatus, and machinery in which Borrower now or hereafter has a possessory or title interest and now or hereafter installed in or located upon the Premises and all building materials, supplies and equipment now or hereafter delivered to the Premises and intended to be installed therein or located thereon; all fixtures, inventory, other goods and personal property of whatever kind and nature now contained on or in or hereafter placed on or in the Premises and used or to be used in connection with the letting or operation thereof, in which Borrower now has or hereafter may acquire a possessory or title interest and all renewals or replacements of any of the foregoing property or articles in substitution thereof, including chairs, desks, lamps, mirrors, bookcases, tables, rugs, carpeting, drapes, draperies, curtains, shades, venetian blinds, screens, paintings, hangings, pictures, dry cleaning facilities, keys or other entry systems, intercom and paging equipment, electric and electronic equipment, dictating equipment, private telephone systems, medical equipment, potted plants, heating, lighting and plumbing fixtures, fire prevention and extinguishing apparatus, cooling and air-conditioning systems, elevators, escalators, fittings, plants, apparatus, stoves, ranges, refrigerators, tools, machinery, engines, dynamos, motors, boilers, incinerators, switchboards, conduits, compressors, vacuum cleaning systems, floor cleaning, waxing and polishing equipment, call systems, brackets, electrical signs, bulbs, bells, ash and fuel, conveyors, cabinets, lockers, shelving, spotlighting equipment, dishwashers, garbage disposals, washers and dryers, and other equipment used in the operation of the Premises (collectively, the "**Equipment**");

TOGETHER with all right, power, privilege, option, title and interest of Borrower in and under all present or future accounts, deposit accounts, documents, instruments, chattel paper, and general intangibles (including "payment intangibles"), as the foregoing terms are defined in the Code (as hereinafter defined), all deposits, monies or escrows held by Lender or Lender's agent

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or any accounts established pursuant hereto or pursuant to any other Loan Documents, and all contract rights, equipment leases, operating leases and licenses, Operating Agreements (as hereinafter defined), derivative investments, letters of credit, and rate cap agreements, including casualty insurance policies and liability insurance policies (irrespective of whether such policies are required to be obtained or maintained in force pursuant to this Mortgage or other Loan Documents), trade names, trademarks, servicemarks, logos, copyrights, goodwill, franchises, books, records, plans, specifications, permits, licenses, approvals, actions, claims under the Federal Bankruptcy Code (as hereinafter defined) and causes of action which now or hereafter relate to, are derived from or are used in connection with the Premises or the use, operation, maintenance, occupancy or enjoyment thereof or the conduct of any business or activities thereon (collectively, the "**Intangibles**");

TOGETHER with all of the leasehold estate created pursuant to the Ground Lease and all of Borrower's right, title, interests, privileges and options created by the Ground Lease;

TOGETHER with all security deposits and other deposits now or hereafter made by Borrower pursuant to, and all other refunds, credits, claims, causes of action and other rights now or hereafter arising under the Ground Lease;

TOGETHER with all right, power, privilege, option, title and interest of Borrower in and under all existing and future leases (other than the Ground Lease), lettings, tenancies, occupancy agreements, subleases, licenses to occupy and other similar arrangements affecting the Premises or any part thereof now or hereafter entered into and all amendments, extensions, renewals and guaranties thereof, all security therefore, including letter of credit rights, guaranties and other supporting obligations, and all moneys payable hereunder, whether entered into before or after the filing by or against Borrower of any petition for relief under the Federal Bankruptcy Code (collectively, the "**Leases**");

TOGETHER with all rents, income, accounts, receivables, issues, profits, security deposits, including the proceeds from letters of credit, guarantees and other supporting obligations, all other payments and profits from the Leases and the use and occupation of the Premises, including fixed and additional rents, cancellation payments, option payments, all revenues collected from meeting rooms, banquet rooms and recreational facilities and otherwise, all receivables, customer obligations, installment payment obligations and other obligations now existing or hereafter arising or created out of sale, lease, sublease, license, concession or other grant of the right of the possession, use or occupancy of all or any portion of the Premises, or personalty located thereon, or rendering of services by Borrower or any operator or manager of any commercial space located in the Premises or acquired from others including from the rental of any office space, retail space, commercial space, or other space, halls, stores or offices, including any deposits securing reservations of such space, exhibit or sales space of every kind, license, lease, sublease and concession fees and rentals, health club membership fees, vending machine sales, and any other items of revenue, receipts or other income, and other payments and benefits to which Borrower may now or hereafter be entitled from the Premises, the Equipment or the Intangibles or under or in connection with the Leases (collectively, the "**Property Income**"), including the immediate and continuing right to make claim for, receive, collect and receipt for Property Income, including the right to make claim in a proceeding under the Federal Bankruptcy Code and to apply the same to the payment of the Indebtedness, all whether before

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or after the filing by or against Borrower of any petition for relief under the Federal Bankruptcy Code; and

TOGETHER with all proceeds, judgments, claims, compensation, awards of damages and settlements pertaining to or resulting from or in lieu of any condemnation or taking of the Premises by eminent domain or any casualty loss or damage to any of the Premises, the Equipment, the Intangibles, the Leases or the Property Income, and including also, the right to assert, prosecute and settle claims arising out of or pertaining to such condemnation or taking or such casualty loss under insurance policies constituting an Intangible and to apply for and receive payments of proceeds under such insurance policies and in any condemnation or taking, the right to apply for and receive all refunds with respect to the payment of property taxes and assessments and all other proceeds from the conversion, voluntary or involuntary, of the Premises, the Equipment, the Intangibles, the Leases or the Property Income, or any part thereof, into cash or liquidated claims. Collectively, all of the foregoing are herein referred to as the "Proceeds".

The Equipment, the Intangibles, the Leases, the Ground Lease, the Property Income and the Proceeds are hereinafter collectively referred to as the "Collateral". The Premises and the Collateral are hereinafter collectively referred to as the "Mortgaged Property".

TO HAVE AND TO HOLD the Mortgaged Property, with all the privileges and appurtenances to the same belonging, and with the possession and right of possession thereof, unto Lender and its successors and assigns forever.

ARTICLE I

Definition of Terms

As used in this Mortgage, the terms set forth below shall have the following meanings:

"Advances" means all sums, amounts or expenses advanced or paid and all costs incurred by Lender, as provided in this Mortgage or in any other Loan Document, upon failure of Borrower to pay or perform any obligation or covenant contained herein or in such other Loan Document.

"Appurtenances" has the meaning assigned in the Granting Clauses.

"Assignment" means the Assignment of Leases and Rents from Borrower to Lender of even date herewith.

"Borrower" means the party or parties identified and defined as Borrower on the Cover Sheet and in the preamble of this Mortgage, any subsequent owner of the Mortgaged Property, and its or their respective heirs, executors, legal representatives, successors and assigns.

"Code" means the Uniform Commercial Code of the State, as the same may be amended from time to time or any successor statute thereto.

"Collateral" has the meaning assigned in the Granting Clauses.

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"Default Rate" has the meaning assigned in the Loan Agreement.

"Environmental Indemnification Agreement" has the meaning assigned in the Loan Agreement.

"Equipment" has the meaning assigned in the Granting Clauses.

"Event of Default" means any one or more of the events described in Section 10.1 of the Loan Agreement.

"Federal Bankruptcy Code" means Title 11 of the United States Code, as the same may be amended from time to time or any successor statute thereto.

"Ground Lease" means that certain Amended and Restated Ground Lease dated November 1, 2013 between Ground Lessor and Borrower as amended by that certain First Amendment to Amended and Restated Ground Lease dated April 10, 2014 between Ground Lessor and Borrower, as may be further amended, modified or replaced from time to time in accordance with the Loan Documents.

"Ground Lessor" means Presence Saint Joseph Hospital-Chicago, an Illinois not for profit corporation and any successor landlord thereof under the Ground Lease.

"Impositions" has the meaning assigned in the Loan Agreement.

"Indebtedness" has the meaning assigned in the Granting Clauses.

"Intangibles" has the meaning assigned in the Granting Clauses.

"Land" means the parcel or parcels of land described in Exhibit A attached hereto and by this reference made a part hereof.

"Leases" has the meaning assigned in the Granting Clauses.

"Lender" means Massachusetts Mutual Life Insurance Company, the lender identified as such on the Cover Sheet and in the preamble of this Mortgage, and its successors and assigns (including any other holders from time to time of the Note).

"Loan" means the loan made by Lender to Borrower evidenced by the Note and governed by the Loan Agreement.

"Loan Agreement" has the meaning assigned in the Granting Clauses.

"Loan Documents" has the meaning assigned in the Granting Clauses.

"Maturity Date" has the meaning assigned in the Granting Clauses.

"Mortgaged Property" has the meaning assigned in the Granting Clauses.

"Note" has the meaning assigned in the Granting Clauses.

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"Operating Agreements" has the meaning assigned in the Loan Agreement.

"Permitted Encumbrances" means the liens and security interests created by this Mortgage and the other Loan Documents and those exceptions to title set forth in Exhibit B and any liens, easements, restrictions, security interests and other matters affecting title arising after the Closing Date which are approved by Lender in writing. Lender hereby approves the License Agreement (as defined in the Loan Agreement) in form and content delivered to Lender prior to the Closing Date and therefore, said License Agreement is hereby deemed to be a Permitted Encumbrance.

"Person" means and includes any individual, corporation, partnership, joint venture, limited liability company, association, bank, joint-stock company, trust, unincorporated organization or government, or an agency or political subdivision thereof.

"Premises" has the meaning assigned in the Granting Clauses.

"Proceeds" has the meaning assigned in the Granting Clauses.

"Property Income" has the meaning assigned in the Granting Clauses.

"State" means the State or Commonwealth in which the Land is situated.

"Upstream Owner" has the meaning assigned in the Loan Agreement.

ARTICLE II

Covenants, Warranties and Representations of Borrower

Borrower covenants, warrants, represents and agrees as follows:

Section 2.01 Interest on Advances and Expenses. All Advances made and any reasonable expenses incurred at any time by Lender pursuant to the provisions of this Mortgage or the other Loan Documents or under applicable law shall be secured by this Mortgage as part of the Indebtedness, with equal rank and priority. All such Advances and expenses shall bear interest at the Default Rate from the date that each such Advance or expenses is made or incurred to the date of repayment and all such Advances and expenses with interest thereon shall be paid to Lender by Borrower upon demand therefor.

Section 2.02 Prohibition Against Conveyances, Encumbrances and Borrowing. Except as expressly permitted under Article 9 of the Loan Agreement, neither Borrower nor any Person shall convey, assign, sell, mortgage, encumber, pledge, hypothecate, grant a security interest in, grant options with respect to, or otherwise dispose of (directly or indirectly, voluntarily or involuntarily, by operation of law or otherwise, and whether or not for consideration or of record) all or any portion of any legal or beneficial interest in: (a) all or any portion of the Mortgaged Property including the Leases; or (b) all or any ownership interest in Borrower or in any Upstream Owner of Borrower.

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Section 2.03 Assignment of Leases and Property Income.

(a) Borrower hereby absolutely, presently, unconditionally and irrevocably assigns, transfers and sets over to Lender all of the right, title and interest of Borrower in and to the Ground Lease, the Leases and the Property Income. Borrower shall not otherwise assign, transfer or encumber in any manner the Ground Lease, the Leases or the Property Income or any portion thereof. Borrower shall have a license, revocable by Lender, to collect and use the Property Income as the same becomes due and payable so long as no Event of Default has occurred, but may not collect any Property Income more than 30 days in advance of the date the same becomes due. The assignment in this Section 2.03 shall constitute an absolute, irrevocable and present assignment of the Ground Lease, the Leases and the Property Income, and not an additional assignment for security, and the existence or exercise of Borrower's revocable license to collect Property Income shall not operate to subordinate this assignment to any subsequent assignment. The exercise by Lender of any of its rights or remedies under this Section 2.03 shall not be deemed or construed to make Lender: (i) a mortgagee-in-possession; (ii) responsible for the payment of any taxes or assessments with respect to the Premises, (iii) liable to perform any obligation under the Ground Lease or of the lessor under any Lease(s) or under applicable law, (iv) liable to any person for any dangerous or defective condition in the Premises or for any negligence in the management, upkeep, repair, or control of the Premises resulting in loss or injury or death to any Person, or (v) be liable in any manner for the remediation of any environmental impairment.

(b) Borrower shall comply with the terms and conditions of Section 6.1 of the Loan Agreement with respect to Leases of all or any portion of the Mortgaged Property.

Section 2.04 Environmental Matters. Borrower shall comply with the terms and conditions of the Environmental Indemnification Agreement, expressly including the indemnification provisions contained therein.

Section 2.05 Condemnation Awards. Borrower hereby unconditionally assigns all awards and compensation for any condemnation or other taking of the Mortgaged Property or any portion thereof, or any purchase in lieu thereof, to Lender and authorizes Lender to collect and receive such awards and compensation and to give proper receipts and acquittances therefor, subject to the terms of the Loan Agreement.

Section 2.06 Insurance Proceeds. Borrower hereby (a) unconditionally assigns to Lender all proceeds of any insurance policies insuring against loss or damage to the Mortgaged Property, and (b) authorizes Lender to collect and receive such proceeds and authorizes and directs the issuer of each of such insurance policies to make payment for all such losses directly to Lender, instead of to Borrower and Lender jointly, all subject to the terms of the Loan Agreement.

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ARTICLE III

Security Agreement

Section 3.01 Warranties, Representations and Covenants of Borrower. Borrower covenants, warrants, represents and agrees with and to Lender as follows:

(a) This Mortgage constitutes a security agreement under the Code and serves as a fixture filing in accordance with the Code. This Mortgage creates, and Borrower hereby grants to Lender, a security interest in favor of Lender as secured party under the Code with respect to all of the Mortgaged Property which is covered by the Code. The mention of any portion of the Mortgaged Property in a financing statement filed in the records normally pertaining to personal property shall not derogate from or impair in any manner the intention of Borrower and Lender hereby declared that all items of the Collateral are part of the real property encumbered hereby to the fullest extent permitted by law, regardless of whether any such item is physically attached to the Improvements or whether serial numbers are used for the better identification of certain items. Specifically, the mention in any such financing statement of: (i) the rights in or to the Proceeds of any policy of insurance; (ii) any condemnation Proceeds; (iii) Borrower's interest in any Leases or Property Income; or (iv) any other item included in the Mortgaged Property, shall not be construed to alter, impair or impugn any rights of Lender as determined by this Mortgage or the priority of Lender's lien upon and security interest in the Mortgaged Property. Any such mention shall be for the protection of Lender in the event that notice of Lender's priority of interest as to any portion of the Mortgaged Property is required to be filed in accordance with the Code to be effective against or take priority over the interest of any particular class of Persons, including the federal government or any subdivision or instrumentality thereof.

(b) Except for the Permitted Encumbrances and the security interest granted by this Mortgage, Borrower is and, as to portions of the Mortgaged Property to be acquired after the date hereof, will be the sole owner of the Mortgaged Property, free from any lien, security interest, encumbrance or adverse claim thereon of any kind whatsoever. Borrower shall notify Lender of, and shall defend the Mortgaged Property against, all claims and demands of all Persons at any time claiming the same or any interest therein.

(c) Except as expressly provided in the Loan Agreement and this Mortgage, Borrower shall not lease, sell, convey or in any manner transfer the Mortgaged Property without the prior consent of Lender.

(d) The Mortgaged Property is not used or bought for personal, family or household purposes.

(e) The Collateral shall be kept on the Land or in the Improvements, and Borrower shall not remove the Collateral from the Land or the Improvements without the prior consent of Lender, except such portions or items of the Collateral as are consumed

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or worn out in ordinary usage, all of which shall be promptly replaced by Borrower with items of equal or greater value.

(f) Borrower shall provide Lender upon Lender's request from time to time with an inventory of the Collateral by serial number and account number, as appropriate.

(g) Borrower shall not change its place of formation or its entity name without providing Lender with at least sixty (60) days prior written notice. In the event of any change in name, identity or structure of Borrower, Borrower shall notify Lender thereof and promptly after request shall execute, file and record such Code forms as are necessary to maintain the priority of Lender's lien upon and security interest in the Mortgaged Property, and shall pay all expenses and fees in connection with the filing and recording thereof. If Lender shall require the filing or recording of additional Code forms or continuation statements, Borrower shall, promptly after request, execute, file and record such Code forms or continuation statements as Lender shall deem necessary (subject to Lender's right to file such statements on behalf of Borrower as provided in Section 3.01(h)), and shall pay all expenses and fees in connection with the filing and recording thereof. If Lender shall initially pay such expenses, Borrower shall promptly reimburse Lender for the expenses.

(h) Borrower hereby authorizes Lender to file with the appropriate public office, at Borrower's expense any financing statements, amendments or continuations thereof, identifying Borrower as debtor and Lender as secured party in connection with the Mortgaged Property.

(i) Borrower represents that its exact legal name is as set forth on the Cover Sheet of this Mortgage.

(j) Borrower's Federal Tax Identification Number is 80-0963894 and Borrower's Organizational Number is 5335598.

(k) Borrower shall not file any termination statements concerning the Mortgaged Property without Lender's prior consent unless the Indebtedness has been repaid and this Mortgage has been released.

(l) Where Collateral is in possession of a third party, Borrower will join with Lender in notifying the third party of Lender's interest and obtaining an acknowledgment from the third party that it is holding the Collateral for the benefit of Lender.

(m) Borrower will cooperate with Lender in obtaining control with respect to Collateral consisting of deposit accounts, investment property, letter of credit rights and electronic chattel paper.

Section 3.02 Financing Statements. A CARBON, PHOTOGRAPHIC OR OTHER REPRODUCTION OF THIS MORTGAGE OR ANY FINANCING STATEMENT RELATING TO THIS MORTGAGE SHALL BE SUFFICIENT AS A FINANCING STATEMENT.

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Section 3.03 Addresses. The state of organization, organizational ID number and mailing address of Borrower and the address of Lender from which information concerning the security interest granted hereby may be obtained are set forth on the Cover Sheet and in the preamble of this Mortgage. Borrower maintains its sole place of business or its chief executive office at the address shown in said preamble, and Borrower shall immediately notify Lender in writing of any change in said place of business or chief executive office.

Section 3.04 Fixture Filing. This Mortgage shall constitute a fixture filing under the Code as to any goods and other personal property included in the Mortgaged Property in which Borrower has granted to Lender a security interest as provided in this Article III which are or may become fixtures under applicable law. Borrower is the "debtor" and Lender is the "secured party" as such terms are defined in the Code. This fixture filing is to be recorded in the Cook County, Illinois, land records.

ARTICLE IV

Default and Remedies

Section 4.01 Remedies. Upon the occurrence of any Event of Default, Lender may take such actions against Borrower and/or the Mortgaged Property or any portion thereof as it deems advisable to protect and enforce its rights against Borrower and in and to the Mortgaged Property, without notice or demand except as set forth herein. Any such actions taken by Lender shall be cumulative and concurrent and may be pursued independently, singly, successively, together or otherwise, at such time and in such order as Lender may determine in its sole discretion, to the fullest extent permitted by law, without impairing or otherwise affecting the other rights and remedies of Lender permitted by law, equity or contract or as set forth herein or in the other Loan Documents. Such actions may include the following:

(a) Lender may declare the entire principal balance under the Note then unpaid, together with all accrued and unpaid interest thereon, prepayment fees thereunder, and all other unpaid Indebtedness, to be immediately due and payable.

(b) Lender may enter into or upon the Mortgaged Property, personally or by its agents, nominees or attorneys, and may dispossess Borrower and its agents and servants therefrom, and thereupon Lender at its sole discretion may: (i) use, operate, manage, control, insure, maintain, repair, restore and otherwise deal with all and every portion of the Mortgaged Property and conduct business thereon, in any case either in the name of Lender or in such other name as Lender shall deem best; (ii) complete any construction on the Mortgaged Property in such manner and form as Lender deems advisable; (iii) make alterations, additions, renewals, replacements and improvements to or on the Mortgaged Property; (iv) exercise all rights and powers of Borrower with respect to the Mortgaged Property, whether in the name of Borrower or otherwise, including the right to make, cancel, enforce or modify Leases, obtain and evict tenants, and demand, sue for, collect and receive all Property Income; and (v) apply the receipts of Property Income to the payment of the Indebtedness (including any prepayment fee payable under the Loan Agreement) in such order as Lender shall determine in its sole discretion, after deducting therefrom all expenses (including reasonable attorneys' fees,

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costs and expenses) incurred in connection with the aforesaid operations and all amounts necessary to pay the Impositions, insurance and other charges in connection with the Mortgaged Property, as well as just and reasonable compensation for the services of Lender, its agents, nominees and attorneys.

(c) With or without entry, personally or by its agents, nominees or attorneys, Lender may sell all or any portion of the Mortgaged Property and all or any portion of Borrower's estate, right, title, interest, claim and demand therein and right of redemption thereof at one or more private or public sales in the manner and to the extent permitted by law, as an entirety or in parcels or portions, and Lender shall have any statutory power of sale as may be provided by law in the State.

(d) Lender may institute proceedings for the complete foreclosure of this Mortgage, in which case the Mortgaged Property may be sold for cash or upon credit, as an entirety or in parcels or portions.

(e) Lender may institute proceedings for the partial foreclosure of this Mortgage for the portion of the Indebtedness then due and payable, subject to the continuing lien of this Mortgage for the balance of the Indebtedness not then due.

(f) Lender may institute an action, suit or proceeding at law or in equity for the specific performance of any covenant, condition or agreement contained in the Note, this Mortgage or any other Loan Document, or in aid of the execution of any power granted hereunder or for the enforcement of any other appropriate legal or equitable remedy.

(g) Lender shall have the rights and may take such actions as are set forth, described or referred to in Article VI of this Mortgage entitled "State Law Provisions" or as are permitted by the laws of the State.

(h) Lender may recover judgment on the Loan Agreement and the Note, either before, during or after any proceedings for the foreclosure or enforcement of this Mortgage.

(i) Lender may secure the appointment of a receiver, trustee, liquidator or similar official of the Mortgaged Property or any portion thereof, and Borrower hereby consents and agrees to such appointment, without notice to Borrower and without regard to the adequacy of the security for the Indebtedness and without regard to the solvency of Borrower or any other Person liable for the payment of the Indebtedness, and such receiver or other official shall have all rights and powers permitted by applicable law and such other rights and powers as the court making such appointment may confer, but the appointment of such receiver or other official shall not impair or in any manner prejudice the rights of Lender to receive the Property Income pursuant to this Mortgage or the Assignment.

(j) Lender may exercise any or all of the remedies available to a secured party under the Code.

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(k) Lender may pursue any other rights and remedies of Lender permitted by law, equity or contract or as set forth herein or in the other Loan Documents.

(l) Lender may, in its sole discretion, apply any funds then on deposit with Lender, including but not limited to such funds on deposit for the payment of Impositions, ground rent or insurance premiums, to the payment of such items or to the repayment of the Indebtedness.

(m) Lender in its sole discretion may surrender any insurance policies and collect the unearned premiums and apply such sums against the Indebtedness.

(n) To the extent permitted by law, exercise any power of sale.

(o) Lender may make any payment or do any act required to be performed under the Ground Lease (but without obligation to make or do) in such manner and to such extent as Lender may reasonably deem necessary to protect the security hereof, including without limitation, the right to appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Lender, and, in exercising any such powers, to pay necessary costs and expenses, employ counsel and incur and pay attorneys' fees and disbursements.

(p) Lender may, at its option, without notice and without regard to the adequacy of security for the Indebtedness hereby secured, with or without bringing any action or proceeding, and with or without a receiver (i) cancel, enforce, extend or modify any or all of the Ground Lease, subject to the provisions thereof, (ii) do any acts which Lender deems proper to protect the security hereof, (iii) assign, transfer, hypothecate or otherwise transfer Lender's interest in the Ground Lease, and (iv) in its own name sue for or otherwise collect and receive any payments due under the Ground Lease, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including attorneys' fees and disbursements, upon any Indebtedness secured by this Mortgage. The collection of such payments, and the application thereof as aforesaid, shall not cure or waive any default, or waive, modify or effect notice of default under the Loan Agreement, or invalidate any act done pursuant to such notice. Nothing contained in this Mortgage shall impose or create any obligation or liability whatsoever, expressed or implied, upon Lender, with respect to or in any manner arising out of the Ground Lease assigned as security hereunder, until such time as Lender assumes or acquires all of Borrower's right, title and interest in and to the Ground Lease through pursuit of its remedies hereunder.

Section 4.02 General Provisions Regarding Remedies.

(a) Proceeds of Sale. The proceeds of any sale of the Mortgaged Property or any part thereof received by Lender shall be distributed and applied to the amounts set forth in Section 2.8(c) of the Loan Agreement in such order and priority as Lender deems appropriate in its sole discretion.

(b) Effect of Judgment. No recovery of any judgment by Lender and no levy of an execution under any judgment upon the Mortgaged Property or upon any other

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property of Borrower shall affect in any manner or to any extent the lien of this Mortgage upon the Mortgaged Property or any portion thereof, or any rights, powers or remedies of Lender hereunder. Such lien, rights, powers and remedies of Lender shall continue unimpaired as before.

(c) Continuing Power of Sale. The power of sale conferred upon Lender in this Mortgage shall not be exhausted by any one or more sales as to any portion of the Mortgaged Property remaining unsold, but shall continue unimpaired until all of the Mortgaged Property is sold or all of the Indebtedness is paid.

(d) Right to Purchase. At any sale of the Mortgaged Property or any portion thereof pursuant to the provisions of this Mortgage, Lender shall have the right to purchase the Mortgaged Property being sold, and in such case shall have the right to credit against the amount of the bid made therefor (to the extent necessary) all or any portion of the Indebtedness then due.

(e) Right to Terminate Proceedings. Lender may terminate or rescind any proceeding or other action brought in connection with its exercise of the remedies provided in Section 4.01 at any time before the conclusion thereof, as determined in Lender's sole discretion and without prejudice to Lender.

(f) No Waiver or Release. Lender may resort to any remedies and the security given by the Loan Documents, in whole or in part, and in such portions and in such order as determined in Lender's sole discretion. No such action shall in any way be considered a waiver of any rights, benefits or remedies evidenced or provided by the Loan Documents. The failure of Lender to exercise any right, remedy or option provided in the Loan Documents shall not be deemed a waiver of such right, remedy or option or of any covenant or obligation secured by the Loan Documents. No acceptance by Lender of any payment after the occurrence of an Event of Default and no payment by Lender of any Advance or obligation for which Borrower is liable hereunder shall be deemed to waive or cure such Event of Default or Borrower's liability to pay such obligation. No sale of all or any portion of the Mortgaged Property, no foreclosure on the part of Lender, and no extension of time for the payment of the whole or any portion of the Indebtedness or any other indulgence given by Lender to Borrower or any other Person, shall operate to release or in any manner affect Lender's interest in the Mortgaged Property or the liability of Borrower to pay the Indebtedness, except to the extent that such liability shall be reduced by proceeds of the sale of all or any portion of the Mortgaged Property received by Lender. No waiver by Lender shall be effective unless it is in a writing executed by Lender and then only to the extent specifically stated therein.

(g) No Impairment; No Release. The interests and rights of Lender under the Loan Documents shall not be impaired by any indulgence, including: (i) any renewal, extension or modification which Lender may grant with respect to any of the Indebtedness; (ii) any surrender, compromise, release, renewal, extension, exchange or substitution which Lender may grant with respect to the Mortgaged Property or any portion thereof; or (iii) any release or indulgence granted to any maker, endorser, guarantor or surety of any of the Indebtedness.

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(h) Waivers and Agreements Regarding Remedies. To the fullest extent that Borrower may legally do so, Borrower:

(i) agrees that Borrower will not at any time insist upon, plead, claim or take the benefit or advantage of any laws now or hereafter in force providing for any appraisal or appraisement, valuation, stay, extension or redemption, and waives and releases all rights of redemption, valuation, appraisal or appraisement, stay of execution, extension and notice of election to accelerate or declare due the whole of the Indebtedness;

(ii) waives all rights to a marshalling of the assets of Borrower, Borrower's partners, if any, and others with interests in Borrower, including the Mortgaged Property, or to a sale in inverse order of alienation in the event of foreclosure of the interests hereby created, and agrees not to assert any right under any laws pertaining to the marshalling of assets, the sale in inverse order of alienation, homestead exemption, the administration of estates of decedents, or any other matters whatsoever to defeat, reduce or affect the right of Lender under the Loan Documents to a sale of the Mortgaged Property for the collection of the Indebtedness without any prior or different resort for collection, or the right of Lender to the payment of the Indebtedness out of the proceeds of sale of the Mortgaged Property in preference to every other claimant whatsoever;

(iii) waives any right to bring or utilize any defense, counterclaim or setoff, other than one in good faith, which denies the existence or sufficiency of the facts upon which the foreclosure action is grounded or which is based on Lender's wrongful actions. If any defense, counterclaim or setoff (other than one permitted by the preceding sentence) is raised by Borrower in such foreclosure action, such defense, counterclaim or setoff shall be dismissed. If such defense, counterclaim or setoff is based on a claim which could be tried in an action for money damages, the foregoing waiver shall not bar a separate action for such damage (unless such claim is required by law or applicable rules of procedure to be pleaded in or consolidated with the action initiated by Lender), but such separate action shall not thereafter be consolidated with Lender's foreclosure action. The bringing of such separate action for money damages shall not be deemed to afford any grounds for staying any such foreclosure action;

(iv) waives and relinquishes any and all rights and remedies which Borrower may have or be able to assert by reason of the provisions of any laws pertaining to the rights and remedies of sureties;

(v) waives the defense of laches and any applicable statutes of limitation; and

(vi) waives any right to have any trial, action or proceeding tried by a jury.

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(i) Lender's Discretion. Except as expressly set forth herein or in any other Loan Document to the contrary, Lender may exercise its rights, options and remedies and may make all decisions, judgments and determinations under this Mortgage and the other Loan Documents in its sole and absolute discretion.

(j) Recitals of Facts. Upon grant of judgment of foreclosure, and in the event of a sale or other disposition of the Mortgaged Property pursuant to Section 4.01 and the execution of a deed or other conveyance pursuant thereto, the recitals therein of facts (such as default, the giving of notice of default and notice of sale, demand that such sale should be made, postponement of sale, terms of sale, purchase, payment of purchase money and other facts affecting the regularity or validity of such sale or disposition) shall be conclusive proof of the truth of such facts. Any such deed or conveyance shall be conclusive against all Persons as to such facts recited therein.

(k) Lender's Right to Waive, Consent or Release. Lender may at any time, in writing: (i) waive compliance by Borrower with any covenant herein made by Borrower to the extent and in the manner specified in such writing; (ii) consent to Borrower's doing any act which Borrower is prohibited hereunder from doing, or consent to Borrower's failing to do any act which Borrower is required hereunder to do, to the extent and in the manner specified in such writing; or (iii) release any portion of the Mortgaged Property, or any interest therein, from this Mortgage and the lien of the other Loan Documents. No such act shall in any way impair the rights of Lender hereunder except to the extent specified by Lender in such writing.

(l) Possession of the Mortgaged Property. Upon the occurrence of any Event of Default hereunder and demand by Lender at its option, Borrower shall immediately surrender or cause the surrender of possession of the Premises to Lender. If Borrower or any other occupant is permitted to remain in possession, such possession shall be as tenant of Lender and such occupant: (i) shall on demand pay to Lender monthly, in advance, reasonable use and occupancy charges for the space so occupied; and (ii) in default thereof, may be dispossessed by the usual summary proceedings. Upon the occurrence of any Event of Default and demand by Lender, Borrower shall assemble the Collateral and make it available at any place Lender may designate to allow Lender to take possession and/or dispose of the Collateral. The covenants herein contained may be enforced by a receiver of the Mortgaged Property or any portion thereof. Nothing in this Section 4.02(l) shall be deemed a waiver of the provisions of this Mortgage prohibiting the sale or other disposition of the Mortgaged Property without the prior consent of Lender.

(m) Limitations on Liability. Notwithstanding anything contained herein to the contrary, Borrower's liability hereunder is subject to the limitation on liability provisions of Article 12 of the Loan Agreement, which Article 12 is incorporated herein by reference, mutatis mutandis, as if such Article 12 was set forth in full herein.

(n) Subrogation. If all or any portion of the proceeds of the Note or any Advance shall be used directly or indirectly to pay off, discharge or satisfy, in whole or in part, any prior lien or encumbrance upon the Mortgaged Property or any portion thereof,

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then Lender shall be subrogated to, and shall have the benefit of the priority of, such other lien or encumbrance and any additional security held by the holder thereof.

ARTICLE V

Miscellaneous

Section 5.01 Notices. All notices, consents, approvals and requests required or permitted hereunder or under any other Loan Document shall be given in writing and shall be effective for all purposes if delivered to the Persons and locations and in the manner set forth in Section 13.1 of the Loan Agreement.

Section 5.02 Binding Obligations; Joint and Several. The provisions and covenants of this Mortgage shall run with the land, shall be binding upon Borrower, its successors and assigns, and shall inure to the benefit of Lender, its successors and assigns. If there is more than one Borrower, all their obligations and undertakings hereunder are and shall be joint and several.

Section 5.03 Captions. The captions of the sections and subsections of this Mortgage are for convenience only and are not intended to be a part of this Mortgage and shall not be deemed to modify, explain, enlarge or restrict any of the provisions hereof.

Section 5.04 Severability. If any one or more of the provisions contained in this Mortgage shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Mortgage, but this Mortgage shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

Section 5.05 Amendments; Consents. This Mortgage cannot be altered, amended, modified or discharged orally and no executory agreement shall be effective to modify or discharge it in whole or in part, unless in writing and signed by the party against which enforcement is sought. No consent or approval required hereunder or under any other Loan Document shall be binding unless in writing and signed by the party sought to be bound.

Section 5.06 Other Loan Documents and Exhibits. All of the agreements, conditions, covenants, provisions and stipulations contained in the Loan Agreement, the Note and the other Loan Documents, and each of them, which are to be kept and performed by Borrower are hereby made a part of this Mortgage to the same extent and with the same force and effect as if they were fully set forth in this Mortgage, and Borrower shall keep and perform the same, or cause them to be kept and performed, strictly in accordance with their respective terms. The Cover Sheet and each exhibit, schedule and rider attached to this Mortgage are integral parts of this Mortgage and are incorporated herein by this reference. In the event of any conflict between the provisions of any such exhibit, schedule or rider and the remainder of this Mortgage, the provisions of such exhibit, schedule or rider shall prevail.

Section 5.07 Legal Construction.

(a) In all respects, including, without limitation, matters of construction and performance of this Mortgage and the obligations arising hereunder, this Mortgage shall

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be governed by, and construed in accordance with, the laws of the State in which the Premises are located applicable to contracts and obligations made and performed in the State and any applicable laws of the United States of America. Interpretation and construction of this Mortgage shall be according to the contents hereof and without presumption or standard of construction in favor of or against Borrower or Lender.

(b) All terms contained herein shall be construed, whenever the context of this Mortgage so requires, so that the singular number shall include the plural, and the plural the singular, and the use of any gender shall include all genders.

(c) The terms "include" and "including" as used in this Mortgage shall be construed as if followed by the phrase "without limitation". The words "hereof", "herein" and "hereunder" and words of similar import when used in this Mortgage shall refer to this Mortgage as a whole and not to any particular provision of this Mortgage, and Article, Section and Exhibit references contained in this Mortgage are references to Articles, Sections and Exhibits in or to this Mortgage unless otherwise specified.

(d) Any provision of this Mortgage or in the other Loan Documents permitting the recovery of "attorneys' fees", "attorneys' fees and expenses", "attorneys' fees and costs" or "attorneys' fees, costs and expenses" or any similar term shall be deemed: (i) to include such reasonable, actual and out-of-pocket attorneys' fees, costs and expenses; (ii) to include such fees, costs and expenses incurred in all probate, appellate and bankruptcy proceedings, as well as any post-judgment proceedings to collect or enforce any judgment or order relating to the Indebtedness or any of the Loan Documents; and (iii) shall be deemed to be separate and several, and shall survive merger into judgment.

Section 5.08 Merger. So long as any Indebtedness shall remain unpaid, fee title to and any other estate in the Mortgaged Property shall not merge, but shall be kept separate and distinct, notwithstanding the union of such estates in any Person. If the Lender acquires the fee estate and the leasehold estate (whether pursuant to the provisions of the Ground Lease, by foreclosure of this Mortgage, or otherwise), the fee estate and the leasehold estate shall not merge as a result of such acquisition and shall remain separate and distinct for all purposes after such acquisition unless and until the Lender shall elect to merge the fee estate and the leasehold estate.

Section 5.09 Time of the Essence. Time shall be of the essence in the performance of all obligations of Borrower under this Mortgage.

Section 5.10 Repayment and Release. If all of the Indebtedness is paid in full in accordance with the Loan Agreement, the Note, this Mortgage and the other Loan Documents and all of the covenants, warranties, conditions, undertakings and agreements made in the Loan Agreement, the Note, this Mortgage and the other Loan Documents are fully kept and performed, then in that event only all rights of Lender under this Mortgage and the other Loan Documents shall terminate and the Mortgaged Property shall become wholly clear of the liens, grants, security interests, conveyances and assignments evidenced hereby and thereby, and Lender shall release or cause to be released such liens, grants, assignments, conveyances and security interests in due form at Borrower's cost (to the extent permitted by the law of the State), and this

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Mortgage shall be void; provided, however, that no provision of this Mortgage or any other Loan Document which, by its own terms, is intended to survive such payment, performance, and release (nor the rights of Lender under any such provision) shall be affected in any manner thereby and such provision shall, in fact, survive. Recitals of any matters or facts in any release instrument executed by Lender under this Section 5.10 shall be conclusive proof of the truthfulness thereof. To the extent permitted by law, such an instrument may describe the grantee or releasee as "the person or persons legally entitled thereto" and Lender shall not have any duty to determine the rights of persons claiming to be rightful grantees or releasees of any of the Mortgaged Property. When this Mortgage has been fully released or discharged by Lender, the release or discharge hereof shall operate as a release and discharge of the Assignment and as a reassignment of all future Leases and Property Income with respect to the Mortgaged Property to the person or persons legally entitled thereto, unless such release expressly provides to the contrary.

Section 5.11 Conflict. Notwithstanding anything to the contrary herein, this Mortgage shall be subject to the terms and conditions of the Loan Agreement and in the event of any conflict between the terms and conditions of this Mortgage and the terms and conditions of the Loan Agreement, the terms and conditions of the Loan Agreement shall prevail.

ARTICLE VI

Ground Lease Provisions

Section 6.01 Representations, Warranties and Covenants. In consideration of and as an inducement for Lender's making the Loan to Borrower, Borrower hereby makes the following representations, warranties, covenants and agreements to Lender, all of which shall survive the execution and delivery of the Loan Documents, and all of which shall remain true, correct and complete and shall remain continuing obligations so long as any portion of the Loan or any of Borrower's obligations under the Loan Documents remains outstanding or unsatisfied:

(a) Borrower hereby represents that the Ground Lease has not been amended, modified, extended, renewed, substituted or assigned except as described herein and that Borrower has delivered to Lender a true, accurate and complete copy of the Ground Lease.

(b) Borrower is the owner of the entire lessee's interest in and under the Ground Lease. To extent required under the Ground Lease, Borrower has obtained all necessary approvals, if any, of Ground Lessor for assignment of the Ground Lease to Lender.

(c) No default has occurred and is continuing under the Ground Lease and no event has occurred which, with the passage of time or the giving of notice, or both would constitute a default under the Ground Lease. Without limiting the aforesaid, all rents, additional rents, association payments and all other charges due and payable as of the date of this Mortgage under the Ground Lease have been fully paid. The Ground Lease is in full force and effect.

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(d) Borrower shall, at its sole cost and expense, promptly and timely perform and observe all the terms, covenants and conditions required to be performed and observed by Borrower as lessee under the Ground Lease (including, but not limited to, the payment of all rent, association payments and other charges required to be paid under the Ground Lease).

(e) If Borrower shall violate any term or condition of the Ground Lease, Borrower grants Lender the right (but not the obligation), without notice to Borrower, to take any action as may be necessary to prevent or cure any default of Borrower under the Ground Lease, and Lender shall have the right to enter all or any portion of the Mortgaged Property at such times and in such manner as Lender deems necessary, in order to cure any such default. Borrower shall promptly execute, acknowledge and deliver to Lender such instruments as may reasonably be required to permit Lender to cure any default under the Ground Lease or permit Lender to take such other action required to enable Lender to cure or remedy the matter in default and preserve the security interest of Lender under this Mortgage with respect to the Ground Lease. Borrower hereby irrevocably appoints Lender as its true and lawful attorney-in-fact to do, in its name or otherwise, any and all acts and to execute any and all documents which are necessary to preserve any rights of Borrower under or with respect to the Ground Lease, including, without limitation, the right to effectuate any extension or renewal of the Ground Lease if such rights would otherwise expire prior to Lender's taking possession of the Mortgaged Property through foreclosure of this Mortgage (and the above powers granted to Lender are coupled with an interest and shall be irrevocable), which rights may only be exercised by Lender following a default by Borrower hereunder or under the other Loan Documents.

(f) Borrower shall notify Lender in writing, promptly after notice thereof, of (i) the occurrence of any material default by Ground Lessor under the Ground Lease or the occurrence of any event which, with the passage of time or giving of notice, or both, would constitute a material default by Ground Lessor under the Ground Lease, and (ii) the receipt by Borrower of any notice (written or otherwise) from Ground Lessor noting or claiming the occurrence of any default by Borrower under the Ground Lease or the occurrence of any event which, with the passage of time or giving of notice, or both, would constitute a default by Borrower under the Ground Lease. Borrower shall, within one (1) Business Day after delivery or receipt thereof, deliver to Lender a copy of any such written notice of default.

(g) Lender shall have the right to intervene and participate in any proceeding relating to the Ground Lease if such proceeding, if adversely determined, would be reasonably expected to have a material adverse effect on Borrower, the Ground Lease or the Mortgaged Property. Borrower shall confer with Lender and its attorneys and experts, and cooperate with them to the extent which Lender deems reasonably necessary for the protection of Lender's interest in the Ground Lease and the Mortgaged Property.

(h) Promptly upon demand by Lender from time to time, but not more frequently than annually unless Borrower is in default hereunder or under the other Loan Documents, Borrower shall use good faith efforts to obtain from Ground Lessor and

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furnish to Lender an estoppel certificate of Ground Lessor stating the date through which amounts under the Ground Lease have been paid, whether or not there are any defaults under the Ground Lease and specifying the nature of such claimed defaults, if any, and such other matters as may be reasonably required by Lender.

(i) Borrower shall not, without Lender's prior written consent, surrender, terminate, forfeit, change, modify or amend or suffer or permit the surrender, termination or forfeiture of the Ground Lease. Consent by Lender to one amendment, change, agreement or modification to the Ground Lease shall not be deemed to be a waiver of the right to require consent to other, future or successive amendments, changes, agreements or modifications. If the Ground Lease is canceled or terminated prior to repayment of the indebtedness in full, Lender shall have the right to enter into a new lease with Ground Lessor. If Lender shall acquire an interest in any new lease of the property demised thereby, Borrower shall have no right, title or interest in or to the new lease or the leasehold estate created by such new lease.

(j) Borrower shall not waive, excuse, condone or in any way release or discharge Ground Lessor of or from its obligations, covenants and/or conditions under the Ground Lease without the prior written consent of Lender.

(k) Borrower shall, within one (1) Business Day after receipt thereof, provide a copy to Lender of any notice received from Ground Lessor of Ground Lessor's intention to sell, assign or transfer its interest in the Ground Lease or to terminate the Ground Lease (or any portion thereof).

Section 6.02 Indebtedness. No action or payment taken or made by Lender to cure any default by Borrower under the Ground Lease shall remove or waive, as between Borrower and Lender, the default which occurred hereunder by virtue of the default by Borrower under the Ground Lease. All sums expended by Lender in order to cure any such default shall be paid by Borrower to Lender, upon demand, with interest thereon at the Default Rate. All such indebtedness shall be deemed to be Indebtedness secured by the lien of this Mortgage.

Section 6.03 Merger. It is hereby agreed that the ground leasehold estate demised by the Ground Lease shall not merge with the fee estate but shall always be kept separate and distinct, notwithstanding the union of said estates in either Ground Lessor, Borrower, Lender or a third party, whether by purchase or otherwise and Lender shall continue to have and enjoy all of the rights and privileges of Lender as to the separate estates. If Borrower or any Affiliate of Borrower acquires the fee title owned by Ground Lessor, the interest of Ground Lessor in the Ground Lease or any other estate, title or interest in the property demised by the Ground Lease, or any part thereof, the lien of this Mortgage shall automatically attach to, cover and be a lien upon such acquired estate, title or interest and same shall thereupon be and become a part of the Mortgaged Property with the same force and effect as if specifically encumbered herein (*i.e.*, shall be prior to the lien of any mortgage, deed of trust or other lien placed on the Land after this Mortgage). In the event of any such acquisition, Borrower shall promptly deliver all documents reasonably required by Lender in connection with such acquisition, including without limitation, a modification to this Mortgage, or a new deed of trust in substantially the same form as this Mortgage, encumbering Ground Lessor's interest in the Premises and the Ground Lease and a

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title insurance policy insuring the lien of this Mortgage as a first lien on the fee estate and the leasehold estate of Borrower (or its Affiliate). Furthermore, Borrower hereby appoints Lender its true and lawful attorney-in-fact to execute and deliver all such instruments and documents in the name and on behalf of Borrower which rights may only be exercised by Lender following a default hereunder or under any other Loan Document. This power, being coupled with an interest, shall be irrevocable as long as Borrower's obligations secured hereby remain outstanding. Borrower shall not purchase the premises demised by the Ground Lease or acquire the interest of Ground Lessor in such premises or sell its interest in the ground leasehold estate created by the Ground Lease without Lender's prior written consent.

Section 6.04 Bankruptcy.

(a) If any action, proceeding, motion or notice shall be commenced or filed in respect of Borrower, Ground Lessor or the Mortgaged Property or any portion thereof in connection with any case under Title 11 of the United States Code (11 U.S.C. § 101 et seq.), as it may be amended, restated, replaced or superseded from time to time (the "Bankruptcy Code"), Lender shall have the option, exercisable upon notice from Lender to Borrower, to conduct and control any such litigation with counsel of Lender's choice. Lender may proceed in its own name or in the name of Borrower in connection with any such litigation, and Borrower agrees to execute any and all powers, authorizations, consents and other documents required by Lender in connection therewith. Lender shall be deemed a party to the Ground Lease (but shall not have any obligations thereunder) for purposes of Section 363 and 365 of the Bankruptcy Code, and shall have standing to appear and act as a party in interest in relation to any matter arising out of or related to the Ground Lease or the Mortgaged Property. Borrower shall, upon demand, pay to Lender all costs and expenses (including reasonable attorneys' fees, costs and expenses) paid or incurred by Lender in connection with the prosecution or conduct of any such proceedings within ten (10) days after notice from Lender setting forth such costs and expenses in reasonable detail. All such costs and expenses shall be secured by the lien of this Mortgage. Borrower shall not commence any action, suit or proceeding, or file any application or make any motion, in respect of the Ground Lease (other than as required under this Mortgage) in any such case under the Bankruptcy Code without the prior written consent of Lender. Effective upon the entry of an order for relief in respect of Borrower under the Bankruptcy Code, Borrower hereby assigns and transfers to Lender a non-exclusive right to apply to the Bankruptcy Court under Section 365(d)(4) of the Bankruptcy Code for an order extending the period during which the Ground Lease may be rejected or assumed.

(b) Borrower shall promptly, after obtaining knowledge thereof, notify Lender orally of any filing by or against Ground Lessor of a petition for relief under the Bankruptcy Code, as well as any motion, proposed plan of reorganization, or other filing affecting the Ground Lease, proposing to reject the Ground Lease, or use, sell, or lease the Land, Premises, or part thereof, under Section 363 of the Bankruptcy Code. Borrower shall thereafter promptly give written notice of such filing to Lender, setting forth any information available to Borrower as to the date of such filing, the court in which such petition was filed, and the relief sought therein. Borrower shall promptly deliver to Lender, following its receipt thereof, any and all notices, summonses,

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pleadings, applications and other documents received by Borrower in connection with any such petition or other filing and any proceedings relating thereto. Lender, at Borrower's expense, shall have the right to file or, at Lender's option, to require Borrower to file a request for all notices concerning the case.

(c) If Ground Lessor elects to reject the Ground Lease, Borrower shall not, without Lender's prior written consent, elect to treat the Ground Lease as terminated under subsection 365 of the Bankruptcy Code and shall remain in possession of the Premises and pay rent as required by applicable law. Any such election to terminate the Ground Lease made without Lender's prior written consent shall be void. The lien of this Mortgage does and shall encumber and attach to all of Borrower's rights and remedies at any time arising under or pursuant to Section 365 of the Bankruptcy Code, including without limitation, all of Borrower's rights to remain in possession of the Mortgaged Property and the leasehold estate.

(d) Upon written request of Lender, Borrower shall assume the Ground Lease, and shall take such steps as are necessary to preserve Borrower's right to assume the Ground Lease, including without limitation obtaining extension of time to assume or reject the Ground Lease under Subsection 365(d) of the Bankruptcy Code to the extent it is applicable.

(e) Without limiting subsections (c) or (d) above, if Borrower or Ground Lessor seeks to terminate or reject the Ground Lease or have the Ground Lease deemed terminated or rejected, then prior to the hearing on such termination or rejection Lender shall be given no less than twenty (20) days' notice and opportunity to elect in lieu of such termination or rejection to have the Ground Lease assumed by and assigned to a nominee of Lender. If Lender shall so elect to assume and assign the Ground Lease, then Borrower shall continue any request to terminate or reject the Ground Lease until after the motion to assume and assign has been heard. If Lender shall not elect to assume and assign the Ground Lease, then Lender may obtain in connection with the termination or rejection of the Ground Lease a determination that Ground Lessor, at Lender's option, shall (1) agree to terminate the Ground Lease and enter into a new lease with Lender on the same terms and conditions as the Ground Lease, for the remaining term of the Ground Lease, or (2) treat the Ground Lease as breached and provide Lender with the rights to cure defaults under the Ground Lease and to assume the rights and benefits of the Ground Lease.

(f) Without limiting anything herein to the contrary, Lender shall have the right to exercise its rights under Section 365(h) of the Bankruptcy Code to remain in possession if the debtor/Ground Lessor, or its assignee or transferee rejects the Ground Lease.

(g) If use, sale, or lease of the Mortgaged Property, or part thereof, under Section 363 of the Bankruptcy Code is proposed, Borrower shall immediately file notice with the applicable United States Bankruptcy Court (the "**Bankruptcy Court**") of Borrower's objection to such use, sale or lease, and demand for adequate protection of its and Lender's interest unless Lender notifies Borrower not to so object. Moreover, Lender

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shall have the right to file a notice with the Bankruptcy Court of its objection to such use, sale or lease unless Borrower has provided evidence satisfactory to Lender in its sole discretion that in connection with such sale, Lender shall receive funds sufficient to repay the Indebtedness in full. Such notice shall assert that neither Lender nor Borrower shall be adequately protected if the Mortgaged Property, or portion thereof, is used, sold or leased "free and clear" of the Ground Lease under Section 363 of the Bankruptcy Code. Borrower shall join with and support any request by Lender for adequate protection of Lender's interest. Notwithstanding the foregoing, Lender may seek additional terms and conditions, including such economic and monetary protections as it reasonably deems appropriate to adequately protect its interest.

(h) As security for the obligations secured by this Mortgage, Borrower hereby unconditionally assigns, transfers and sets over to Lender all of Borrower's claims and rights to the payment of damages arising under the Bankruptcy Code, including those for any rejection by Ground Lessor of the Ground Lease or adequate protection granted under Section 363(e) of the Bankruptcy Code in connection with the use, sale or lease of the Premises by Ground Lessor. Subject to subsection (a) above, Lender and Borrower may proceed jointly or separately in their own respective names with respect to any claim, suit, action or proceeding relating to the rejection of the Ground Lease, including, without limitation, the right to file and prosecute any proofs of claim, complaints, motions, applications, notices and other documents in any case in respect of Ground Lessor under the Bankruptcy Code or concerning the proposed use, sale, or lease of the Land, Premises, or part thereof under Section 363 of the Bankruptcy Code. However, Borrower shall not take any position in such proceedings inconsistent with this Mortgage or the position asserted by Lender. This assignment constitutes a present, irrevocable and unconditional assignment of the foregoing claims, rights and remedies, and shall continue in effect until all of the obligations secured by this Mortgage shall have been satisfied and discharged in full. Any amounts received by Lender or Borrower as damages arising out of the rejection of the Ground Lease or granted as adequate protection as aforesaid shall be applied first to all costs and expenses of Lender (including, without limitation, attorneys' fees, costs and expenses) incurred in connection with the exercise of any of its rights or remedies under this Article and then in accordance with the other applicable provisions of the Loan Documents.

(i) Unless the Indebtedness will be satisfied in full by an award to Borrower of adequate protection and Borrower has assigned to Lender all amounts necessary to satisfy the Indebtedness in full, Lender shall have the right to file a request for stay pending appeal of any sale order authorizing a sale of any of the Mortgaged Property free and clear of any leasehold interest, and, if requested by Lender, Borrower shall post all required bonds in connection with such appeal.

(j) If, pursuant to subsection 365(h)(1)(B) of the Bankruptcy Code, Borrower seeks to offset, against the rent reserved in the Ground Lease, the amount of any damages caused by the non-performance by Ground Lessor of any of such Ground Lessor's obligations under the Ground Lease after the rejection by Ground Lessor of the Ground Lease under the Bankruptcy Code, Borrower shall, prior to effecting such offset, notify Lender in writing of its intent so to do, setting forth the amounts proposed to be so offset,

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and, in the event Lender objects, Borrower shall not effect any offset of the amounts so objected to by Lender.

(k) Borrower hereby appoints Lender as its attorney in fact to act on behalf of Borrower in connection with all matters relating to or arising out of the assumption, termination, or rejection of the Ground Lease which rights may only be exercised by Lender following a default hereunder or under any other Loan Document. This grant of power of attorney is present, unconditional, irrevocable, durable and coupled with an interest.

Section 6.05 Predecessors, Successors. Where reference herein is made to the rights or obligations of Borrower or Ground Lessor under the Ground Lease, the same shall include the rights and obligations of their successors and assigns.

Section 6.06 Notice to Ground Lessor.

(a) Lender shall deliver to Ground Lessor (at the address provided in the Ground Lease) notice of any default under the Loan Document or other notice of acceleration of the Maturity Date and, if Borrower is afforded a cure period under the Loan Documents with respect to such default, Lender shall permit Ground Lessor the right to cure any such default within the time period provided to Borrower (if any) under the terms of the Loan Documents for curing said default; provided that neither Ground Lessor's right to cure any default nor any exercise of such right shall constitute an assumption by Ground Lessor of liability under the Loan Documents; provided, further, Ground Lessor shall have the right in accordance with, and subject to, the terms of Section 9.2 and 9.3 of the Ground Lease to repay the Indebtedness as long as all of the Indebtedness (including, without limitation, any Prepayment Fee or Closed Period Prepayment Fee) is paid in full to Lender.

(b) The terms of this Section are only for the benefit of Ground Lessor and are not for the benefit of Borrower. The failure of Lender to adhere to the terms of this Section 6.06 shall have no effect on the enforceability or on any of the other terms or provisions of this Deed of Trust. Borrower shall have no right to, and shall not, make any claim or assert as any defense that Lender did not comply with the terms of this Section.

ARTICLE VII

State Law Provisions

The following provisions are incorporated by reference into this Mortgage. If any conflict or inconsistency exists between this Article and the remainder of this Mortgage, this Article shall govern.

Section 7.01 Protective Advances. Without limitation on anything contained in this Mortgage, all advances, disbursements and expenditures made by Lender before and during a foreclosure of this Mortgage, and before and after a judgment of foreclosure, and at any time prior to sale of the Mortgaged Property, and, where applicable, after sale of the Mortgaged Property and during the pendency of any related proceedings, for the following purposes, in

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

- (a) all advances by Lender in accordance with the terms of this Mortgage to: (A) preserve or maintain, repair, restore or rebuild any improvements upon the Mortgaged Property; (B) preserve the lien of this Mortgage or the priority thereof; or (C) enforce this Mortgage, as referred to in Subsection (b)(5) of Section 15-1302 of the Act;
- (b) payments by Lender of: (A) when due installments of principal, interest or other obligations in accordance with the terms of any senior mortgage or other prior lien or encumbrance on the Mortgaged Property; (B) when due installments of real estate taxes and assessments, general and special and all other taxes and assessments of any kind or nature whatsoever which are assessed or imposed upon the Mortgaged Property or any part hereof; (C) other obligations authorized by this Mortgage; or (D) with court approval, any other amounts in connection with other liens, encumbrances or interests reasonably necessary to preserve the status of title, as referred to in Section 15-1505 of the Act;
- (c) advances by Lender in settlement or compromise of any claims asserted by claimants under senior mortgages or any prior liens;
- (d) reasonable attorneys' fees and other expenses incurred: (A) in connection with the foreclosure of this Mortgage as referred to in Section 15-1504(d)(2) and 15-1510 of the Act; (B) in connection with any action, suit or proceeding brought by or against Lender for the enforcement of this Mortgage or arising from the interest of Lender hereunder; or (C) in the preparation for the commencement or defense of any such foreclosure or other action;
- (e) Lender's fees and costs, including reasonable attorneys' fees, arising between the entry of judgment of foreclosure and confirmation hearing as referred to in Subsection (b)(1) of Section 15-1508 of the Act;
- (f) expenses deductible from proceeds of sale as referred to in subsections (a) and (b) of Section 15-1512 of the Act;
- (g) expenses incurred and expenditures made by Lender for any one or more of the following: (A) if all or any portion thereof constitutes one or more units under a condominium declaration, assessments imposed upon the unit owner thereof; (B) if any interest in the Mortgaged Property is a leasehold estate under a lease or sublease, rentals or other payments required to be made by the lessee under the terms of the lease or sublease; (C) premiums for casualty and liability insurance paid by Lender whether or not Lender or a receiver is in possession, if reasonably required, in reasonable amounts, and all renewals thereof, without regard to the limitation to maintaining existing insurance in effect at the time any receiver or mortgagee takes possession of the Mortgaged Property

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as imposed by subsection (c)(1) of Section 15-1704 of the Act; (D) repair or restoration of damage or destruction in excess of available insurance proceeds or condemnation awards; (E) payments required or deemed by Lender to be for the benefit of the Mortgaged Property or required to be made by the owner of the Mortgaged Property under any grant or declaration of easement, easement agreement, agreement with any adjoining land owners or instruments creating covenants or restrictions for the benefit of or affecting the Mortgaged Property; (F) shared or common expense assessments payable to any association or corporation in which the owner of the Mortgaged Property is a member if in any way affecting the Mortgaged Property; (G) costs incurred by Lender for demolition, preparation for and completion of construction; and (H) pursuant to any lease or other agreement, for occupancy of the Mortgaged Property.

All Protective Advances shall be deemed additional Indebtedness secured by this Mortgage, and shall become immediately due and payable without notice and with interest thereon from the date of the advance until paid at the Default Rate. This Mortgage shall be a lien for all Protective Advances as to subsequent purchasers and judgment creditors from the time this Mortgage is recorded pursuant to subsection (b) of Section 15-1302 of the Act. All Protective Advances shall, except to the extent, if any, that any of the same are clearly contrary to or inconsistent with the provisions of the Act, apply to and be included in: (A) determination of the amount of Indebtedness secured by this Mortgage at any time; (B) the amount of the Indebtedness found due and owing to Lender in a judgment of foreclosure and any subsequent, supplemental judgments, orders, adjudications or findings by any court of any additional Indebtedness becoming due after such entry of judgment (it being agreed that in any foreclosure judgment, the court may reserve jurisdiction for such purpose); (C) if right of redemption is deemed not to be waived by this Mortgage, computation of any amounts required to redeem, pursuant to Subsections (d)(2) and (e) of Section 5-1603 of the Act; (D) determination of amounts deductible from sale proceeds pursuant to Section 15-1512 of the Act; (E) application of income in the hands of any receiver or Lender in possession; and (F) computation of any deficiency judgment pursuant to subsections (b) (2) and (e) of Sections 15-1508 and 15-1511 of the Act.

Section 7.02 Waiver of Right of Redemption and Reinstatement. Without limiting the generality of Section 4.02(h) of this Mortgage, the waiver by Borrower of its rights of redemption and reinstatement in such Section, include the waiver of such rights as provided under Sections 15-1601 and 15-1602 of the Act.

Section 7.03 Business Loan Recital/Statutory Exemption.

(a) Borrower acknowledges and agrees that (A) the proceeds of the Loan will be used in conformance with subparagraph (1) of Section 4 of the Illinois Interest Act (815 ILCS 205/0.01, et seq.), including Section 4(1) thereof; (B) the Indebtedness secured hereby has been incurred by Borrower solely for business purposes of Borrower and for Borrower's investment or profit, as contemplated by said Section 4(1); (C) the Indebtedness secured hereby constitutes a loan secured by real estate within the purview of and as contemplated by said Section 4(1); and (D) the secured Indebtedness is an exempted transaction under the Truth-In-Lending Act, 15 U.S.C. Sec. 1601 *et. seq.* and has been entered into solely for business purposes of Borrower and Borrower's investment or profit, as contemplated by said section.

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(b) Without limiting the generality of anything contained herein, Borrower acknowledges and agrees that the transaction of which this Mortgage is part is a transaction which does not include either agricultural real estate (as defined in 15-1201 of the Act) or residential real estate (as defined in 15-1219 of the Act).

Section 7.04 Maximum Principal Amount/Future Advances. This Mortgage shall secure the payment of any amounts advanced from time to time under the Loan Documents, or under other documents stating that such advances are secured hereby. To the extent provided in the Loan Agreement, Lender shall have the right to make subsequent advances of the Loan. This Mortgage also secures any and all future obligations and Indebtedness arising under or in connection with this Mortgage, which future obligations and Indebtedness shall have the same priority as if all such future obligations and Indebtedness were made on the date of execution hereof. Nothing in this Section or in any other provision of this Mortgage shall be deemed an obligation on the part of Lender to make any future advances of any sort. At all times, regardless of whether any Loan proceeds have been disbursed, this Mortgage shall secure (in addition to any Loan proceeds disbursed from time to time) the payment of any and all expenses and advances due to or incurred by Lender in connection with the Indebtedness to be secured hereby and which are to be reimbursed by Borrower under the terms of this Mortgage; provided, however, that in no event shall the total amount of Loan proceeds disbursed plus such additional amounts exceed \$134,000,000.

Section 7.05 Lender in Possession. In addition to any provision of this Mortgage authorizing the Lender to take or be placed in possession of the Mortgaged Property, or for the appointment of a receiver, Lender shall have the right, in accordance with Sections 15-1701 and 15-1702 of the Act, to be placed in possession of the Mortgaged Property or at its request to have a receiver appointed, and such receiver, or Lender, if and when placed in possession, shall have, in addition to any other powers provided in this Mortgage, all powers, immunities, and duties as provided for in Sections 15-1701 and 15-1703 of the Act.

Section 7.06 Illinois Mortgage Foreclosure Act. It is the express intention of Lender and Borrower that the rights, remedies, powers and authorities conferred upon Lender pursuant to this Mortgage shall include all rights, remedies, powers and authorities that a mortgagor may confer upon a mortgagee under the Act and/or as otherwise permitted by applicable law, as if they were expressly provided for herein. In the event that any provisions in this Mortgage are deemed inconsistent with any provision in the Act, the provisions of the Act shall take precedence over the provisions of this Mortgage, but shall not invalidate or render unenforceable any other provision of this Mortgage that can be construed in a manner consistent with the Act. If any provision of this Mortgage shall grant to Lender any rights or remedies which are more limited than the rights that would otherwise be vested in Lender under the Act in the absence of such provisions, Lender shall be vested with the rights granted in the Act to the full extent permitted by law.

Section 7.07 Collateral Protection Act. Pursuant to the requirements of the Illinois Collateral Protection Act, Borrower is hereby notified as follows:

Unless the Borrower provides Lender with evidence of the insurance coverage required by this Mortgage, the Loan Agreement or any of the other Loan Documents,

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Lender may purchase insurance at Borrower's expense to protect Lender's interest in the Mortgaged Property or any other collateral for the Indebtedness. This insurance may, but need not protect Borrower's interests. The coverage Lender purchases may not pay any claim that Borrower makes or any claim that is made against Borrower in connection with the Mortgaged Property or any other collateral for the Indebtedness. Borrower may later cancel any insurance purchased by Lender but only after providing Lender with evidence that Borrower has obtained insurance as required by this Mortgage, the Loan Agreement or any of the other Loan Documents. If Lender purchases insurance for the Mortgaged Property or any other collateral for the Indebtedness, Borrower will be responsible for the costs of that insurance, including interest and any other charges that Lender may lawfully impose in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The cost of the insurance may be added to the Indebtedness and future obligations secured hereunder. The costs of the insurance may be more than the cost of insurance that Borrower may be able to obtain on its own.

Section 7.08 Sealed Instrument. Borrower intends for this Mortgage to be executed and delivered by Borrower, and accepted by Lender, as a sealed instrument.

Section 7.09 Construction Loan. This Mortgage secures an obligation incurred for the construction of improvements on the Land and is deemed to be a "construction" mortgage as provided in Section 9-334(h) of the Code.

Section 7.10 Venue. Any action to enforce this Mortgage or to pursue any of the remedies set forth herein shall be brought in the courts of the State of Illinois, in the county in which the Premises are located.

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[Signature Page to Mortgage]

IN WITNESS WHEREOF, this Mortgage has been duly executed and delivered as of the day and year first above written.

BORROWER:

**HAMMES PARTNERS SAINT JOSEPH ACC,
LLC, a Delaware limited liability company**

By: _____

Name: Todd W. Kibler

Its: Secretary



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[Notary Page to Mortgage]

ACKNOWLEDGMENT

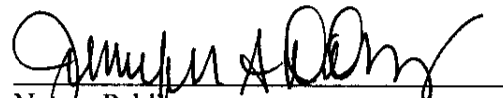
STATE OF WISCONSIN

§
§
§

COUNTY OF WAUKESHA

This instrument was acknowledged before me on this 7th day of April, 2014, by Todd W. Kibler as Secretary of HAMMES PARTNERS SAINT JOSEPH ACC, LLC, a Delaware limited liability company, on behalf of said entity.

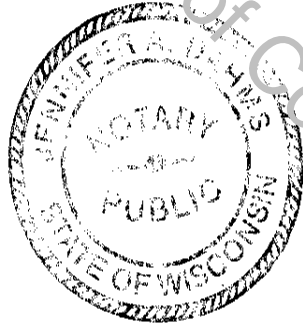
My Commission expires:
1/1/17



Notary Public

Jennifer A. Dahms

Printed/Typed Name of Notary



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EXHIBIT A

DESCRIPTION OF LAND

PARCEL 1:

THAT PART OF LOTS 5 AND 6 IN ASSESSOR'S DIVISION OF LOTS 1 AND 2 IN SUBDIVISION BY CITY OF CHICAGO OF EAST FRACTION HALF OF SECTION 28, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, WHICH LIES BETWEEN SHERIDAN ROAD (FORMERLY LAKEVIEW AVENUE) ON THE WEST, COMMONWEALTH AVENUE ON THE EAST (EXCEPTING THEREFROM THAT PART LYING SOUTH OF A STRAIGHT LINE DRAWN FROM A POINT ON THE EAST LINE OF SAID NORTH SHERIDAN ROAD WHICH IS 228 FEET 4 3/16 INCHES NORTH OF NORTH LINE OF WEST DIVERSEY PARKWAY TO A POINT ON WEST LINE OF SAID NORTH COMMONWEALTH AVENUE WHICH IS 227 FEET 10 INCHES NORTH OF NORTH LINE OF SAID WEST DIVERSEY PARKWAY AND SAID STRAIGHT LINE PRODUCED WEST TO THE CENTERLINE OF SAID NORTH SHERIDAN ROAD AND PRODUCED EAST TO CENTERLINE OF SAID NORTH COMMONWEALTH AVENUE) IN COOK COUNTY, ILLINOIS.

EXCEPT THAT PART OF LOTS 5 AND 6 IN ASSESSOR'S DIVISION OF LOTS 1 AND 2 IN SUBDIVISION BY CITY OF CHICAGO OF EAST FRACTION HALF OF SECTION 28, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, WHICH LIES BETWEEN SHERIDAN ROAD (FORMERLY LAKEVIEW AVENUE) ON THE WEST, COMMONWEALTH AVENUE ON THE EAST (EXCEPTING THEREFROM THAT PART LYING SOUTH OF A STRAIGHT LINE DRAWN FROM A POINT ON THE EAST LINE OF SAID NORTH SHERIDAN ROAD WHICH IS 228 FEET 4 3/16 INCHES NORTH OF NORTH LINE OF WEST DIVERSEY PARKWAY TO A POINT ON WEST LINE OF SAID NORTH COMMONWEALTH AVENUE WHICH IS 227 FEET 10 INCHES NORTH OF NORTH LINE OF SAID WEST DIVERSEY PARKWAY AND SAID STRAIGHT LINE PRODUCED WEST TO THE CENTERLINE OF SAID NORTH SHERIDAN ROAD AND PRODUCED EAST TO CENTERLINE OF SAID NORTH COMMONWEALTH AVENUE), TAKEN AS A TRACT AND DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF SAID TRACT; THENCE SOUTH ALONG THE EAST LINE OF SAID TRACT, 59.64 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING SOUTH ALONG SAID EAST LINE, 15.00 FEET; THENCE WEST AT RIGHT ANGLES TO THE LAST DESCRIBED LINE, 7.90 FEET TO A PROPOSED BUILDING FACE; THENCE NORTH ALONG SAID PROPOSED BUILDING FACE AND AS PARALLEL WITH THE EAST LINE OF SAID TRACT, 15.00 FEET; THENCE EAST AT RIGHT ANGLES TO THE LAST DESCRIBED LINE, 7.90 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

RIGHT TO ACCESS AND USE OF ROADWAYS, SIDEWALKS AND PARKING AREAS FOR THE THE BENEFIT OF PARCEL 1 AS CREATED BY THAT GROUND LEASE BETWEEN PRESENCE SAINT JOSEPH HOSPITAL-CHICAGO, AS LESSOR, AND HAMMES PARTNERS SAINT JOSEPH ACC, LLC, AS LESSEE, AS AMENDED BY AMENDED AND RESTATED GROUND LEASE DATED NOVEMBER 1, 2013, OF WHICH A MEMORANDUM OF AMENDED AND RESTATED GROUND LEASE WAS RE-RECORDED NOVEMBER 5, 2013 AS DOCUMENT 1330957067, OVER AND ACROSS THE LAND DESCRIBED AS FOLLOWS:

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TRACT 1:

ALL THAT PART OF LOTS 3 AND 4 OF ASSESSOR'S DIVISION OF LOTS 1 AND 2 IN THE SUBDIVISION BY THE CITY OF CHICAGO OF THE EAST FRACTIONAL 1/2 OF SECTION 28, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN WHICH LIES BETWEEN THE EASTERLY LINE OF COMMONWEALTH AVENUE ON THE WEST, OAKDALE AVENUE ON THE NORTH, THE BOUNDARY BETWEEN THE LAND OF LINCOLN PARK COMMISSIONERS AND THE LAND OF THE SHORE OWNERS, AS ESTABLISHED BY DECREE OF THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS, ENTERED OCTOBER 31, 1904 IN CASE 256886, ENTITLED AUGUSTA LEHMANN AND OTHERS, AGAINST LINCOLN PARK COMMISSIONERS BEING SUBSTANTIALLY THE WEST LINE OF LAKE SHORE DRIVE ON THE EAST AND SURF STREET ON THE SOUTH (EXCEPT THAT PART THEREOF TAKEN OR CONDEMNED FOR COMMONWEALTH AVENUE, AND EXCEPT 18 FOOT STRIP FOR ALLEY).

TRACT 2:

THAT PART OF THE 18 FOOT STRIP OF LAND FORMERLY DEDICATED FOR ALLEY PURPOSES AND MARKED "ALLEY BY DEED" AND RUNNING EAST AND WEST THROUGH THE FOLLOWING DESCRIBED PREMISES. ALL THAT PART OF LOTS 3 AND 4 OF ASSESSOR'S DIVISION OF LOTS 1 AND 2 IN THE SUBDIVISION BY THE CITY OF CHICAGO OF THE EAST FRACTIONAL 1/2 SECTION 28, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN WHICH LIES BETWEEN THE EASTERLY LINE OF COMMONWEALTH AVENUE ON THE WEST, OAKDALE AVENUE ON THE NORTH, THE BOUNDARY BETWEEN THE LAND OF LINCOLN PARK COMMISSIONERS AND THE LAND OF THE SHORE OWNERS AS ESTABLISHED BY DECREE OF THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS, ENTERED OCTOBER 31, 1904 AS CASE NO. 256886 ENTITLED AUGUSTA LEHMANN AND OTHERS, AGAINST LINCOLN PARK COMMISSIONERS BEING SUBSTANTIALLY THE WEST LINE OF LAKE SHORE DRIVE ON THE EAST AND SURF STREET ON THE SOUTH (EXCEPT THAT PART THEREOF TAKEN OR CONDEMNED FOR THE COMMONWEALTH AVENUE) WHICH ALLEY LIES BETWEEN LOT 9 ON THE NORTH AND LOTS 10, 11 AND 12 ON THE SOUTH OF THE COUNTY CLERK'S DIVISION OF LOTS 2, 3, AND 4 AND THE SOUTH 33 FEET OF LOT 1 OF ASSESSOR'S DIVISION AFORESAID.

TRACT 3:

THAT PART OF LOTS 5 AND 6 (TAKEN AS A TRACT) IN THE ASSESSOR'S DIVISION OF LOTS 1 AND 2 AFORESAID, WHICH LIES BETWEEN THE EAST LINE OF COMMONWEALTH AVENUE ON THE WEST AND THE AFORESAID BOUNDARY LINE BETWEEN THE LAND OF LINCOLN PARK COMMISSIONERS AND THE SHORE OWNERS ABOVE DESCRIBED, BEING SUBSTANTIALLY THE WEST LINE OF LAKE SHORE DRIVE ON THE EAST (EXCEPT FROM THE ABOVE DESCRIBED TRACT THE SOUTH 60 FEET THEREOF AND EXCEPT THAT PART THEREOF TAKEN OR CONDEMNED FOR COMMONWEALTH AVENUE).

TRACT 4:

THAT PART OF SURF STREET (AND SAID SURF STREET EXTENDED EAST) WHICH LIES BETWEEN THE EASTERLY LINE OF COMMONWEALTH AVENUE ON THE WEST, THE SOUTH LINE OF LOT 12 (AND SAID SOUTH LINE EXTENDED EAST), OF THE COUNTY CLERK'S DIVISION OF LOTS 2, 3, AND 4 OF THE SOUTH 33 FEET OF LOT 1 OF THE ASSESSOR'S DIVISION AFORESAID ON THE NORTH, THE BOUNDARY BETWEEN THE LAND OF LINCOLN PARK COMMISSIONER AND THE LAND OF THE SHORE OWNERS, AS ESTABLISHED BY DECREE OF THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS, OCTOBER 31, 1904 AS CASE 256886 ENTITLED AUGUSTA LEHMANN AND OTHERS, AGAINST LINCOLN PARK COMMISSIONERS BEING SUBSTANTIALLY THE WEST LINE OF LAKE SHORE DRIVE ON THE EAST AND THE NORTH LINE OF LOT 5 (AND SAID NORTH LINE EXTENDED EAST) OF THE ASSESSOR'S DIVISION OF LOTS 1 AND 2 AFORESAID, ON THE SOUTH, ALL IN COOK COUNTY, ILLINOIS.

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Common Address: 331-359 W. Surf Street, Chicago, Illinois 60657

Pin No: 14-28-206-004-0000

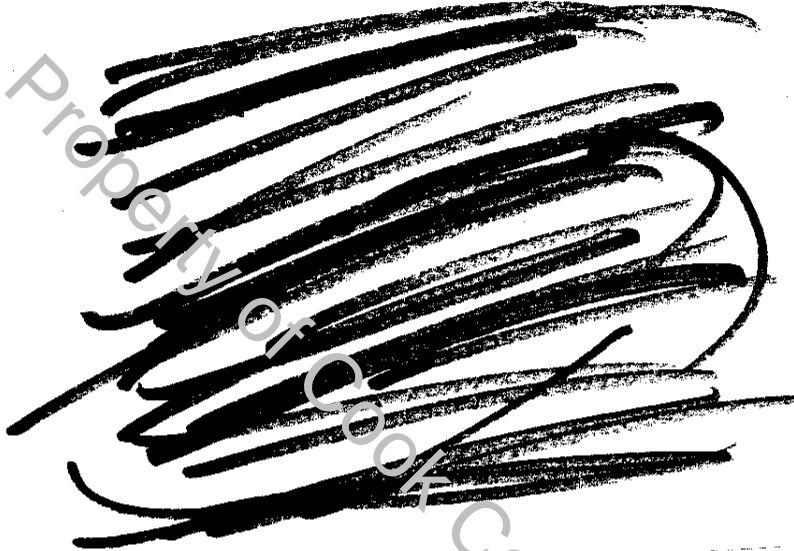


Exhibit A-3

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EXHIBIT B

PERMITTED ENCUMBRANCES

- 1) Party wall rights of owners of adjoining land relating to a party wall along the south line of the land, as established by Agreement made by American National Bank and Trust Company of Chicago, as Trustee under Trust Agreement dated June 20, 1955 and known as Trust Number 11173, dated January 3, 1956 and recorded June 17, 1957 as document 16931983.

(affects Lot 5 of Parcel 1)

- 2) The following matters disclosed by an ALTA/ACSM survey made by Gewalt Hamilton Associates, Inc. on April 26, 2013, designated Job No. 4391.300 and last revised April 3, 2014 as No. 4391.304:

A. Encroachment of the building located mainly on the adjacent property lying to the South over and onto the Land 0.01 feet North and encroachment of the concrete footing as much as 0.59 feet North. (Affects Southeast part of Parcel 1 of the Land)

B. Encroachment of planter located mainly on the adjacent property lying to the South over and onto the Land as much as 0.66 feet North. (Affects South part of Parcel 1 of the Land)

C. Wrought iron fence and fence located on the property line and as much as 0.42 feet North onto the Land. We make no determination as to ownership of said fence. (Affects South part of Parcel 1 of the Land)

D. Encroachment of brick wall located mainly on the adjacent property lying to the South over and onto the Land 0.23 feet North. (Affects Southwest part of Parcel 1 of the Land)

E. Encroachment of vault located mainly on adjacent property lying to the South as much as 0.11 feet North onto Parcel 1 of the Land.

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- 3) Terms, conditions and provisions of the Lease creating the right to access and use described as Parcel 2 in Schedule A, together with the rights of other occupants, guests or invitees of the Lessor in and to the concurrent use of said roadways, sidewalks and parking areas, and subject to: payment of fees and charges, rules, regulations and limitations, and expiration or earlier terminations of the Lease creating such rights of access and use.

(affects Parcel 2)

- 4) Mortgage dated May 26, 2010 and recorded May 27, 2010 as document 1014741154, made by St. Joseph Hospital, to The Bank of New York Mellon Trust Company, N.A., to secure an indebtedness in the amount of \$750,000,000.00, and the terms and conditions thereof

Modification of aforesaid mortgage by instrument recorded May 15, 2013 as document 1313516033.

(affects Parcel 2)

- 5) Covenants and agreement, conditions and restrictions contained in four agreements made by the Commissioners of Lincoln Park with various owners of the land and other property, dated January 26, 1927 & counterparts thereof recorded as documents 9546753, 9546754 and 9553861 relating to the location, height, frontage, nature, construction and maintenance of buildings erected or to be erected on the land or any part thereof and prohibiting the use of such buildings for certain purposes therein named and also prohibiting the construction of certain classes of buildings and improvements thereon.

(Affects Parcel 2)

- 6) Terms, conditions and limitations contained in the No Further Remediation Letter issued by the Illinois Environmental Protection Agency and recorded October 31, 2001 as document number 0011018825.

(Affects Parcel 2)

- 7) Reservation in the Ordinance recorded June 17, 1958 as document 17236495 of a right of way 20 feet wide (being 10 feet on each side of the center line of that part of Surf Street therein ordained to be vacated) for an existing sewer & for the installation of any additional sewers or other municipally owned service facilities located now or in the future in said part of Surf Street, and for the maintenance, renewal and reconstruction of such facilities.

(Affects Surf Street in Parcel 2)

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- 8) Provision in the Ordinance recorded June 17, 1958 as document 17236495 that no buildings or other structures shall be erected on the right of way therein reserved or other use made of said area which would interfere with the use, maintenance, renewal or reconstruction of said facilities or the construction of additional municipally-owned service facilities.

(Affects Surf Street in Parcel 2)

- 9) Rights of public or quasi-public utilities, if any, in said vacated alley for the maintenance therein of poles, conduits, sewers, etc.

(Affects Parcel 2)

- 10) Public Way Easement Agreement (Pedestrian Bridge) dated March 1, 2014 and recorded March 31, 2014 as document 1409016018 by and between the City of Chicago, by and through its Department of Transportation, and Presence Saint Joseph Hospital-Chicago, and the terms and provisions contained therein.

Property of Cook County Clerk's Office